



Rep. Julie Hamos

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LRB095 13515 HLH 39313 a

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 until a successor
22 has been appointed and qualified, or until resignation, death,
23 incapacity, or disqualification.

24 Any person appointed as a trustee of the board shall
25 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. The Board, by a vote of at
15 least two-thirds of the trustees, may transfer investment
16 management to the Illinois State Board of Investment, which is
17 hereby authorized to manage these investments when so requested
18 by the Board of Trustees.

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

1 Authority Employees shall be the exclusive retirement plan and
2 such employees shall not be eligible for any supplemental plan,
3 except for a deferred compensation plan funded only by employee
4 contributions.

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

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

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

16 (3) For the purpose of determining the retirement
17 allowance to be paid to a retiring employee, the term
18 "Continuous Service" as used in the Retirement Plan for
19 Chicago Transit Authority Employees shall also be deemed to
20 include all pension credit for service with any retirement
21 system established under Article 8 or Article 11 of this
22 Code, provided that the employee forfeits and relinquishes
23 all pension credit under Article 8 or Article 11 of this
24 Code, and the contribution required under this subsection
25 is made by the employee. The Retirement Plan's actuary
26 shall determine the contribution paid by the employee as an

1 amount equal to the normal cost of the benefit accrued, had
2 the service been rendered as an employee, plus interest per
3 annum from the time such service was rendered until the
4 date the payment is made.

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

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

18 (2) For the period ending December 31, 2039, the amount
19 paid by the Authority in any year with respect to debt service
20 on bonds issued for the purposes of funding a contribution to
21 the Retirement Plan under Section 12c of the Metropolitan
22 Transit Authority Act, other than debt service paid with the
23 proceeds of bonds or notes issued by the Authority for any year
24 after calendar year 2008, shall be treated as a credit against
25 the amount of required contribution to the Retirement Plan by
26 the Authority under subsection (e) (1) for the following year up

1 to an amount not to exceed 6% of compensation paid by the
2 Authority in that following year.

3 (3) By September 15 of each year beginning in 2009 and
4 ending on December 31, 2038, on the basis of a report prepared
5 by an enrolled actuary retained by the Plan, the Board of
6 Trustees of the Retirement Plan shall determine the estimated
7 funded ratio of the total assets of the Retirement Plan to its
8 total actuarially determined liabilities. A report containing
9 that determination and the actuarial assumptions on which it is
10 based shall be filed with the Authority, the representatives of
11 its participating employees, the Auditor General of the State
12 of Illinois, and the Regional Transportation Authority. If the
13 funded ratio is projected to decline below 60% in any year
14 before 2039, the Board of Trustees shall also determine the
15 increased contribution required each year as a level percentage
16 of payroll over the years remaining until 2039 using the
17 projected unit credit actuarial cost method so the funded ratio
18 does not decline below 60% and include that determination in
19 its report. If the actual funded ratio declines below 60% in
20 any year prior to 2039, the Board of Trustees shall also
21 determine the increased contribution required each year as a
22 level percentage of payroll during the years after the then
23 current year using the projected unit credit actuarial cost
24 method so the funded ratio is projected to reach at least 60%
25 no later than 10 years after the then current year and include
26 that determination in its report. Within 60 days after

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

20 (4) For the period beginning 2039, the minimum contribution
21 to the Retirement Plan for each fiscal year shall be an amount
22 determined by the Board of Trustees of the Retirement Plan to
23 be sufficient to bring the total assets of the Retirement Plan
24 up to 90% of its total actuarial liabilities by the end of
25 2058. Participating employees shall be responsible for
26 one-third of the required contribution and the Authority shall

1 be responsible for two-thirds of the required contribution. In
2 making these determinations, the Board of Trustees shall
3 calculate the required contribution each year as a level
4 percentage of payroll over the years remaining to and including
5 fiscal year 2058 using the projected unit credit actuarial cost
6 method. A report containing that determination and the
7 actuarial assumptions on which it is based shall be filed by
8 September 15 of each year with the Authority, the
9 representatives of its participating employees, the Auditor
10 General of the State of Illinois and the Regional
11 Transportation Authority. If the funded ratio is projected to
12 fail to reach 90% by December 31, 2058, the Board of Trustees
13 shall also determine the increased contribution required each
14 year as a level percentage of payroll over the years remaining
15 until December 31, 2058 using the projected unit credit
16 actuarial cost method so the funded ratio will meet 90% by
17 December 31, 2058 and include that determination in its report.
18 Within 60 days after receiving the report, the Auditor General
19 shall review the determination and the assumptions on which it
20 is based and if he finds that the determination and the
21 assumptions on which it is based are unreasonable in the
22 aggregate, he shall issue a new determination of the funded
23 ratio, the assumptions on which it is based and the increased
24 contribution required each year as a level percentage of
25 payroll over the years remaining until December 31, 2058 using
26 the projected unit credit actuarial cost method so the funded

1 ratio reaches no less than 90% by December 31, 2058. If the
2 Board of Trustees or the Auditor General determine that an
3 increased contribution is required to meet the funded ratio
4 required by this subsection, effective January 1 following the
5 determination or 30 days after such determination, whichever is
6 later, one-third of the increased contribution shall be paid by
7 participating employees and two-thirds by the Authority, in
8 addition to the contributions required by subsection (e) (1).

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

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

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

1 the certification shall be sent to the Commission on Government
2 Forecasting and Accountability and the Mayor of Chicago.

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

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

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

17 Provided, however that:

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

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

26 (B) One and eighty hundredths percent (1.80%) of his

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

6 Provided, however that:

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

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

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

21 Provided, however that:

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

26 (A) One percent (1%) of his "Average Annual

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

10 Provided, however that:

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

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

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

25 The changes made by this amendatory Act of the 95th General
26 Assembly, to the extent that they affect the rights or

1 privileges of Authority employees that are currently the
2 subject of collective bargaining, have been agreed to between
3 the authorized representatives of these employees and of the
4 Authority prior to enactment of this amendatory Act, as
5 evidenced by a Memorandum of Understanding between these
6 representatives that will be filed with the Secretary of State
7 Index Department and designated as "95-GA-C05". The General
8 Assembly finds and declares that those changes are consistent
9 with 49 U.S.C. 5333(b) (also known as Section 13(c) of the
10 Federal Transit Act) because of this agreement between
11 authorized representatives of these employees and of the
12 Authority, and that any future amendments to the provisions of
13 this amendatory Act of the 95th General Assembly, to the extent
14 those amendments would affect the rights and privileges of
15 Authority employees that are currently the subject of
16 collective bargaining, would be consistent with 49 U.S.C.
17 5333(b) if and only if those amendments were agreed to between
18 these authorized representatives prior to enactment.

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

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

24 (2) For the purposes of this Section, the Funded Ratio
25 shall be the Adjusted Assets divided by the Actuarial
26 Accrued Liability developed in accordance with Statement

1 #25 promulgated by the Government Accounting Standards
2 Board and the actuarial assumptions described in the Plan.
3 The Adjusted Assets shall be calculated based on the
4 methodology described in the Plan.

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

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

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

1 ~~the projected unit credit actuarial cost method. Beginning in~~
2 ~~retirement system fiscal year 2059, the minimum Authority~~
3 ~~contribution for each fiscal year shall be the amount needed to~~
4 ~~maintain the total assets of the retirement system at 90% of~~
5 ~~the total actuarial liabilities of the system.~~

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

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

25 ~~(d) The Authority shall take all actions lawfully available~~
26 ~~to it to separate the funding of health care benefits for~~

1 ~~retirees and their dependents and survivors from the funding~~
2 ~~for its retirement system. The Authority shall endeavor to~~
3 ~~achieve this separation as soon as possible, and in any event~~
4 ~~no later than January 1, 2009.~~

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

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

10 (40 ILCS 5/22-101B new)

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

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

19 (b) Effective January 1, 2008, a Retiree Health Care Trust
20 is established for the purpose of providing health care
21 benefits to eligible retirees and their dependents and
22 survivors in accordance with the terms and conditions set forth
23 in this Section 22-101B. The Retiree Health Care Trust shall be
24 solely responsible for providing health care benefits to
25 eligible retirees and their dependents and survivors by no

1 later than January 1, 2009, but no earlier than July 1, 2008.

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

20 Any person appointed as a trustee of the board shall
21 qualify by taking an oath of office that he or she will
22 diligently and honestly administer the affairs of the
23 system, and will not knowingly violate or willfully permit
24 the violation of any of the provisions of law applicable to
25 the Plan, including Sections 1-109, 1-109.1, 1-109.2,
26 1-110, 1-111, 1-114, and 1-115 of Article 1 of the Illinois

1 Pension Code.

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

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

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

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

1 Investment, which is hereby authorized to manage these
2 investments when so requested by the Board of Trustees.

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

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

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

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

18 (C) the reserve required by subsection
19 (b) (3) (ii); and

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

1 (b) (3) (ii).

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

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

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

1 Transportation Authority, as follows:

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

24 (B) In the event of a projected surplus, if the
25 Auditor General determines that the assumptions
26 stated in the report are not unreasonable in the

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

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

1 alternative reports and plans to the Auditor
2 General, as necessary, until a favorable
3 determination is made by the Auditor General.

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

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

1 by the Board of Trustees.

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

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

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

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

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

21 (a) After the effective date of this amendatory Act of the
22 93rd General Assembly and subject to this Section, a home rule
23 municipality may impose or increase a tax or other fee on the
24 privilege of transferring title to real estate, on the

1 privilege of transferring a beneficial interest in real
2 property, and on the privilege of transferring a controlling
3 interest in a real estate entity, as the terms "beneficial
4 interest", "controlling interest", and "real estate entity"
5 are defined in Article 31 of the Property Tax Code. Such a tax
6 or other fee shall hereafter be referred to as a real estate
7 transfer tax.

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

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

20 A public hearing on a resolution to submit to
21 referendum the question of a proposed (increased) real
22 estate transfer tax for (legal name of the municipality) in
23 an amount of (rate) to be paid by the buyer (seller) of the
24 real estate transferred will be held on (date) at (time) at
25 (location). The current rate of real estate transfer tax
26 imposed by (name of municipality) is (rate).

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

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

13 (d) Except as provided in subsection (i), no ~~no~~ home rule
14 municipality shall impose a new real estate transfer tax after
15 the effective date of this amendatory Act of 1996 without prior
16 approval by referendum. Except as provided in subsection (i),
17 ~~no~~ no home rule municipality shall impose an increase of the
18 rate of a current real estate transfer tax without prior
19 approval by referendum. A home rule municipality may impose a
20 new real estate transfer tax or may increase an existing real
21 estate transfer tax with prior referendum approval. The
22 referendum shall be conducted as provided in subsection (e). An
23 existing ordinance or resolution imposing a real estate
24 transfer tax may be amended without approval by referendum if
25 the amendment does not increase the rate of the tax or add
26 transactions on which the tax is imposed.

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

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

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

25 (g) A home rule municipality may not impose real estate
26 transfer taxes other than as authorized by this Section. This

1 Section is a denial and limitation of home rule powers and
2 functions under subsection (g) of Section 6 of Article VII of
3 the Illinois Constitution.

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

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

1 tax with the Illinois Department of Revenue and shall file a
2 report with the Department each month certifying the amount
3 paid to the Chicago Transit Authority in the previous month
4 from the proceeds of such tax.

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

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

9 (70 ILCS 3605/12c new)

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

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

23 (b)(1) After its receipt of a certified copy of a report of
24 the Auditor General of the State of Illinois meeting the

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

15 (2) After its receipt of a certified copy of a report of
16 the Auditor General of the State of Illinois meeting the
17 requirements of Section 3-2.3 of the Illinois State Auditing
18 Act, the Authority may issue \$553,000,000 aggregate original
19 principal amount of bonds and notes. After payment of the costs
20 of issuance and necessary deposits to funds and accounts
21 established with respect to debt service, the net proceeds of
22 such bonds or notes shall be deposited only in the Retiree
23 Health Care Trust and used only for the purposes required by
24 Section 22-101B of the Illinois Pension Code. Provided that no
25 less than \$450,000,000 has been deposited in the Retiree Health
26 Care Trust, remaining proceeds of bonds issued under this

1 subparagraph (b) (2) may be used to pay costs of issuance and
2 make necessary deposits to funds and accounts with respect to
3 debt service for bonds and notes issued under this subparagraph
4 or subparagraph (b) (1).

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

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

15 (5) With respect to bonds and notes issued under
16 subparagraph (b), scheduled aggregate annual payments of
17 interest or deposits into funds and accounts established for
18 the purpose of such payment shall commence within one year
19 after the bonds and notes are issued. With respect to principal
20 and interest, scheduled aggregate annual payments of principal
21 and interest or deposits into funds and accounts established
22 for the purpose of such payment shall be not less than 70% in
23 2009, 80% in 2010, and 90% in 2011, respectively, of scheduled
24 payments or deposits of principal and interest in 2012 and
25 shall be substantially equal beginning in 2012 and each year
26 thereafter. For purposes of this subparagraph (b),

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

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

23 (c) The Chicago Transit Board shall provide for the
24 issuance of bonds or notes as authorized in this Section 12c by
25 the adoption of an ordinance. The ordinance, together with the
26 bonds or notes, shall constitute a contract among the

1 Authority, the owners from time to time of the bonds or notes,
2 any bond trustee with respect to the bonds or notes, any
3 related credit enhancer and any provider of any related Swaps.

4 (d) The Authority is authorized to cause the proceeds of
5 the bonds or notes, and any interest or investment earnings on
6 the bonds or notes, and of any Swaps, to be invested until the
7 proceeds and any interest or investment earnings have been
8 deposited with the Retirement Plan or the Retiree Health Care
9 Trust.

10 (e) Bonds or notes issued pursuant to this Section 12c may
11 be general obligations of the Authority, to which shall be
12 pledged the full faith and credit of the Authority, or may be
13 obligations payable solely from particular sources of funds all
14 as may be provided in the authorizing ordinance. The
15 authorizing ordinance for the bonds and notes, whether or not
16 general obligations of the Authority, may provide for the Debt
17 Service (as defined in paragraph (i) of this Section 12c) to
18 have a claim for payment from particular sources of funds,
19 including, without limitation, amounts to be paid to the
20 Authority or a bond trustee. The authorizing ordinance may
21 provide for the means by which the bonds or notes (and any
22 related Swaps) may be secured, which may include, a pledge of
23 any revenues or funds of the Authority from whatever source
24 which may by law be utilized for paying Debt Service. In
25 addition to any other security, upon the written approval of
26 the Regional Transportation Authority by the affirmative vote

1 of 12 of its then Directors, the ordinance shall provide a
2 specific pledge or assignment of and lien on or security
3 interest in amounts to be paid to the Authority by the Regional
4 Transportation Authority from the proceeds of any tax levied by
5 the Regional Transportation Authority under Section 4.03 of the
6 Regional Transportation Authority Act and allocated to the
7 Authority under the provisions of Section 4.03.3 of that Act
8 and direct payment thereof to the bond trustee for payment of
9 Debt Service with respect to the bonds or notes, subject to the
10 provisions of existing lease agreements of the Authority with
11 any public building commission. The authorizing ordinance may
12 also provide a specific pledge or assignment of and lien on or
13 security interest in and direct payment to the trustee of all
14 or a portion of the moneys otherwise payable to the Authority
15 from the City of Chicago pursuant to an intergovernmental
16 agreement with the Authority to provide financial assistance to
17 the Authority. Any such pledge, assignment, lien or security
18 interest for the benefit of owners of bonds or notes shall be
19 valid and binding from the time the bonds or notes are issued,
20 without any physical delivery or further act, and shall be
21 valid and binding as against and prior to the claims of all
22 other parties having claims of any kind against the Authority
23 or any other person, irrespective of whether such other parties
24 have notice of such pledge, assignment, lien or security
25 interest, all as provided in the Local Government Debt Reform
26 Act, as it may be amended from time to time. The bonds or notes

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 The budget shall:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2 (70 ILCS 3605/50 new)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 district was formed. If such an ordinance is adopted, the
2 district's boundaries shall encompass all areas located within
3 the townships at the time of the adoption of the ordinance and
4 all areas that become part of the townships at a future date.
5 Nothing in this subsection shall allow expansion of a district
6 into an area that is already a part of another local mass
7 transit district.

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

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

16 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

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

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

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

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

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

1 transportation facilities are not providing adequate public
2 transportation to insure the public health, safety and welfare.

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (70 ILCS 3615/2.01) (from Ch. 111 2/3, par. 702.01)

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

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

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

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

23 (iii) develop performance measures to inform the
24 public about the extent to which the provision of public
25 transportation in the metropolitan region meets those

1 goals, objectives, and standards;

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

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

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

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

1 ~~establish a policy to provide adequate public transportation~~
2 ~~throughout the metropolitan region.~~

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

25 ~~(c) The Authority shall, in consultation with the Service~~
26 ~~Boards, each year prepare and, by ordinance, adopt, after~~

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

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

23 (70 ILCS 3615/2.01a new)

24 Sec. 2.01a. Strategic Plan.

25 (a) By the affirmative vote of at least 12 of its then

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

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

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

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

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

1 transfers;

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

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

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

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

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

25 (c) The Strategic Plan shall establish the process and
26 criteria by which proposals for capital improvements by a

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

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

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

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

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

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

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

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

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

26 (ii) ridership data;

1 (iii) equipment failure rates;

2 (iv) employee and customer safety; and

3 (v) customer satisfaction.

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

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

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

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

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

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

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

7 (i) If the Authority determines, by the affirmative vote of
8 at least 12 of its then Directors, that, with respect to any
9 proposed new public transportation service or facility, (i)
10 multiple Service Boards or transportation agencies are
11 potential service providers and (ii) the public transportation
12 facilities to be constructed or purchased to provide that
13 service have an expected construction cost of more than
14 \$25,000,000, the Authority shall have sole responsibility for
15 conducting any alternatives analysis and preliminary
16 environmental assessment required by federal or State law.
17 Nothing in this subparagraph (i) shall prohibit a Service Board
18 from undertaking alternatives analysis and preliminary
19 environmental assessment for any public transportation service
20 or facility identified in items (i) and (ii) above that is
21 included in the Five-Year Capital Program as of the effective
22 date of this amendatory Act of the 95th General Assembly;
23 however, any expenditure related to any such public
24 transportation service or facility must be included in a
25 Five-Year Capital Program under the requirements of Sections
26 2.01b and 4.02 this Act.

1 (70 ILCS 3615/2.01b new)

2 Sec. 2.01b. The Five-Year Capital Program. By the
3 affirmative vote of at least 12 of its then Directors, the
4 Authority, after consultation with the Service Boards and after
5 holding a minimum of 3 public hearings in Cook County and one
6 public hearing in each of the other counties in the
7 metropolitan region, shall each year adopt a Five-Year Capital
8 Program that shall include each capital improvement to be
9 undertaken by or on behalf of a Service Board provided that the
10 Authority finds that the improvement meets any criteria for
11 capital improvements contained in the Strategic Plan, is not
12 inconsistent with any sub-regional or corridor plan adopted by
13 the Authority, and can be funded within amounts available with
14 respect to the capital and operating costs of such improvement.
15 In reviewing proposals for improvements to be included in a
16 Five-Year Capital Program, the Authority may give priority to
17 improvements that are intended to bring public transportation
18 facilities into a state of good repair. The Five-Year Capital
19 Program shall also identify capital improvements to be
20 undertaken by a Service Board, a transportation agency, or a
21 unit of local government and funded by the Authority from
22 amounts in the Innovation, Coordination, and Enhancement Fund,
23 provided that no improvement that is included in the Five-Year
24 Capital Program as of the effective date of this amendatory Act
25 of the 95th General Assembly may receive funding from the

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

7 (70 ILCS 3615/2.01c new)

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

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

1 funds then in the Innovation, Coordination, and Enhancement
2 Fund, such funds may only be used to enhance the coordination
3 and integration of public transportation and develop and
4 implement innovations to improve the quality and delivery of
5 public transportation.

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

22 (70 ILCS 3615/2.01d new)

23 Sec. 2.01d. ADA Paratransit Fund. The Authority shall
24 establish an ADA Paratransit Fund and, each year, deposit into
25 that Fund the amounts directed by Section 4.03.3 of this Act.

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

24 (70 ILCS 3615/2.01e new)

25 Sec. 2.01e. Suburban Community Mobility Fund. The

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

17 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

18 Sec. 2.04. Fares and Nature of Service.

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

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

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

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

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

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

21 (70 ILCS 3615/2.05) (from Ch. 111 2/3, par. 702.05)

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

24 (a) The Authority may at the request of two or more Service
25 Boards, serve, or designate a Service Board to serve, as a

1 centralized purchasing agent for the Service Boards so
2 requesting.

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

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

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

26 (d) The Authority shall, after consulting with the Service

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

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

11 (70 ILCS 3615/2.09) (from Ch. 111 2/3, par. 702.09)

12 Sec. 2.09. Research and Development.

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

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

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

1 provide revenue for financing construction and operation of
2 public transportation facilities.

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

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

10 (70 ILCS 3615/2.12) (from Ch. 111 2/3, par. 702.12)

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

1 agency or any unit of local government.

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

3 (70 ILCS 3615/2.12b new)

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

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

7 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)

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

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

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

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

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

23 (70 ILCS 3615/2.18a) (from Ch. 111 2/3, par. 702.18a)

24 Sec. 2.18a. (a) The provisions of this Section apply to
25 collective bargaining agreements (including extensions and

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

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

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

13 (70 ILCS 3615/2.30)

14 Sec. 2.30. Paratransit services.

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

23 (b) Beginning July 1, 2005, the Authority is responsible
24 for the funding, from amounts on deposit in the ADA Paratransit
25 Fund established under Section 2.01d of this Act, financial

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

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

26 (1) maintain, at a minimum, the levels of ADA

1 paratransit service that are required to be provided by the
2 Service Boards pursuant to the Americans with Disabilities
3 Act of 1990 and its implementing regulations;

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

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

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

26 (5) provide for fares, fare collection and billing

1 procedures for ADA paratransit services throughout the
2 metropolitan region;

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

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

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

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

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

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

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

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

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

21 (f) By no later than April 1, 2007, the Authority shall
22 develop and submit to the General Assembly and the Governor a
23 funding plan for ADA paratransit services. Approval of such
24 plan by the Authority shall require the affirmative votes of 12
25 ~~9~~ of the then Directors. The funding plan shall, at a minimum,
26 contain an analysis of the current costs of providing ADA

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

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

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

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

20 (70 ILCS 3615/2.31 new)

21 Sec. 2.31. Disadvantaged Business Enterprise Contracting
22 and Equal Employment Opportunity Programs. The Authority and
23 each Service Board shall, as soon as is practicable but in no
24 event later than two years after the effective date of this
25 amendatory Act of the 95th General Assembly, establish and

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

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

25 Each year no later than October 1, and starting no later
26 than the October 1 after the establishment of their

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

9 (70 ILCS 3615/3.01) (from Ch. 111 2/3, par. 703.01)

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

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

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

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

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

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

1 in the metropolitan region other than Cook or DuPage
2 Counties.

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

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

10 (i) One Director appointed jointly by the Chairmen of
11 the Kane County Board and the McHenry County Board. Such
12 Director shall reside in Kane County or McHenry County.
13 Such Director shall be appointed by a weighted vote of the
14 Chairmen of the Kane and McHenry County Boards, with such
15 weighting based on the population of Kane and McHenry
16 Counties in the most recent decennial census.

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. Such Director shall reside in
5 DuPage County, Lake County, or Will County.

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

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

1 metropolitan region.

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

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

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

1 ~~revision by July 1 of the third year after such census.~~
2 ~~Provided, however, that the Chairman of the Chicago Transit~~
3 ~~Authority shall be a Director of the Authority and shall be~~
4 ~~considered as representing the City of Chicago for purposes of~~
5 ~~this paragraph.~~

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

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

12 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

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

1 vacant for any reason, the appointing authorities of such
2 member shall make an appointment to fill the vacancy. A vacancy
3 shall be filled for the unexpired term.

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

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

14 (70 ILCS 3615/3.04) (from Ch. 111 2/3, par. 703.04)

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

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

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

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

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

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

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

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

22 (70 ILCS 3615/3A.10) (from Ch. 111 2/3, par. 703A.10)

23 Sec. 3A.10. Budget and Program. The Suburban Bus Board,
24 subject to the powers of the Authority in Section 4.11, shall

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

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

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

8 The budget shall:

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

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

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

26 (iv) be based upon and employ assumptions and

1 projections which are reasonable and prudent;

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

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

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

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

12 (70 ILCS 3615/3A.11) (from Ch. 111 2/3, par. 703A.11)

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

1 Suburban Bus Board's jurisdiction.

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

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

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

8 (b) The Suburban Bus 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 Suburban Bus 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 Suburban Bus 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 employers and
6 exclusive representatives which have established collective
7 bargaining relationships or negotiated collective bargaining
8 agreements prior to the effective date of this amendatory Act
9 of 1983, employers shall be required to bargain collectively
10 with regard to any matter concerning wages, hours or conditions
11 of employment about which they have bargained prior to the
12 effective date of this amendatory Act of 1983.

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

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

1 following renegotiation shall be presented to the Board of the
2 Authority for its approval in like manner.

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

4 (70 ILCS 3615/3B.02) (from Ch. 111 2/3, par. 703B.02)
5 Sec. 3B.02. Commuter Rail Board.

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

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

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

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

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

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

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

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

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

26 (2) One Director shall be appointed by the Chairman of

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

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

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

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

23 (6) One Director shall be appointed by the Mayor of the
24 City of Chicago with the advice and consent of the City
25 Council of the City of Chicago and shall reside in the City
26 of Chicago. To implement the changes in appointing

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

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

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

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

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

1 (iv) One Director who resides in Cook County,
2 outside of the City of Chicago, south of Interstate 55,
3 and west of Interstate 57, excluding the communities of
4 Summit, Dixmoor, Posen, Robbins, Midlothian, and Oak
5 Forest. To implement the changes in appointing
6 authority under this Section, upon the expiration of
7 the term of or vacancy in office of the Director
8 appointed under paragraph (3) of subsection (a) of this
9 Section who resides in the geographic area described in
10 this subparagraph and whose term of office had not
11 expired as of August 1, 2007, a Director shall be
12 appointed under this subparagraph.

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

24 (vi) The Directors identified under the provisions
25 of subparagraphs (ii) through (v) of this paragraph (7)
26 shall be appointed by the members of the Cook County

1 Board elected from districts, the majority of the
2 electors of which are located in Cook County outside of
3 the City of Chicago. Each individual Director shall be
4 appointed by those members of the Cook County Board
5 described in the preceding sentence whose Board
6 districts overlap in whole or in part with the
7 geographic territory described in the relevant
8 subparagraph. The vote of County Board members
9 eligible to appoint directors under the provisions of
10 this paragraph (7) shall be weighted by the number of
11 electors residing in those portions of their Board
12 districts within the geographic territory described in
13 the relevant subparagraph (ii) through (v) of this
14 paragraph (7). In the event that the geographic
15 territory of an election precinct overlaps with more
16 than one of the geographic territories described in
17 subparagraphs (ii) through (v) of this paragraph (7),
18 then for purposes of establishing the weighted vote in
19 this subparagraph (vi) the electors for such precinct
20 shall be allocated to the geographic territory in which
21 the majority of the electors in that precinct reside.

22 (8) The chairman shall be appointed by the directors,
23 from the members of the board, with the concurrence of 7 of
24 such directors. To implement the changes in appointing
25 authority under this Section, upon the expiration of the
26 term of or vacancy in office of the Chairman appointed

1 under item (5) of subsection (a) of this Section, a
2 Chairman shall be appointed under this subparagraph.

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

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

18 ~~Appointments to the Commuter Rail Board shall be~~
19 ~~apportioned so as to represent the City of Chicago, that part~~
20 ~~of Cook County outside of the City of Chicago, and DuPage~~
21 ~~County and that part of the metropolitan region other than Cook~~
22 ~~and DuPage Counties based on morning boardings of the services~~
23 ~~provided by the Commuter Rail Division as certified to the~~
24 ~~Board of the Authority by the Commuter Rail Board, provided~~
25 ~~however that the Mayor of the City of Chicago shall appoint no~~
26 ~~fewer than 1 member of the Commuter Rail Board. Within two~~

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

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

11 (70 ILCS 3615/3B.03) (from Ch. 111 2/3, par. 703B.03)

12 Sec. 3B.03. Terms, Vacancies. Each ~~The initial term of the~~
13 ~~director appointed pursuant to subdivision (a) of Section 3B.02~~
14 ~~and the initial term of one of the directors appointed pursuant~~
15 ~~to subdivision (b) of Section 3B.02 shall expire on June 30,~~
16 ~~1985; the initial term of one of the directors appointed~~
17 ~~pursuant to subdivision (b) of Section 3B.02 and the initial~~
18 ~~term of one of the directors appointed pursuant to subdivision~~
19 ~~(c) of Section 3B.02 shall expire on June 30, 1986; the initial~~
20 ~~terms of two of the directors appointed pursuant to subdivision~~
21 ~~(c) of Section 3B.02 shall expire on June 30, 1987; the initial~~
22 ~~term of the director appointed pursuant to subdivision (d) of~~
23 ~~Section 3B.02 shall expire on June 30, 1988. Thereafter, each~~
24 director shall be appointed for a term of 4 years, and until
25 his successor has been appointed and qualified. A vacancy shall

1 occur upon the resignation, death, conviction of a felony, or
2 removal from office of a director. Any director may be removed
3 from office upon the concurrence of not less than 6 directors,
4 on a formal finding of incompetence, neglect of duty, or
5 malfeasance in office. Within 30 days after the office of any
6 director becomes vacant for any reason, the appropriate
7 appointing authorities of such director, as provided in Section
8 3B.02, shall make an appointment to fill the vacancy. A vacancy
9 shall be filled for the unexpired term.

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

11 (70 ILCS 3615/3B.05) (from Ch. 111 2/3, par. 703B.05)

12 Sec. 3B.05. Appointment of officers and employees. The
13 Commuter Rail Board shall appoint an Executive Director who
14 shall be the chief executive officer of the Division,
15 appointed, retained or dismissed with the concurrence of 7 ~~6~~ of
16 the directors of the Commuter Rail Board. The Executive
17 Director shall appoint, retain and employ officers, attorneys,
18 agents, engineers, employees and shall organize the staff,
19 shall allocate their functions and duties, fix compensation and
20 conditions of employment, and consistent with the policies of
21 and direction from the Commuter Rail Board take all actions
22 necessary to achieve its purposes, fulfill its
23 responsibilities and carry out its powers, and shall have such
24 other powers and responsibilities as the Commuter Rail Board
25 shall determine. The Executive Director shall be an individual

1 of proven transportation and management skills and may not be a
2 member of the Commuter Rail Board. The Division may employ its
3 own professional management personnel to provide professional
4 and technical expertise concerning its purposes and powers and
5 to assist it in assessing the performance of transportation
6 agencies in the metropolitan region.

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

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

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

1 (70 ILCS 3615/3B.07) (from Ch. 111 2/3, par. 703B.07)

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

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

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

16 (70 ILCS 3615/3B.09) (from Ch. 111 2/3, par. 703B.09)

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

22 (a) to cooperate with the Regional Transportation
23 Authority in the exercise by the Regional Transportation
24 Authority of all the powers granted it by such Act;

25 (b) to receive funds from the Regional Transportation

1 Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and 4.10
2 of the "Regional Transportation Authority Act", all as provided
3 in the "Regional Transportation Authority Act"; ~~and~~

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

13 (d) to borrow money for the purpose of acquiring,
14 constructing, reconstructing, extending, or improving any
15 Public Transportation Facilities (as defined in Section 1.03 of
16 the Regional Transportation Authority Act) operated by or to be
17 operated by or on behalf of the Commuter Rail Division. For the
18 purpose of evidencing the obligation of the Commuter Rail Board
19 to repay any money borrowed as provided in this subsection, the
20 Commuter Rail Board may issue revenue bonds from time to time
21 pursuant to ordinance adopted by the Commuter Rail Board,
22 subject to the approval of the Regional Transportation
23 Authority of each such issuance by the affirmative vote of 12
24 of its then Directors; provided that the Commuter Rail Board
25 may not issue bonds for the purpose of financing the
26 acquisition, construction, or improvement of a corporate

1 headquarters building. All such bonds shall be payable solely
2 from the revenues or income or any other funds that the
3 Commuter Rail Board may receive, provided that the Commuter
4 Rail Board may not pledge as security for such bonds the
5 moneys, if any, that the Commuter Rail Board receives from the
6 Regional Transportation Authority pursuant to Section
7 4.03.3(f) of the Regional Transportation Authority Act. The
8 bonds shall bear interest at a rate not to exceed the maximum
9 rate authorized by the Bond Authorization Act and shall mature
10 at such time or times not exceeding 30 years from their
11 respective dates, provided that the bonds shall have
12 approximately equal debt service payments in each year, with
13 the first principal or mandatory redemption payment being no
14 later than the fiscal year after their initial issuance. The
15 maximum principal amount of the bonds that may be issued and
16 outstanding at any time may not exceed \$1,000,000,000. The
17 bonds shall have all the qualities of negotiable instruments
18 under the laws of this State. To secure the payment of any or
19 all of such bonds and for the purpose of setting forth the
20 covenants and undertakings of the Commuter Rail Board in
21 connection with the issuance thereof and the issuance of any
22 additional bonds payable from such revenue or income as well as
23 the use and application of the revenue or income received by
24 the Commuter Rail Board, the Commuter Rail Board may execute
25 and deliver a trust agreement or agreements; provided that no
26 lien upon any physical property of the Commuter Rail Board

1 shall be created thereby. A remedy for any breach or default of
2 the terms of any such trust agreement by the Commuter Rail
3 Board may be by mandamus proceedings in any court of competent
4 jurisdiction to compel performance and compliance therewith,
5 but the trust agreement may prescribe by whom or on whose
6 behalf such action may be instituted. Under no circumstances
7 shall any bonds issued by the Commuter Rail Board or any other
8 obligation of the Commuter Rail Board in connection with the
9 issuance of such bonds be or become an indebtedness or
10 obligation of the State of Illinois, the Regional
11 Transportation Authority, or any other political subdivision
12 of or municipality within the State, nor shall any such bonds
13 or obligations be or become an indebtedness of the Commuter
14 Rail Board within the purview of any constitutional limitation
15 or provision, and it shall be plainly stated on the face of
16 each bond that it does not constitute such an indebtedness or
17 obligation but is payable solely from the revenues or income as
18 aforsaid.

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

20 (70 ILCS 3615/3B.10) (from Ch. 111 2/3, par. 703B.10)

21 Sec. 3B.10. Budget and Program. The Commuter Rail Board,
22 subject to the powers of the Authority in Section 4.11, shall
23 control the finances of the Division. It shall by ordinance
24 appropriate money to perform the Division's purposes and
25 provide for payment of debts and expenses of the Division. Each

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

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

1 appropriations, transfers between items and other changes in
2 such ordinance which do not alter the basis upon which the
3 balanced budget determination was made by the Board of the
4 Authority may be made from time to time by the Commuter Rail
5 Board.

6 The budget shall:

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

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

16 (iii) provide for a level of fares or charges for the
17 public transportation provided by or subject to the
18 jurisdiction of such Commuter Rail Board sufficient to allow
19 the Commuter Rail Board to meet its required system generated
20 revenue recovery ratio;

21 (iv) be based upon and employ assumptions and projections
22 which the Board of the Authority finds to be reasonable and
23 prudent;

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

26 (vi) meet such other uniform financial, budgetary, or

1 fiscal requirements that the Board of the Authority may by rule
2 or regulation establish; and ~~and~~

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

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

6 (70 ILCS 3615/3B.11) (from Ch. 111 2/3, par. 703B.11)

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

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

22 (70 ILCS 3615/3B.12) (from Ch. 111 2/3, par. 703B.12)

23 Sec. 3B.12. Working Cash Borrowing. The Commuter Rail Board
24 with the affirmative vote of 7 ~~5~~ of its Directors may demand

1 and direct the Board of the Authority to issue Working Cash
2 Notes at such time and in such amounts and having such
3 maturities as the Commuter Rail Board deems proper, provided
4 however any such borrowing shall have been specifically
5 identified in the budget of the Commuter Rail Board as approved
6 by the Board of the Authority. Provided further, that the
7 Commuter Rail Board may not demand and direct the Board of the
8 Authority to have issued and have outstanding at any time in
9 excess of \$20,000,000 in Working Cash Notes.

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

11 (70 ILCS 3615/3B.13) (from Ch. 111 2/3, par. 703B.13)

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

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

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

24 (c) The collective bargaining agreement may not include a
25 prohibition on the use of part-time operators on any service
26 operated by the Commuter Rail Board except where prohibited by

1 federal law.

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

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

15 (70 ILCS 3615/4.01) (from Ch. 111 2/3, par. 704.01)

16 Sec. 4.01. Budget and Program.

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

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

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

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

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

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

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

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

1 enhancements or liquidity agreements made under Section
2 4.14; any other cost to which it is reasonably expected
3 that a cash expenditure will not be made; costs ~~up to~~
4 ~~\$5,000,000 annually~~ for passenger security including
5 grants, contracts, personnel, equipment and administrative
6 expenses, except in the case of the Chicago Transit
7 Authority, in which case the term does not include costs
8 spent annually by that entity for protection against crime
9 as required by Section 27a of the Metropolitan Transit
10 Authority Act; the payment by the Chicago Transit Authority
11 of Debt Service, as defined in Section 12c of the
12 Metropolitan Transit Authority Act, on bonds or notes
13 issued pursuant to that Section; the payment by the
14 Commuter Rail Division of debt service on bonds issued
15 pursuant to Section 3B.09; expenses incurred by the
16 Suburban Bus Division for the cost of new public
17 transportation services funded from grants pursuant to
18 Section 2.01e of this amendatory Act of the 95th General
19 Assembly for a period of 2 years from the date of
20 initiation of each such service; costs as exempted by the
21 Board for projects pursuant to Section 2.09 of this Act;
22 or, beginning with the 2007 fiscal year, expenses related
23 to providing ADA paratransit service pursuant to Section
24 2.30 of the Regional Transportation Authority Act; and in
25 fiscal years 2008 through 2017 inclusive, costs in the
26 amount of \$200,000,000 in fiscal year 2008, reducing by

1 \$20,000,000 in each fiscal year thereafter until this
2 exemption is eliminated; and

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

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

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

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

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

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

1 preceding calendar year.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8 (70 ILCS 3615/4.02a)

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

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

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

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

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

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

9 (70 ILCS 3615/4.02b)

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

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

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

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

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

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

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

18 Sec. 4.03. Taxes.

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

1 of Revenue. The Department shall have the power to administer
2 and enforce the taxes and to determine all rights for refunds
3 for erroneous payments of the taxes.

4 (b) The Board may impose a public transportation tax upon
5 all persons engaged in the metropolitan region in the business
6 of selling at retail motor fuel for operation of motor vehicles
7 upon public highways. The tax shall be at a rate not to exceed
8 5% of the gross receipts from the sales of motor fuel in the
9 course of the business. As used in this Act, the term "motor
10 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
11 The Board may provide for details of the tax. The provisions of
12 any tax shall conform, as closely as may be practicable, to the
13 provisions of the Municipal Retailers Occupation Tax Act,
14 including without limitation, conformity to penalties with
15 respect to the tax imposed and as to the powers of the State
16 Department of Revenue to promulgate and enforce rules and
17 regulations relating to the administration and enforcement of
18 the provisions of the tax imposed, except that reference in the
19 Act to any municipality shall refer to the Authority and the
20 tax shall be imposed only with regard to receipts from sales of
21 motor fuel in the metropolitan region, at rates as limited by
22 this Section.

23 (c) In connection with the tax imposed under paragraph (b)
24 of this Section the Board may impose a tax upon the privilege
25 of using in the metropolitan region motor fuel for the
26 operation of a motor vehicle upon public highways, the tax to

1 be at a rate not in excess of the rate of tax imposed under
2 paragraph (b) of this Section. The Board may provide for
3 details of the tax.

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

24 (e) The Board may impose a Regional Transportation
25 Authority Retailers' Occupation Tax upon all persons engaged in
26 the business of selling tangible personal property at retail in

1 the metropolitan region. In Cook County the tax rate shall be
2 1.25% ~~1%~~ of the gross receipts from sales of food for human
3 consumption that is to be consumed off the premises where it is
4 sold (other than alcoholic beverages, soft drinks and food that
5 has been prepared for immediate consumption) and prescription
6 and nonprescription medicines, drugs, medical appliances and
7 insulin, urine testing materials, syringes and needles used by
8 diabetics, and 1% ~~3/4%~~ of the gross receipts from other taxable
9 sales made in the course of that business. In DuPage, Kane,
10 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
11 ~~1/4%~~ of the gross receipts from all taxable sales made in the
12 course of that business. The tax imposed under this Section and
13 all civil penalties that may be assessed as an incident thereof
14 shall be collected and enforced by the State Department of
15 Revenue. The Department shall have full power to administer and
16 enforce this Section; to collect all taxes and penalties so
17 collected in the manner hereinafter provided; and to determine
18 all rights to credit memoranda arising on account of the
19 erroneous payment of tax or penalty hereunder. In the
20 administration of, and compliance with this Section, the
21 Department and persons who are subject to this Section shall
22 have the same rights, remedies, privileges, immunities, powers
23 and duties, and be subject to the same conditions,
24 restrictions, limitations, penalties, exclusions, exemptions
25 and definitions of terms, and employ the same modes of
26 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,

1 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
2 therein other than the State rate of tax), 2c, 3 (except as to
3 the disposition of taxes and penalties collected), 4, 5, 5a,
4 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
5 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
6 Section 3-7 of the Uniform Penalty and Interest Act, as fully
7 as if those provisions were set forth herein.

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

15 Whenever the Department determines that a refund should be
16 made under this Section 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 If a tax is imposed under this subsection (e), a tax shall
24 also be imposed under subsections (f) and (g) of this Section.

25 For the purpose of determining whether a tax authorized
26 under this Section is applicable, a retail sale by a producer

1 of coal or other mineral mined in Illinois, is a sale at retail
2 at the place where the coal or other mineral mined in Illinois
3 is extracted from the earth. This paragraph does not apply to
4 coal or other mineral when it is delivered or shipped by the
5 seller to the purchaser at a point outside Illinois so that the
6 sale is exempt under the Federal Constitution as a sale in
7 interstate or foreign commerce.

8 No tax shall be imposed or collected under this subsection
9 on the sale of a motor vehicle in this State to a resident of
10 another state if that motor vehicle will not be titled in this
11 State.

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

17 (f) If a tax has been imposed under paragraph (e), a
18 Regional Transportation Authority Service Occupation Tax shall
19 also be imposed upon all persons engaged, in the metropolitan
20 region in the business of making sales of service, who as an
21 incident to making the sales of service, transfer tangible
22 personal property within the metropolitan region, either in the
23 form of tangible personal property or in the form of real
24 estate as an incident to a sale of service. In Cook County, the
25 tax rate shall be: (1) 1.25% ~~1%~~ of the serviceman's cost price
26 of food prepared for immediate consumption and transferred

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

15 The tax imposed under this paragraph and all civil
16 penalties that may be assessed as an incident thereof shall be
17 collected and enforced by the State Department of Revenue. The
18 Department shall have full power to administer and enforce this
19 paragraph; to collect all taxes and penalties due hereunder; to
20 dispose of taxes and penalties collected in the manner
21 hereinafter provided; and to determine all rights to credit
22 memoranda arising on account of the erroneous payment of tax or
23 penalty hereunder. In the administration of and compliance with
24 this paragraph, the Department and persons who are subject to
25 this paragraph shall have the same rights, remedies,
26 privileges, immunities, powers and duties, and be subject to

1 the same conditions, restrictions, limitations, penalties,
2 exclusions, exemptions and definitions of terms, and employ the
3 same modes of procedure, as are prescribed in Sections 1a-1, 2,
4 2a, 3 through 3-50 (in respect to all provisions therein other
5 than the State rate of tax), 4 (except that the reference to
6 the State shall be to the Authority), 5, 7, 8 (except that the
7 jurisdiction to which the tax shall be a debt to the extent
8 indicated in that Section 8 shall be the Authority), 9 (except
9 as to the disposition of taxes and penalties collected, and
10 except that the returned merchandise credit for this tax may
11 not be taken against any State tax), 10, 11, 12 (except the
12 reference therein to Section 2b of the Retailers' Occupation
13 Tax Act), 13 (except that any reference to the State shall mean
14 the Authority), the first paragraph of Section 15, 16, 17, 18,
15 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
16 the Uniform Penalty and Interest Act, as fully as if those
17 provisions were set forth herein.

18 Persons subject to any tax imposed under the authority
19 granted in this paragraph may reimburse themselves for their
20 serviceman's tax liability hereunder by separately stating the
21 tax as an additional charge, that charge may be stated in
22 combination in a single amount with State tax that servicemen
23 are authorized to collect under the Service Use Tax Act, under
24 any bracket schedules the Department may prescribe.

25 Whenever the Department determines that a refund should be
26 made under this paragraph to a claimant instead of issuing a

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

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

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

1 determination must be obtained from the Department of Revenue,
2 before the title or certificate of registration for the
3 property may be issued. The tax or proof of exemption may be
4 transmitted to the Department by way of the State agency with
5 which, or the State officer with whom, the tangible personal
6 property must be titled or registered if the Department and the
7 State agency or State officer determine that this procedure
8 will expedite the processing of applications for title or
9 registration.

10 The Department shall have full power to administer and
11 enforce this paragraph; to collect all taxes, penalties and
12 interest due hereunder; to dispose of taxes, penalties and
13 interest collected in the manner hereinafter provided; and to
14 determine all rights to credit memoranda or refunds arising on
15 account of the erroneous payment of tax, penalty or interest
16 hereunder. In the administration of and compliance with this
17 paragraph, the Department and persons who are subject to this
18 paragraph shall have the same rights, remedies, privileges,
19 immunities, powers and duties, and be subject to the same
20 conditions, restrictions, limitations, penalties, exclusions,
21 exemptions and definitions of terms and employ the same modes
22 of procedure, as are prescribed in Sections 2 (except the
23 definition of "retailer maintaining a place of business in this
24 State"), 3 through 3-80 (except provisions pertaining to the
25 State rate of tax, and except provisions concerning collection
26 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,

1 19 (except the portions pertaining to claims by retailers and
2 except the last paragraph concerning refunds), 20, 21 and 22 of
3 the Use Tax Act, and are not inconsistent with this paragraph,
4 as fully as if those provisions were set forth herein.

5 Whenever the Department determines that a refund should be
6 made under this paragraph to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the order 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 (h) The Authority may impose a replacement vehicle tax of
14 \$50 on any passenger car as defined in Section 1-157 of the
15 Illinois Vehicle Code purchased within the metropolitan region
16 by or on behalf of an insurance company to replace a passenger
17 car of an insured person in settlement of a total loss claim.
18 The tax imposed may not become effective before the first day
19 of the month following the passage of the ordinance imposing
20 the tax and receipt of a certified copy of the ordinance by the
21 Department of Revenue. The Department of Revenue shall collect
22 the tax for the Authority in accordance with Sections 3-2002
23 and 3-2003 of the Illinois Vehicle Code.

24 The Department shall immediately pay over to the State
25 Treasurer, ex officio, as trustee, all taxes collected
26 hereunder. On or before the 25th day of each calendar month,

1 the Department shall prepare and certify to the Comptroller the
2 disbursement of stated sums of money to the Authority. The
3 amount to be paid to the Authority shall be the amount
4 collected hereunder during the second preceding calendar month
5 by the Department, less any amount determined by the Department
6 to be necessary for the payment of refunds. Within 10 days
7 after receipt by the Comptroller of the disbursement
8 certification to the Authority provided for in this Section to
9 be given to the Comptroller by the Department, the Comptroller
10 shall cause the orders to be drawn for that amount in
11 accordance with the directions contained in the certification.

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

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

23 (k) The provisions of any tax imposed under paragraph (c)
24 of this Section shall conform as closely as may be practicable
25 to the provisions of the Use Tax Act, including without
26 limitation conformity as to penalties with respect to the tax

1 imposed and as to the powers of the State Department of Revenue
2 to promulgate and enforce rules and regulations relating to the
3 administration and enforcement of the provisions of the tax
4 imposed. The taxes shall be imposed only on use within the
5 metropolitan region and at rates as provided in the paragraph.

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

20 (m) Any ordinance imposing or discontinuing any tax under
21 this Section shall be adopted and a certified copy thereof
22 filed with the Department on or before June 1, whereupon the
23 Department of Revenue shall proceed to administer and enforce
24 this Section on behalf of the Regional Transportation Authority
25 as of September 1 next following such adoption and filing.
26 Beginning January 1, 1992, an ordinance or resolution imposing

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

23 (n) The State Department of Revenue shall, upon collecting
24 any taxes as provided in this Section, pay the taxes over to
25 the State Treasurer as trustee for the Authority. The taxes
26 shall be held in a trust fund outside the State Treasury. On or

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

1 ~~the direction in the certification.~~

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

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

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

1 in effect.

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

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

17 (Source: P.A. 92-221, eff. 8-2-01; 92-651, eff. 7-11-02;
18 93-1068, eff. 1-15-05.)

19 (70 ILCS 3615/4.03.3 new)

20 Sec. 4.03.3. Distribution of Revenues. This Section
21 applies only after the Department begins administering and
22 enforcing an increased tax under Section 4.03(m) as authorized
23 by this amendatory Act of the 95th General Assembly. After
24 providing for payment of its obligations with respect to bonds
25 and notes issued under the provisions of Section 4.04 and

1 obligations related to those bonds and notes, the Authority
2 shall disburse the remaining proceeds from taxes it has
3 received from the Department of Revenue under this Article IV
4 and the remaining proceeds it has received from the State under
5 Section 4.09(a) as follows:

6 (a) With respect to taxes imposed by the Authority under
7 Section 4.03, after withholding 15% of 80% of the receipts from
8 those taxes collected in Cook County at a rate of 1.25%, 15% of
9 75% of the receipts from those taxes collected in Cook County
10 at the rate of 1%, 15% of one-half of the receipts from those
11 taxes collected in DuPage, Kane, Lake, McHenry, and Will
12 Counties, and 15% of money received by the Authority from the
13 Regional Transportation Authority Occupation and Use Tax
14 Replacement Fund or from the Regional Transportation Authority
15 Sales Tax Fund, the Board shall allocate the proceeds and money
16 remaining to the Service Boards as follows:

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

1 to the Chicago Transit Authority;

2 (2) an amount equal to (i) 85% of 80% of the receipts
3 from those taxes collected within Cook County outside of
4 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of
5 the receipts from those taxes collected within Cook County
6 outside the City of Chicago at a rate of 1%, and (iii) 85%
7 of the money received by the Authority on account of
8 transfers to the Regional Transportation Authority
9 Occupation and Use Tax Replacement Fund from the County and
10 Mass Transit District Fund attributable to retail sales
11 within Cook County outside of the City of Chicago shall be
12 allocated 30% to the Chicago Transit Authority, 55% to the
13 Commuter Rail Board, and 15% to the Suburban Bus Board; and

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

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

1 allocated among the Service Boards on the basis of each Service
2 Board's distribution ratio. The term "distribution ratio"
3 means, for purposes of this subsection (b), the ratio of the
4 total amount distributed to a Service Board pursuant to
5 subsection (a) of Section 4.03.3 for the immediately preceding
6 calendar year to the total amount distributed to all of the
7 Service Boards pursuant to subsection (a) of Section 4.03.3 for
8 the immediately preceding calendar year.

9 (c) (i) 20% of the receipts from those taxes collected in
10 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%
11 of the receipts from those taxes collected in Cook County under
12 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from
13 those taxes collected in DuPage, Kane, Lake, McHenry, and Will
14 Counties under Section 4.03, and (iv) amounts received from the
15 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)
16 of Section 4.09 (a) (3) shall be allocated as follows: in 2008,
17 \$100,000,000 shall be deposited in the ADA Paratransit Fund
18 described in Section 2.01d, \$20,000,000 shall be deposited in
19 the Suburban Community Mobility Fund described in Section
20 2.01e, and \$10,000,000 shall be deposited in the Innovation,
21 Coordination and Enhancement Fund described in Section 2.01c,
22 and the balance shall be allocated 48% to the Chicago Transit
23 Authority, 39% to the Commuter Rail Board, and 13% to the
24 Suburban Bus Board; and in 2009 and each year thereafter, the
25 amounts deposited in the ADA Paratransit Fund, the Suburban
26 Community Mobility Fund and the Innovation, Coordination and

1 Enhancement Fund respectively shall equal the amount deposited
2 in the previous year increased or decreased by the percentage
3 growth or decline in revenues received by the Authority from
4 taxes imposed under Section 4.03 in the previous year, and the
5 balance shall be allocated 48% to the Chicago Transit
6 Authority, 39% to the Commuter Rail Board and 13% to the
7 Suburban bus Board.

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

11 (e) With respect to those taxes collected in DuPage, Kane,
12 Lake, McHenry, and Will Counties and paid directly to the
13 counties under Section 4.03, the County Board of each county
14 shall use those amounts to fund operating and capital costs of
15 public transportation services or facilities or to fund
16 operating, capital, right-of-way, construction, and
17 maintenance costs of other transportation purposes, including
18 road, bridge, public safety, and transit purposes intended to
19 improve mobility or reduce congestion in the county. The
20 receipt of funding by such counties pursuant to this paragraph
21 shall not be used as the basis for reducing any funds that such
22 counties would otherwise have received from the State of
23 Illinois, any agency or instrumentality thereof, the
24 Authority, or the Service Boards.

25 (f) The Authority by ordinance adopted by 12 of its then
26 Directors shall apportion to the Service Boards funds provided

1 by the State of Illinois under Section 4.09(a)(1) as it shall
2 determine and shall make payment of the amounts to each Service
3 Board as soon as may be practicable upon their receipt provided
4 the Authority has adopted a balanced budget as required by
5 Section 4.01 and further provided the Service Board is in
6 compliance with the requirements in Section 4.11.

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

11 (70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (g) (1) Except as provided in subdivisions (g)(2) and

1 (g) (3) of Section 4.04 of this Act, the Authority shall not
2 at any time issue, sell or deliver any bonds or notes
3 (other than Working Cash Notes) pursuant to this Section
4 4.04 which will cause it to have issued and outstanding at
5 any time in excess of \$800,000,000 of such bonds and notes
6 (other than Working Cash Notes). The Authority shall not at
7 any time issue, sell, or deliver any Working Cash Notes
8 pursuant to this Section that will cause it to have issued
9 and outstanding at any time in excess of \$100,000,000.
10 Notwithstanding the foregoing, before January 1, 2009, the
11 Authority may issue and have outstanding an additional
12 \$300,000,000 in Working Cash Notes, provided that no such
13 note shall mature later than December 31, 2010. ~~The~~
14 ~~Authority shall not at any time issue, sell or deliver any~~
15 ~~Working Cash Notes pursuant to this Section which will~~
16 ~~cause it to have issued and outstanding at any time in~~
17 ~~excess of \$100,000,000 of Working Cash Notes.~~ Bonds or
18 notes which are being paid or retired by such issuance,
19 sale or delivery of bonds or notes, and bonds or notes for
20 which sufficient funds have been deposited with the paying
21 agency of such bonds or notes to provide for payment of
22 principal and interest thereon or to provide for the
23 redemption thereof, all pursuant to the ordinance
24 authorizing the issuance of such bonds or notes, shall not
25 be considered to be outstanding for the purposes of the
26 first two sentences of this subsection.

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

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

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

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

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

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

15 the aggregate total authorization of bonds and notes
16 for Strategic Capital Improvement Projects as of January 1,
17 1994, shall be \$500,000,000.

18 The Authority is also authorized to issue, sell, and
19 deliver bonds or notes in such amounts as are necessary to
20 provide for the refunding or advance refunding of bonds or
21 notes issued for Strategic Capital Improvement Projects
22 under this subdivision (g)(2), provided that no such
23 refunding bond or note shall mature later than the final
24 maturity date of the series of bonds or notes being
25 refunded, and provided further that the debt service
26 requirements for such refunding bonds or notes in the

1 current or any future fiscal year shall not exceed the debt
2 service requirements for that year on the refunded bonds or
3 notes.

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

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

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

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

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

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

19 the aggregate total authorization of bonds and notes
20 for Strategic Capital Improvement Projects pursuant to
21 this paragraph (3) as of January 1, 2004 shall be
22 \$1,300,000,000.

23 The Authority is also authorized to issue, sell, and
24 deliver bonds or notes in such amounts as are necessary to
25 provide for the refunding or advance refunding of bonds or
26 notes issued for Strategic Capital Improvement projects

1 under this subdivision (g)(3), provided that no such
2 refunding bond or note shall mature later than the final
3 maturity date of the series of bonds or notes being
4 refunded, and provided further that the debt service
5 requirements for such refunding bonds or notes in the
6 current or any future fiscal year shall not exceed the debt
7 service requirements for that year on the refunded bonds or
8 notes.

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

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

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

19 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

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

23 (a) (1) ~~(a) As soon as possible after the first day of each~~
24 ~~month, beginning November 1, 1983, the Comptroller shall order~~
25 ~~transferred and the Treasurer shall transfer from the General~~

1 ~~Revenue Fund to a special fund in the State Treasury, to be~~
2 ~~known as the "Public Transportation Fund" \$9,375,000 for each~~
3 ~~month remaining in State fiscal year 1984.~~ As soon as possible
4 after the first day of each month, beginning July 1, 1984, upon
5 certification of the Department of Revenue, the Comptroller
6 shall order transferred and the Treasurer shall transfer from
7 the General Revenue Fund to the Public Transportation Fund an
8 amount equal to 25% of the net revenue, before the deduction of
9 the serviceman and retailer discounts pursuant to Section 9 of
10 the Service Occupation Tax Act and Section 3 of the Retailers'
11 Occupation Tax Act, realized from (i) 80% of the proceeds of
12 any tax imposed by the Authority at a rate of 1.25% in Cook
13 County, (ii) 75% of the proceeds of any tax imposed by the
14 Authority at the rate of 1% in Cook County, and (iii) one-third
15 of the proceeds of any tax imposed by the Authority at the rate
16 of 0.75% in the Counties of DuPage, Kane, Lake, McHenry, and
17 Will pursuant to Sections 4.03 and 4.03.1 and 25% of the
18 amounts deposited into the Regional Transportation Authority
19 tax fund created by Section 4.03 of this Act, from the County
20 and Mass Transit District Fund as provided in Section 6z-20 of
21 the State Finance Act and 25% of the amounts deposited into the
22 Regional Transportation Authority Occupation and Use Tax
23 Replacement Fund from the State and Local Sales Tax Reform Fund
24 as provided in Section 6z-17 of the State Finance Act. As used
25 in this Section, net ~~Net~~ revenue realized for a month shall be
26 the revenue collected by the State pursuant to Sections 4.03

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

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

21 (3) As soon as possible after the first day of January,
22 2009 and each month thereafter, upon certification of the
23 Department of Revenue with respect to the taxes collected under
24 Section 4.03, the Comptroller shall order transferred and the
25 Treasurer shall transfer from the General Revenue Fund to the
26 Public Transportation Fund an amount equal to 25% of the net

1 revenue, before the deduction of the serviceman and retailer
2 discounts pursuant to Section 9 of the Service Occupation Tax
3 Act and Section 3 of the Retailers' Occupation Tax Act,
4 realized from (i) 20% of the proceeds of any tax imposed by the
5 Authority at a rate of 1.25% in Cook County, (ii) 25% of the
6 proceeds of any tax imposed by the Authority at the rate of 1%
7 in Cook County, and (iii) one-third of the proceeds of any tax
8 imposed by the Authority at the rate of 0.75% in the Counties
9 of DuPage, Kane, Lake, McHenry, and Will, all pursuant to
10 Section 4.03, and (iv) 25% of the revenue realized by the
11 Chicago Transit Authority as financial assistance from the City
12 of Chicago from the proceeds of any tax imposed by the City
13 under Section 8-3-19 of the Municipal Code.

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

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

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

1 this Section. Additional State Assistance shall be calculated
2 as provided in subsection (d), but shall in no event exceed the
3 following specified amounts with respect to the following State
4 fiscal years:

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

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

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

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

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

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

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

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

24 (4) The amount of interest, if any, earned by the
25 Authority during the previous State fiscal year on the
26 proceeds of bonds or notes issued pursuant to subdivisions

1 (g) (2) and (g) (3) of Section 4.04, other than refunding or
2 advance refunding bonds or notes.

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

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

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

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

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

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

1 notes.

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

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

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

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

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

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

1 subsection (b) of Section 2.20; any payments with respect
2 to rate protection contracts, credit enhancements or
3 liquidity agreements made under Section 4.14; any other
4 cost as to which it is reasonably expected that a cash
5 expenditure will not be made; costs ~~up to \$5,000,000~~
6 ~~annually~~ for passenger security including grants,
7 contracts, personnel, equipment and administrative
8 expenses, except in the case of the Chicago Transit
9 Authority, in which case the term does not include costs
10 spent annually by that entity for protection against crime
11 as required by Section 27a of the Metropolitan Transit
12 Authority Act; the costs of Debt Service paid by the
13 Chicago Transit Authority, as defined in Section 12c of the
14 Metropolitan Transit Authority Act, or bonds or notes
15 issued pursuant to that Section; the payment by the
16 Commuter Rail Division of debt service on bonds issued
17 pursuant to Section 3B.09; expenses incurred by the
18 Suburban Bus Division for the cost of new public
19 transportation services funded from grants pursuant to
20 Section 2.01e of this amendatory Act of the 95th General
21 Assembly for a period of 2 years from the date of
22 initiation of each such service; costs as exempted by the
23 Board for projects pursuant to Section 2.09 of this Act;
24 or, beginning with the 2007 fiscal year, expenses related
25 to providing ADA paratransit service pursuant to Section
26 2.30 of the Regional Transportation Authority Act; or in

1 fiscal years 2008 through 2017 inclusive, costs in the
2 amount of \$200,000,000 in fiscal year 2008, reducing by
3 \$20,000,000 in each fiscal year thereafter until this
4 exemption is eliminated. If said system generated revenues
5 are less than 50% of said costs, the Board shall remit an
6 amount equal to the amount of the deficit to the State. The
7 Treasurer shall deposit any such payment in the General
8 Revenue Fund; and

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

15 (h) If the Authority makes any payment to the State under
16 paragraph (g), the Authority shall reduce the amount provided
17 to a Service Board from funds transferred under paragraph (a)
18 in proportion to the amount by which that Service Board failed
19 to meet its required system generated revenues recovery ratio.
20 A Service Board which is affected by a reduction in funds under
21 this paragraph shall submit to the Authority concurrently with
22 its next due quarterly report a revised budget incorporating
23 the reduction in funds. The revised budget must meet the
24 criteria specified in clauses (i) through (vi) of Section
25 4.11(b)(2). The Board shall review and act on the revised
26 budget as provided in Section 4.11(b)(3).

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

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

3 Sec. 4.11. Budget Review Powers.

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

1 that Service Board which must be recovered from system
2 generated revenues. The Board shall, at the same time,
3 beginning with the 2007 fiscal year, also advise each Service
4 Board that provides ADA paratransit services of its required
5 system generated ADA paratransit services revenue recovery
6 ratio for the next fiscal year which shall be the percentage of
7 the aggregate costs of providing ADA paratransit services by or
8 under jurisdiction of that Service Board which must be
9 recovered from fares charged for such services, except that
10 such required system generated ADA paratransit services
11 revenue recovery ratio shall not exceed the minimum percentage
12 established pursuant to Section 4.01(b)(ii) of this Act. In
13 determining a Service Board's system generated revenue
14 recovery ratio, the Board shall consider the historical system
15 generated revenues recovery ratio for the services subject to
16 the jurisdiction of that Service Board. The Board shall not
17 increase a Service Board's system generated revenues recovery
18 ratio for the next fiscal year over such ratio for the current
19 fiscal year disproportionately or prejudicially to increases
20 in such ratios for other Service Boards. The Board may, by
21 ordinance, provide that (i) the cost of research and
22 development projects in the fiscal year beginning January 1,
23 1986 and ending December 31, 1986 conducted pursuant to Section
24 2.09 of this Act, ~~and (ii) up to \$5,000,000 annually of the~~
25 costs for passenger security, and (iii) expenditures of amounts
26 granted to a Service Board from the Innovation, Coordination,

1 and Enhancement Fund for operating purposes may be exempted
2 from the farebox recovery ratio or the system generated
3 revenues recovery ratio of the Chicago Transit Authority, the
4 Suburban Bus Board, and the Commuter Rail Board, or any of
5 them. During fiscal years 2008 through 2017, the Board may also
6 allocate the exemption of \$200,000,000 and the reducing amounts
7 of costs provided by this amendatory Act of the 95th General
8 Assembly from the farebox recovery ratio or system generated
9 revenues recovery ratio of each Service Board. ~~For the fiscal~~
10 ~~year beginning January 1, 1986 and ending December 31, 1986,~~
11 ~~and for the fiscal year beginning January 1, 1987 and ending~~
12 ~~December 31, 1987, the Board shall, by ordinance, provide that:~~
13 ~~(1) the amount of a grant, pursuant to Section 2705-310 of the~~
14 ~~Department of Transportation Law (20 ILCS 2705/2705-310), from~~
15 ~~the Department of Transportation for the cost of services for~~
16 ~~the mobility limited provided by the Chicago Transit Authority,~~
17 ~~and (2) the amount of a grant, pursuant to Section 2705-310 of~~
18 ~~the Department of Transportation Law (20 ILCS 2705/2705-310),~~
19 ~~from the Department of Transportation for the cost of services~~
20 ~~for the mobility limited by the Suburban Bus Board or the~~
21 ~~Commuter Rail Board, be exempt from the farebox recovery ratio~~
22 ~~or the system generated revenues recovery ratio.~~

23 (b) (1) Not later than the next preceding November 15 prior
24 to the commencement of such fiscal year, each Service Board
25 shall submit to the Authority its proposed budget for such
26 fiscal year and its proposed financial plan for the two

1 following fiscal years. Such budget and financial plan shall
2 (i) be prepared in the format, follow the financial and
3 budgetary practices, and be based on any assumptions and
4 projections required by the Authority and (ii) not project or
5 assume a receipt of revenues from the Authority in amounts
6 greater than those set forth in the estimates provided by the
7 Authority pursuant to subsection (a) of this Section.

8 (2) The Board shall review the proposed budget and two-year
9 financial plan submitted by each Service Board, ~~and shall adopt~~
10 ~~a consolidated budget and financial plan.~~ The Board shall
11 approve the budget and two-year financial plan of a Service
12 Board if:

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

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

24 (ii) ~~(iii)~~ such budget and plan show cash balances
25 including the proceeds of any anticipated cash flow
26 borrowing sufficient to pay with reasonable promptness all

1 costs and expenses as incurred;

2 (iii) ~~(iv)~~ such budget and plan provide for a level of
3 fares or charges and operating or administrative costs for
4 the public transportation provided by or subject to the
5 jurisdiction of such Service Board sufficient to allow the
6 Service Board to meet its required system generated revenue
7 recovery ratio and, beginning with the 2007 fiscal year,
8 system generated ADA paratransit services revenue recovery
9 ratio;

10 (iv) ~~(v)~~ such budget and plan are based upon and employ
11 assumptions and projections which are reasonable and
12 prudent;

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

16 (vi) ~~(vii)~~ such budget and plan meet such other
17 financial, budgetary, or fiscal requirements that the
18 Board may by rule or regulation establish; and ~~-~~

19 (vii) such budget and plan are consistent with the
20 goals and objectives adopted by the Authority in the
21 Strategic Plan.

22 (3) (Blank) ~~In determining whether the budget and financial~~
23 ~~plan provide a level of fares or charges sufficient to allow a~~
24 ~~Service Board to meet its required system generated revenue~~
25 ~~recovery ratio and, beginning with the 2007 fiscal year, system~~
26 ~~generated ADA paratransit services revenue recovery ratio~~

1 ~~under clause (iv) in subparagraph (2), the Board shall allow a~~
2 ~~Service Board to carry over cash from farebox revenues to~~
3 ~~subsequent fiscal years.~~

4 (4) Unless the Board by an affirmative vote of 12 ~~9~~ of the
5 then Directors determines that the budget and financial plan of
6 a Service Board meets the criteria specified in clauses (i)
7 ~~(ii)~~ through (vii) of subparagraph (2) of this paragraph (b),
8 the Board shall not release to that Service Board any funds for
9 the periods covered by such budget and financial plan after
10 February 1, except 75% of ~~for~~ the cash proceeds of taxes
11 imposed by the Authority under Section 4.03 and Section 4.03.1
12 which are allocated to the Service Board under Section 4.03.3
13 and received by the Authority after February 1 shall be
14 released to the Service Board. The remainder of any cash
15 proceeds of taxes imposed by the Authority under Section 4.03
16 and Section 4.03.1 that are allocated to the Service Board
17 under Section 4.01 shall be released to the Service Board only
18 upon approval of a budget and financial plan under this Section
19 or adoption of a budget and financial plan on behalf of the
20 Service Board by the Authority 4.01.

21 (5) If the Board has not found that the budget and
22 financial plan of a Service Board meets the criteria specified
23 in clauses (i) through (vii) of subparagraph (2) of this
24 paragraph (b), the Board, by the affirmative vote of at least
25 12 of its then Directors, shall ~~shall, five working days after~~
26 ~~the start of the Service Board's fiscal year~~ adopt a budget and

1 financial plan meeting such criteria for that Service Board.

2 (c) (1) If the Board shall at any time have received a
3 revised estimate, or revises any estimate the Board has made,
4 pursuant to this Section of the receipts to be collected by the
5 Authority which, in the judgment of the Board, requires a
6 change in the estimates on which the budget of any Service
7 Board is based, the Board shall advise the affected Service
8 Board of such revised estimates, and such Service Board shall
9 within 30 days after receipt of such advice submit a revised
10 budget incorporating such revised estimates. If the revised
11 estimates require, in the judgment of the Board, that the
12 system generated revenues recovery ratio of one or more Service
13 Boards be revised in order to allow the Authority to meet its
14 required ratio, the Board shall advise any such Service Board
15 of its revised ratio and such Service Board shall within 30
16 days after receipt of such advice submit a revised budget
17 incorporating such revised estimates or ratio.

18 (2) Each Service Board shall, within such period after the
19 end of each fiscal quarter as shall be specified by the Board,
20 report to the Authority its financial condition and results of
21 operations and the financial condition and results of
22 operations of the public transportation services subject to its
23 jurisdiction, as at the end of and for such quarter. If in the
24 judgment of the Board such condition and results are not
25 substantially in accordance with such Service Board's budget
26 for such period, the Board shall so advise such Service Board

1 and such Service Board shall within the period specified by the
2 Board submit a revised budget incorporating such results.

3 (3) If the Board shall determine that a revised budget
4 submitted by a Service Board pursuant to subparagraph (1) or
5 (2) of this paragraph (c) does not meet the criteria specified
6 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of
7 paragraph (b) of this Section, the Board shall not release any
8 monies to that Service Board, except 75% of the cash proceeds
9 of taxes imposed by the Authority under Section 4.03 or 4.03.1
10 which are allocated to the Service Board under Section 4.03.3
11 ~~4.01~~. If the Service Board submits a revised financial plan and
12 budget which plan and budget shows that the criteria will be
13 met within a four quarter period, the Board shall continue to
14 release funds to the Service Board. The Board by the
15 affirmative vote of at least 12 ~~a 9 vote~~ of its then Directors
16 may require a Service Board to submit a revised financial plan
17 and budget which shows that the criteria will be met in a time
18 period less than four quarters.

19 (d) All budgets and financial plans, financial statements,
20 audits and other information presented to the Authority
21 pursuant to this Section or which may be required by the Board
22 to permit it to monitor compliance with the provisions of this
23 Section shall be prepared and presented in such manner and
24 frequency and in such detail as shall have been prescribed by
25 the Board, shall be prepared on both an accrual and cash flow
26 basis as specified by the Board, shall present such information

1 as the Authority shall prescribe that fairly presents the
2 condition of any pension plan or trust for health care benefits
3 with respect to retirees established by the Service Board and
4 describes the plans of the Service Board to meet the
5 requirements of Sections 4.02a and 4.02b, and shall identify
6 and describe the assumptions and projections employed in the
7 preparation thereof to the extent required by the Board. If the
8 Executive Director certifies that a Service Board has not
9 presented its budget and two-year financial plan in conformity
10 with the rules adopted by the Authority under the provisions of
11 Section 4.01(f) and this subsection (d), and such certification
12 is accepted by the affirmative vote of at least 12 of the then
13 Directors of the Authority, the Authority shall not distribute
14 to that Service Board any funds for operating purposes in
15 excess of the amounts distributed for such purposes to the
16 Service Board in the previous fiscal year. Except when the
17 Board adopts a budget and a financial plan for a Service Board
18 under paragraph (b) (5), a Service Board shall provide for such
19 levels of transportation services and fares or charges therefor
20 as it deems appropriate and necessary in the preparation of a
21 budget and financial plan meeting the criteria set forth in
22 clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of paragraph
23 (b) of this Section. The Authority Board shall have access to
24 and the right to examine and copy all books, documents, papers,
25 records, or other source data of a Service Board relevant to
26 any information submitted pursuant to this Section.

1 (e) Whenever this Section requires the Board to make
2 determinations with respect to estimates, budgets or financial
3 plans, or rules or regulations with respect thereto such
4 determinations shall be made upon the affirmative vote of at
5 least 12 ~~9~~ of the then Directors and shall be incorporated in a
6 written report of the Board and such report shall be submitted
7 within 10 days after such determinations are made to the
8 Governor, the Mayor of Chicago (if such determinations relate
9 to the Chicago Transit Authority), and the Auditor General of
10 Illinois.

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

12 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

13 Sec. 4.13. Annual Capital Improvement Plan.

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

20 (i) a list of projects for which approval is sought
21 from the Governor, with a description of each project
22 stating at a minimum the project cost, its category, its
23 location and the entity responsible for its
24 implementation;

25 (ii) a certification by the Authority that the

1 Authority and the Service Boards have applied for all
2 grants, loans and other moneys made available by the
3 federal government or the State of Illinois during the
4 preceding federal and State fiscal years for financing its
5 capital development activities;

6 (iii) a certification that, as of September 30 of the
7 preceding calendar year or any later date, the balance of
8 all federal capital grant funds and all other funds to be
9 used as matching funds therefor which were committed to or
10 possessed by the Authority or a Service Board but which had
11 not been obligated was less than \$350,000,000, or a greater
12 amount as authorized in writing by the Governor (for
13 purposes of this subsection (a), "obligated" means
14 committed to be paid by the Authority or a Service Board
15 under a contract with a nongovernmental entity in
16 connection with the performance of a project or committed
17 under a force account plan approved by the federal
18 government);

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

22 (v) a schedule of all bonds or notes previously issued
23 for Strategic Capital Improvement Projects and all debt
24 service payments to be made with respect to all such bonds
25 and the estimated additional debt service payments through
26 June 30 of the following calendar year expected to result

1 from bonds to be sold prior thereto;

2 (vi) a long-range summary of the Strategic Capital
3 Improvement Program describing the projects to be funded
4 through the Program with respect to project cost, category,
5 location, and implementing entity, and presenting a
6 financial plan including an estimated time schedule for
7 obligating funds for the performance of approved projects,
8 issuing bonds, expending bond proceeds and paying debt
9 service throughout the duration of the Program; and

10 (vii) the source of funding for each project in the
11 Plan. For any project for which full funding has not yet
12 been secured and which is not subject to a federal full
13 funding contract, the Authority must identify alternative,
14 dedicated funding sources available to complete the
15 project. The Governor may waive this requirement on a
16 project by project basis.

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

24 (c) The Authority shall seek approval from the Governor
25 only through the Plan or an amendment thereto. The Authority
26 shall not request approval of the Plan from the Governor in any

1 calendar year in which it is unable to make the certifications
2 required under items (ii), (iii) and (iv) of subsection (a). In
3 no event shall the Authority seek approval of the Plan from the
4 Governor for projects in an aggregate amount exceeding the
5 proceeds of bonds or notes for Strategic Capital Improvement
6 Projects issued under Section 4.04 of this Act.

7 (d) The Governor may approve the Plan for which approval is
8 requested. The Governor's approval is limited to the amount of
9 the project cost stated in the Plan. The Governor shall not
10 approve the Plan in a calendar year if the Authority is unable
11 to make the certifications required under items (ii), (iii) and
12 (iv) of subsection (a). In no event shall the Governor approve
13 the Plan for projects in an aggregate amount exceeding the
14 proceeds of bonds or notes for Strategic Capital Improvement
15 Projects issued under Section 4.04 of this Act.

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

20 (f) Before the Authority or a Service Board obligates any
21 funds for a project for which the Authority or Service Board
22 intends to use the proceeds of bonds or notes for Strategic
23 Capital Improvement Projects, but which project is not included
24 in an approved Plan, the Authority must notify the Governor of
25 the intended obligation. No project costs incurred prior to
26 approval of the Plan including that project may be paid from

1 the proceeds of bonds or notes for Strategic Capital
2 Improvement Projects issued under Section 4.04 of this Act.

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

4 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

5 Sec. 4.14. Rate Protection Contract. "Rate Protection
6 Contract" means interest rate price exchange agreements;
7 currency exchange agreements; forward payment conversion
8 agreements; contracts providing for payment or receipt of funds
9 based on levels of, or changes in, interest rates, currency
10 exchange rates, stock or other indices; contracts to exchange
11 cash flows or a series of payments; contracts, including
12 without limitation, interest rate caps; interest rate floor;
13 interest rate locks; interest rate collars; rate of return
14 guarantees or assurances, to manage payment, currency, rate,
15 spread or similar exposure; the obligation, right, or option to
16 issue, put, lend, sell, grant a security interest in, buy,
17 borrow or otherwise acquire, a bond, note or other security or
18 interest therein as an investment, as collateral, as a hedge,
19 or otherwise as a source or assurance of payment to or by the
20 Authority or as a reduction of the Authority's or an obligor's
21 risk exposure; repurchase agreements; securities lending
22 agreements; and other agreements or arrangements similar to the
23 foregoing.

24 Notwithstanding any provision in Section 2.20 (a) (ii) of
25 this Act to the contrary, in connection with or incidental to

1 the issuance by the Authority of its bonds or notes under the
2 provisions of Section 4.04 or the exercise of its powers under
3 subsection (b) of Section 2.20, the Authority, for its own
4 benefit or for the benefit of the holders of its obligations or
5 their trustee, may enter into rate protection contracts. The
6 Authority may enter into rate protection contracts only
7 pursuant to a determination by a vote of 12 ~~9~~ of the then
8 Directors that the terms of the contracts and any related
9 agreements reduce the risk of loss to the Authority, or
10 protect, preserve or enhance the value of its assets, or
11 provide compensation to the Authority for losses resulting from
12 changes in interest rates. The Authority's obligations under
13 any rate protection contract or credit enhancement or liquidity
14 agreement shall not be considered bonds or notes for purposes
15 of this Act. For purposes of this Section a rate protection
16 contract is a contract determined by the Authority as necessary
17 or appropriate to permit it to manage payment, currency or
18 interest rate risks or levels.

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

20 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

21 Sec. 5.01. Hearings and Citizen Participation.

22 (a) The Authority shall provide for and encourage
23 participation by the public in the development and review of
24 public transportation policy, and in the process by which major
25 decisions significantly affecting the provision of public

1 transportation are made. The Authority shall coordinate such
2 public participation processes with the Chicago Metropolitan
3 Agency for Planning to the extent practicable.

4 (b) The Authority shall hold such public hearings as may be
5 required by this Act or as the Authority may deem appropriate
6 to the performance of any of its functions. The Authority shall
7 coordinate such public hearings with the Chicago Metropolitan
8 Agency for Planning to the extent practicable.

9 (c) Unless such items are specifically provided for either
10 in the Five-Year Capital Program or in the annual budget
11 program which has been the subject of public hearings as
12 provided in Sections 2.01 or 4.01 of this Act, the Board shall
13 hold public hearings at which citizens may be heard prior to:

14 (i) the construction or acquisition of any public
15 transportation facility, the aggregate cost of which exceeds \$5
16 million; and

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

20 (d) Unless such items are specifically provided for in the
21 annual budget and program which has been the subject of public
22 hearing, as provided in Section 4.01 of this Act, the Board
23 shall hold public hearings at which citizens may be heard prior
24 to the providing for or allowing, by means of any purchase of
25 service agreement or any grant pursuant to Section 2.02 of this
26 Act, any general increase or series of increases in fares or

1 charges for public transportation, whether by the Authority or
2 by any transportation agency, which increase or series of
3 increases within any twelve months affects more than 25% of the
4 consumers of service of the Authority or of the transportation
5 agency; or so providing for or allowing any discontinuance of
6 any public transportation route, or major portion thereof,
7 which has been in service for more than a year.

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

12 (f) The Authority may designate one or more Directors or
13 may appoint one or more hearing officers to preside over any
14 hearing pursuant to this Act. The Authority shall have the
15 power in connection with any such hearing to issue subpoenas to
16 require the attendance of witnesses and the production of
17 documents, and the Authority may apply to any circuit court in
18 the State to require compliance with such subpoenas.

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

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

25 (70 ILCS 3615/2.12a rep.)

1 (70 ILCS 3615/3.09 rep.)

2 (70 ILCS 3615/3.10 rep.)

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

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

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.".