



Rep. Julie Hamos

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1 AMENDMENT TO SENATE BILL 572

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 572 by replacing  
3 everything after the enacting clause with the following:

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

6 (30 ILCS 5/3-2.3 new)

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

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

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

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

1           notes;

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

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

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 adopted an ordinance imposing a tax on  
18           the privilege of transferring title to real estate in  
19           the City of Chicago in an amount up to \$1.50 per \$500  
20           of value or fraction thereof.

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

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

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

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

12           (A) the method of valuation and the underlying  
13           assumptions;

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

22           (C) the amount of the estimated net present value  
23           savings comparing the true interest cost of the  
24           bonds or notes with the actuarial investment  
25           return assumption of the Retirement Plan; and

26           (D) a certification that the net proceeds of the

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

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

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

20                   (A) it is legally authorized to issue the bonds or  
21                   notes;

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

26                   (C) no bond or note shall mature later than

1           December 31, 2040;

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

10           (E) it has adopted an ordinance imposing a tax on  
11           the privilege of transferring title to real estate in  
12           the City of Chicago in an amount up to \$1.50 per \$500  
13           of value or fraction thereof.

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

18           (A) the Retiree Health Care Trust has been  
19           established and a Trust document is in effect to govern  
20           the Retiree Health Care Trust;

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

25           (C) a health care benefit program for eligible  
26           retirees and their dependents and survivors has been

1 established by the Board of Trustees according to the  
2 requirements of Section 22-101B(b) (2) of the Illinois  
3 Pension Code;

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

8 (E) contribution levels have been established for  
9 employees of the Authority according to the  
10 requirements of Section 22-101B(b) (6) of the Illinois  
11 Pension Code.

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

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

17 (B) a comparison of the projected interest cost of  
18 the bonds or notes proposed to be issued with the  
19 actuarial investment return assumption of the Retiree  
20 Health Care Trust; and

21 (C) a certification that the net proceeds of the  
22 bonds or notes, together with anticipated earnings on  
23 contributions and deposits, will be sufficient to  
24 adequately fund the actuarial present value of  
25 projected benefits expected to be paid under the  
26 Retiree Health Care Trust, or a certification of the

1           increases in contribution levels and decreases in  
2           benefit levels that would be required in order to cure  
3           any funding shortfall over a period of not more than 10  
4           years.

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

16           (b) The Auditor General shall examine the information  
17           submitted pursuant to Section 3-2.3(a)(1) through (4) and  
18           submit a report to the General Assembly, the Legislative Audit  
19           Commission, the Governor, the Regional Transportation  
20           Authority and the Authority indicating whether (i) the required  
21           certifications by the Authority and the Board of Trustees of  
22           the Retirement Plan have been made, and (ii) the actuarial  
23           reports have been provided, the reports include all required  
24           information, the assumptions underlying those reports are not  
25           unreasonable in the aggregate, and the reports appear to comply  
26           with all pertinent professional standards, including those

1 issued by the Actuarial Standards Board. The Auditor General  
2 shall submit such report no later than 60 days after receiving  
3 the information required to be submitted by the Authority and  
4 the Board of Trustees of the Retirement Plan. Any bonds or  
5 notes issued by the Authority under item (1) of subsection (b)  
6 of Section 12c of the Metropolitan Transit Authority Act shall  
7 be issued within 120 days after receiving such report from the  
8 Auditor General. The Authority may not issue bonds or notes  
9 until it receives the report from the Auditor General  
10 indicating the above requirements have been met.

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



1 (2) of subsection (b) of Section 12c of the Metropolitan  
2 Transit Authority Act shall be issued within 120 days after  
3 receiving such report from the Auditor General. The Authority  
4 may not issue bonds or notes until it receives a report from  
5 the Auditor General indicating the above requirements have been  
6 met.

7 (d) In fulfilling this duty, after receiving the  
8 information submitted pursuant to Section 3-2.3(a), the  
9 Auditor General may request additional information and support  
10 pertaining to the data and conclusions contained in the  
11 submitted documents and the Authority, the Board of Trustees of  
12 the Retirement Plan and the Board of Trustees of the Retiree  
13 Health Care Trust shall cooperate with the Auditor General and  
14 provide additional information as requested in a timely manner.  
15 The Auditor General may also request from the Regional  
16 Transportation Authority an analysis of the information  
17 submitted by the Authority relating to the sources of funds to  
18 be utilized for payment of the proposed bonds or notes of the  
19 Authority. The Auditor General's report shall not be in the  
20 nature of a post-audit or examination and shall not lead to the  
21 issuance of an opinion as that term is defined in generally  
22 accepted government auditing standards.

23 (e) Annual Retirement Plan Submission to Auditor General.  
24 The Board of Trustees of the Retirement Plan for Chicago  
25 Transit Authority Employees established by Section 22-101 of  
26 the Illinois Pension Code shall provide the following documents

1 to the Auditor General annually no later than September 30:

2 (1) the most recent audit or examination of the  
3 Retirement Plan;

4 (2) an annual statement containing the information  
5 specified in Section 1A-109 of the Illinois Pension Code;  
6 and

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

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

16 (f) The Auditor General shall annually examine the  
17 information submitted pursuant to Section 22-101B(b)(3)(iii)  
18 of the Illinois Pension Code and shall prepare the  
19 determination specified in Section 22-101B(b)(3)(iv) of the  
20 Illinois Pension Code.

21 (g) In fulfilling the duties under Sections 3-2.3(e) and  
22 (f) the Auditor General may request additional information and  
23 support pertaining to the data and conclusions contained in the  
24 submitted documents and the Authority, the Board of Trustees of  
25 the Retirement Plan and the Board of Trustees of the Retiree  
26 Health Care Trust shall cooperate with the Auditor General and

1 provide additional information as requested in a timely manner.  
2 The Auditor General's review shall not be in the nature of a  
3 post-audit or examination and shall not lead to the issuance of  
4 an opinion as that term is defined in generally accepted  
5 government auditing standards. Upon request of the Auditor  
6 General, the Commission on Government Forecasting and  
7 Accountability and the Public Pension Division of the Illinois  
8 Department of Financial and Professional Regulation shall  
9 cooperate with and assist the Auditor General in the conduct of  
10 his review.

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

1 paid by the Auditor General. The Auditor General shall submit a  
2 bill to the Retiree Health Care Trust for costs associated with  
3 the determination specified in subsection (f) of this Section,  
4 which the Retiree Health Care Trust shall reimburse in a timely  
5 manner. The amount received shall be deposited into the fund or  
6 funds from which such costs were paid by the Auditor General.

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

9 (30 ILCS 105/5.708 new)

10 Sec. 5.708. The Downstate Transit Improvement Fund.

11 (30 ILCS 105/6z-17) (from Ch. 127, par. 142z-17)

12 Sec. 6z-17. Of the money paid into the State and Local  
13 Sales Tax Reform Fund: (i) subject to appropriation to the  
14 Department of Revenue, Municipalities having 1,000,000 or more  
15 inhabitants shall receive 20% and may expend such amount to  
16 fund and establish a program for developing and coordinating  
17 public and private resources targeted to meet the affordable  
18 housing needs of low-income and very low-income households  
19 within such municipality, (ii) 10% shall be transferred into  
20 the Regional Transportation Authority Occupation and Use Tax  
21 Replacement Fund, a special fund in the State treasury which is  
22 hereby created, (iii) subject to appropriation to the  
23 Department of Transportation, The Madison County ~~Metro East~~

1 Mass Transit District shall receive .6%, (iv) the following  
2 amounts, plus any cumulative deficiency in such transfers for  
3 prior months, shall be transferred monthly into the Build  
4 Illinois Fund and credited to the Build Illinois Bond Account  
5 therein:

6 Fiscal Year	Amount
7 1990	\$2,700,000
8 1991	1,850,000
9 1992	2,750,000
10 1993	2,950,000

11 From Fiscal Year 1994 through Fiscal Year 2025 the transfer  
12 shall total \$3,150,000 monthly, plus any cumulative deficiency  
13 in such transfers for prior months, and (v) the remainder of  
14 the money paid into the State and Local Sales Tax Reform Fund  
15 shall be transferred into the Local Government Distributive  
16 Fund and, except for municipalities with 1,000,000 or more  
17 inhabitants which shall receive no portion of such remainder,  
18 shall be distributed, subject to appropriation, in the manner  
19 provided by Section 2 of "An Act in relation to State revenue  
20 sharing with local government entities", approved July 31,  
21 1969, as now or hereafter amended. Municipalities with more  
22 than 50,000 inhabitants according to the 1980 U.S. Census and  
23 located within the Metro East Mass Transit District receiving  
24 funds pursuant to provision (v) of this paragraph may expend  
25 such amounts to fund and establish a program for developing and  
26 coordinating public and private resources targeted to meet the

1 affordable housing needs of low-income and very low-income  
2 households within such municipality.

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

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

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

8 Sec. 2-2.04. "Eligible operating expenses" means all  
9 expenses required for public transportation, including  
10 employee wages and benefits, materials, fuels, supplies,  
11 rental of facilities, taxes other than income taxes, payment  
12 made for debt service (including principal and interest) on  
13 publicly owned equipment or facilities, and any other  
14 expenditure which is an operating expense according to standard  
15 accounting practices for the providing of public  
16 transportation. Eligible operating expenses shall not include  
17 allowances: (a) for depreciation whether funded or unfunded;  
18 (b) for amortization of any intangible costs; (c) for debt  
19 service on capital acquired with the assistance of capital  
20 grant funds provided by the State of Illinois; (d) for profits  
21 or return on investment; (e) for excessive payment to  
22 associated entities; (f) for Comprehensive Employment Training  
23 Act expenses; (g) for costs reimbursed under Sections 6 and 8  
24 of the "Urban Mass Transportation Act of 1964", as amended; (h)

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

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

1 upon which the appropriation for such participant for Fiscal  
2 Year 1980 is based.

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

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



1 operating expenses upon which the appropriation for such  
2 participant for Fiscal Year 1985 is based.

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

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

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

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

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

26 With respect to the fiscal year beginning July 1, 2007, and

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

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

10 (30 ILCS 740/2-3) (from Ch. 111 2/3, par. 663)

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

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

26 (b) As soon as possible after the first day of each month,

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

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

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

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

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

24 (d) For the purposes of this Article, beginning in fiscal  
25 year 2009 the General Assembly shall appropriate ~~the Department~~  
26 ~~shall include in its annual request for appropriation of~~

1 ~~ordinary and contingent expenses~~ an amount from the Downstate  
2 Public Transportation Fund equal to the sum total funds  
3 projected to be paid to the participants pursuant to Section  
4 2-7. If the General Assembly fails to make appropriations  
5 sufficient to cover the amounts projected to be paid pursuant  
6 to Section 2-7, this Act shall constitute an irrevocable and  
7 continuing appropriation from the Downstate Public  
8 Transportation Fund of all amounts necessary for those  
9 purposes.

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

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

20 (30 ILCS 740/2-6) (from Ch. 111 2/3, par. 666)

21 Sec. 2-6. Allocation of funds.

22 (a) With respect to all participants other than any  
23 Metro-East Transit District participant, the Department shall  
24 allocate the funds to be made available to each participant  
25 under this Article for the following fiscal year and shall

1 notify the chief official of each participant not later than  
2 the first day of the fiscal year of this amount. For Fiscal  
3 Year 1975, notification shall be made not later than January 1,  
4 1975, of the amount of such allocation. In determining the  
5 allocation for each participant, the Department shall estimate  
6 the funds available to the participant from the Downstate  
7 Public Transportation Fund for the purposes of this Article  
8 during the succeeding fiscal year, and shall allocate to each  
9 participant the amount attributable to it which shall be the  
10 amount paid into the Downstate Public Transportation Fund under  
11 Section 2-3 from within its boundaries. Said allocations may be  
12 exceeded for participants receiving assistance equal to  
13 one-third of their eligible operating expenses, only if an  
14 allocation is less than one-third of such participant's  
15 eligible operating expenses, provided, however, that no other  
16 participant is denied its one-third of eligible operating  
17 expenses. Beginning in Fiscal Year 1997, said allocation may be  
18 exceeded for participants receiving assistance equal to the  
19 percentage of their eligible operating expenses provided for in  
20 paragraph (b) of Section 2-7, only if allocation is less than  
21 the percentage of such participant's eligible operating  
22 expenses provided for in paragraph (b) of Section 2-7, provided  
23 however, that no other participant is denied its percentage of  
24 eligible operating expenses.

25 (b) With regard to any Metro-East Transit District  
26 organized under the Local Mass Transit District Act and serving



1 one or more of the Counties of Madison, Monroe and St. Clair  
2 during Fiscal Year 1989, the Department shall allocate the  
3 funds to be made available to each participant for the  
4 following and succeeding fiscal years and shall notify the  
5 chief official of each participant not later than the first day  
6 of the fiscal year of this amount. Beginning July 1, 2005, and  
7 ending June 30, 2008, the Department shall allocate the amount  
8 paid into the Metro-East Public Transportation Fund to the  
9 District serving primarily the County of Madison.

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

11 (30 ILCS 740/2-7) (from Ch. 111 2/3, par. 667)

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

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

1           (b) Each participant other than any Metro-East Transit  
2 District participant shall, 30 days before the end of each  
3 quarter, file with the Department on forms provided by the  
4 Department for such purposes a report of the projected eligible  
5 operating expenses to be incurred in the next quarter and 30  
6 days before the third and fourth quarters of any fiscal year a  
7 statement of actual eligible operating expenses incurred in the  
8 preceding quarters. Except as otherwise provided in subsection  
9 (b-5), within 45 days of receipt by the Department of such  
10 quarterly report, the Comptroller shall order paid and the  
11 Treasurer shall pay from the Downstate Public Transportation  
12 Fund to each participant an amount equal to one-third of such  
13 participant's eligible operating expenses; provided, however,  
14 that in Fiscal Year 1997, the amount paid to each participant  
15 from the Downstate Public Transportation Fund shall be an  
16 amount equal to 47% of such participant's eligible operating  
17 expenses and shall be increased to 49% in Fiscal Year 1998, 51%  
18 in Fiscal Year 1999, 53% in Fiscal Year 2000, ~~and~~ 55% in Fiscal  
19 Years Year 2001 through 2007, and 65% in Fiscal Year 2008 and  
20 thereafter; however, in any year that a participant receives  
21 funding under subsection (i) of Section 2705-305 of the  
22 Department of Transportation Law (20 ILCS 2705/2705-305), that  
23 participant shall be eligible only for assistance equal to the  
24 following percentage of its eligible operating expenses: 42% in  
25 Fiscal Year 1997, 44% in Fiscal Year 1998, 46% in Fiscal Year  
26 1999, 48% in Fiscal Year 2000, and 50% in Fiscal Year 2001 and

1 thereafter. Any such payment for the third and fourth quarters  
2 of any fiscal year shall be adjusted to reflect actual eligible  
3 operating expenses for preceding quarters of such fiscal year.  
4 However, no participant shall receive an amount less than that  
5 which was received in the immediate prior year, provided in the  
6 event of a shortfall in the fund those participants receiving  
7 less than their full allocation pursuant to Section 2-6 of this  
8 Article shall be the first participants to receive an amount  
9 not less than that received in the immediate prior year.

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

22 (b-10) On July 1, 2008, each participant shall receive an  
23 appropriation in an amount equal to 65% of its fiscal year 2008  
24 eligible operating expenses adjusted by the annual 10% increase  
25 required by Section 2-2.04 of this Act. In no case shall any  
26 participant receive an appropriation that is less than its

1 fiscal year 2008 appropriation. Every fiscal year thereafter,  
2 each participant's appropriation shall increase by 10% over the  
3 appropriation established for the preceding fiscal year as  
4 required by Section 2-2.04 of this Act.

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

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

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

1 Metro-East Transit District, any amount of payments from the  
2 Metro-East Public Transportation Fund which exceed the  
3 eligible deficit of the participant shall be reconciled by  
4 appropriate payment or credit.

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

6 (30 ILCS 740/2-15) (from Ch. 111 2/3, par. 675.1)

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

1 amount equal to 2% of the total allocations to participants in  
2 the fiscal year just ended to be used for the purpose of audit  
3 adjustments shall be retained in such Funds to be used by the  
4 Department for such purposes.

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

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

8 (40 ILCS 5/22-101) (from Ch. 108 1/2, par. 22-101)

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

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

1 ~~determined~~ by Board ordinance or collective bargaining  
2 agreement. ~~The Board, in lieu of social security payments~~  
3 ~~required to be paid by private corporations engaged in similar~~  
4 ~~activity, shall make payments into such established system at~~  
5 ~~least equal in amount to the amount so required to be paid by~~  
6 ~~such private corporations.~~

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

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

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

25       Each trustee shall cast individual votes, and a majority  
26 vote shall be final and binding upon all interested parties,



1 provided that the Board of Trustees may require a supermajority  
2 vote with respect to the investment of the assets of the  
3 Retirement Plan, and may set forth that requirement in the  
4 Retirement Plan documents, by-laws, or rules of the Board of  
5 Trustees. Each trustee shall have the rights, privileges,  
6 authority, and obligations as are usual and customary for such  
7 fiduciaries.

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

18 (c) All individuals who were previously participants in the  
19 Retirement Plan for Chicago Transit Authority Employees shall  
20 remain participants, and shall receive the same benefits  
21 established by the Retirement Plan for Chicago Transit  
22 Authority Employees, except as provided in this amendatory Act  
23 or by subsequent legislative enactment or amendment to the  
24 Retirement Plan. For Authority employees hired on or after the  
25 effective date of this amendatory Act of the 95th General  
26 Assembly, the Retirement Plan for Chicago Transit Authority

1 Employees shall be the exclusive retirement plan and such  
2 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 the effective date of this amendatory Act of the 95th General  
7 Assembly and are participants in the Retirement Plan for  
8 Chicago Transit Authority Employees, the following terms,  
9 conditions and provisions with respect to retirement shall be  
10 applicable:

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

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

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

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

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

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

19       (2) For the period ending December 31, 2040, the amount  
20       paid by the Authority in any year with respect to debt service  
21       on bonds issued for the purposes of funding a contribution to  
22       the Retirement Plan under Section 12c of the Metropolitan  
23       Transit Authority Act, other than debt service paid with the  
24       proceeds of bonds or notes issued by the Authority for any year  
25       after calendar year 2008, shall be treated as a credit against  
26       the amount of required contribution to the Retirement Plan by

1 the Authority under subsection (e) (1) for the following year up  
2 to an amount not to exceed 6% of compensation paid by the  
3 Authority in that following year.

4 (3) By September 15 of each year beginning in 2009 and  
5 ending on December 31, 2039, on the basis of a report prepared  
6 by an enrolled actuary retained by the Plan, the Board of  
7 Trustees of the Retirement Plan shall determine the estimated  
8 funded ratio of the total assets of the Retirement Plan to its  
9 total actuarially determined liabilities. A report containing  
10 that determination and the actuarial assumptions on which it is  
11 based shall be filed with the Authority, the representatives of  
12 its participating employees, the Auditor General of the State  
13 of Illinois, and the Regional Transportation Authority. If the  
14 funded ratio is projected to decline below 60% in any year  
15 before 2040, the Board of Trustees shall also determine the  
16 increased contribution required each year as a level percentage  
17 of payroll over the years remaining until 2040 using the  
18 projected unit credit actuarial cost method so the funded ratio  
19 does not decline below 60% and include that determination in  
20 its report. If the actual funded ratio declines below 60% in  
21 any year prior to 2040, the Board of Trustees shall also  
22 determine the increased contribution required each year as a  
23 level percentage of payroll during the years after the then  
24 current year using the projected unit credit actuarial cost  
25 method so the funded ratio is projected to reach at least 60%  
26 no later than 10 years after the then current year and include

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

21 (4) For the period beginning 2040, the minimum contribution  
22 to the Retirement Plan for each fiscal year shall be an amount  
23 determined by the Board of Trustees of the Retirement Plan to  
24 be sufficient to bring the total assets of the Retirement Plan  
25 up to 90% of its total actuarial liabilities by the end of  
26 2059. Participating employees shall be responsible for

1 one-third of the required contribution and the Authority shall  
2 be responsible for two-thirds of the required contribution. In  
3 making these determinations, the Board of Trustees shall  
4 calculate the required contribution each year as a level  
5 percentage of payroll over the years remaining to and including  
6 fiscal year 2059 using the projected unit credit actuarial cost  
7 method. A report containing that determination and the  
8 actuarial assumptions on which it is based shall be filed by  
9 September 15 of each year with the Authority, the  
10 representatives of its participating employees, the Auditor  
11 General of the State of Illinois and the Regional  
12 Transportation Authority. If the funded ratio is projected to  
13 fail to reach 90% by December 31, 2059, the Board of Trustees  
14 shall also determine the increased contribution required each  
15 year as a level percentage of payroll over the years remaining  
16 until December 31, 2059 using the projected unit credit  
17 actuarial cost method so the funded ratio will meet 90% by  
18 December 31, 2059 and include that determination in its report.  
19 Within 60 days after receiving the report, the Auditor General  
20 shall review the determination and the assumptions on which it  
21 is based and if he finds that the determination and the  
22 assumptions on which it is based are unreasonable in the  
23 aggregate, he shall issue a new determination of the funded  
24 ratio, the assumptions on which it is based and the increased  
25 contribution required each year as a level percentage of  
26 payroll over the years remaining until December 31, 2059 using

1 the projected unit credit actuarial cost method so the funded  
2 ratio reaches no less than 90% by December 31, 2059. If the  
3 Board of Trustees or the Auditor General determine that an  
4 increased contribution is required to meet the funded ratio  
5 required by this subsection, effective January 1 following the  
6 determination or 30 days after such determination, whichever is  
7 later, one-third of the increased contribution shall be paid by  
8 participating employees and two-thirds by the Authority, in  
9 addition to the contributions required by subsection (e) (1).

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

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

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

1 recommendations upon which it is based. In addition, copies of  
2 the certification shall be sent to the Commission on Government  
3 Forecasting and Accountability and the Mayor of Chicago.

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

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

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

18 Provided, however that:

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

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



1           (B) One and eighty hundredths percent (1.80%) of his  
2           "Average Annual Compensation in the highest four (4)  
3           completed Plan Years" for each year (including fractions  
4           thereof to completed calendar months) of continuous  
5           service as provided for in the Retirement Plan for Chicago  
6           Transit Authority Employees.

7           Provided, however that:

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

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

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

22           Provided, however that:

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

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

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

11   Provided, however that:

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

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

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

26           The changes made by this amendatory Act of the 95th General

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

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

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

25 (2) For the purposes of this Section, the Funded Ratio  
26 shall be the Adjusted Assets divided by the Actuarial

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

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

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

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

1 ~~to and including fiscal year 2058 and shall be determined under~~  
2 ~~the projected unit credit actuarial cost method. Beginning in~~  
3 ~~retirement system fiscal year 2059, the minimum Authority~~  
4 ~~contribution for each fiscal year shall be the amount needed to~~  
5 ~~maintain the total assets of the retirement system at 90% of~~  
6 ~~the total actuarial liabilities of the system.~~

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

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

26 ~~(d) The Authority shall take all actions lawfully available~~

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

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

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

11 (40 ILCS 5/22-101B new)

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

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

20 (b) Effective 90 days after the effective date of this  
21 amendatory Act of the 95th General Assembly, a Retiree Health  
22 Care Trust is established for the purpose of providing health  
23 care benefits to eligible retirees and their dependents and  
24 survivors in accordance with the terms and conditions set forth  
25 in this Section 22-101B. The Retiree Health Care Trust shall be

1 solely responsible for providing health care benefits to  
2 eligible retirees and their dependents and survivors by no  
3 later than July 1, 2009, but no earlier than January 1, 2009.

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

22 Any person appointed as a trustee of the board shall  
23 qualify by taking an oath of office that he or she will  
24 diligently and honestly administer the affairs of the  
25 system, and will not knowingly violate or willfully permit  
26 the violation of any of the provisions of law applicable to

1 the Plan, including Sections 1-109, 1-109.1, 1-109.2,  
2 1-110, 1-111, 1-114, and 1-115 of Article 1 of the Illinois  
3 Pension Code.

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

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

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

24 (i) The Board of Trustees may cause amounts on  
25 deposit in the Retiree Health Care Trust to be invested  
26 in those investments that are permitted investments



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

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

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

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

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

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

26                (D) an assessment of whether the actuarial

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

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

1           surplus.

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

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

1 Board of Trustees, and the Auditor General may make  
2 recommendations as to an alternative report and  
3 plan.

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

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

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

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

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

1       from all retirees, dependents, and survivors shall be not  
2       more than 45% of the total cost of such benefits. The term  
3       "total cost of such benefits" for purposes of this  
4       subsection shall be the total amount expended by the  
5       retiree health benefit program in the prior plan year, as  
6       calculated and certified in writing by the Retiree Health  
7       Care Trust's enrolled actuary to be appointed and paid for  
8       by the Board of Trustees.

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

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

25       Section 15. The Metropolitan Transit Authority Act is

1 amended by changing Sections 15, 28a, 34, and 46 and by adding  
2 Sections 12c, 50, and 55 as follows:

3 (70 ILCS 3605/12c new)

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

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

17 (b) (1) After its receipt of a certified copy of a report of  
18 the Auditor General of the State of Illinois meeting the  
19 requirements of Section 3-2.3 of the Illinois State Auditing  
20 Act, the Authority may issue \$1,348,550,000 aggregate original  
21 principal amount of bonds and notes. After payment of the costs  
22 of issuance and necessary deposits to funds and accounts  
23 established with respect to debt service, the net proceeds of  
24 such bonds or notes shall be deposited only in the Retirement  
25 Plan for Chicago Transit Authority Employees and used only for

1 the purposes required by Section 22-101 of the Illinois Pension  
2 Code. Provided that no less than \$1,110,500,000 has been  
3 deposited in the Retirement Plan, remaining proceeds of bonds  
4 issued under this subparagraph (b) (1) may be used to pay costs  
5 of issuance and make necessary deposits to funds and accounts  
6 with respect to debt service for bonds and notes issued under  
7 this subparagraph or subparagraph (b) (2).

8 (2) After its receipt of a certified copy of a report of  
9 the Auditor General of the State of Illinois meeting the  
10 requirements of Section 3-2.3 of the Illinois State Auditing  
11 Act, the Authority may issue \$639,680,000 aggregate original  
12 principal amount of bonds and notes. After payment of the costs  
13 of issuance and necessary deposits to funds and accounts  
14 established with respect to debt service, the net proceeds of  
15 such bonds or notes shall be deposited only in the Retiree  
16 Health Care Trust and used only for the purposes required by  
17 Section 22-101B of the Illinois Pension Code. Provided that no  
18 less than \$528,800,000 has been deposited in the Retiree Health  
19 Care Trust, remaining proceeds of bonds issued under this  
20 subparagraph (b) (2) may be used to pay costs of issuance and  
21 make necessary deposits to funds and accounts with respect to  
22 debt service for bonds and notes issued under this subparagraph  
23 or subparagraph (b) (1).

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



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

8       (5) With respect to bonds and notes issued under  
9 subparagraph (b), scheduled aggregate annual payments of  
10 interest or deposits into funds and accounts established for  
11 the purpose of such payment shall commence within one year  
12 after the bonds and notes are issued. With respect to principal  
13 and interest, scheduled aggregate annual payments of principal  
14 and interest or deposits into funds and accounts established  
15 for the purpose of such payment shall be not less than 70% in  
16 2009, 80% in 2010, and 90% in 2011, respectively, of scheduled  
17 payments or deposits of principal and interest in 2012 and  
18 shall be substantially equal beginning in 2012 and each year  
19 thereafter. For purposes of this subparagraph (b),  
20 "substantially equal" means that debt service in any full year  
21 after calendar year 2011 is not more than 115% of debt service  
22 in any other full year after calendar year 2011 during the term  
23 of the bonds or notes. For the purposes of this subsection (b),  
24 with respect to bonds and notes that bear interest at a  
25 variable rate, interest shall be assumed at a rate equal to the  
26 rate for United States Treasury Securities - State and Local

1 Government Series for the same maturity, plus 75 basis points.  
2 If the Authority enters into a Swap with a counterparty  
3 requiring the Authority to pay a fixed interest rate on a  
4 notional amount, and the Authority has made a determination  
5 that such Swap was entered into for the purpose of providing  
6 substitute interest payments for variable interest rate bonds  
7 or notes of a particular maturity or maturities in a principal  
8 amount equal to the notional amount of the Swap, then during  
9 the term of the Swap for purposes of any calculation of  
10 interest payable on such bonds or notes, the interest rate on  
11 the bonds or notes of such maturity or maturities shall be  
12 determined as if such bonds or notes bore interest at the fixed  
13 interest rate payable by the Authority under such Swap.

14 (6) No bond or note issued under this Section 12c shall  
15 mature later than December 31, 2040.

16 (c) The Chicago Transit Board shall provide for the  
17 issuance of bonds or notes as authorized in this Section 12c by  
18 the adoption of an ordinance. The ordinance, together with the  
19 bonds or notes, shall constitute a contract among the  
20 Authority, the owners from time to time of the bonds or notes,  
21 any bond trustee with respect to the bonds or notes, any  
22 related credit enhancer and any provider of any related Swaps.

23 (d) The Authority is authorized to cause the proceeds of  
24 the bonds or notes, and any interest or investment earnings on  
25 the bonds or notes, and of any Swaps, to be invested until the  
26 proceeds and any interest or investment earnings have been

1 deposited with the Retirement Plan or the Retiree Health Care  
2 Trust.

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

1 commission. The authorizing ordinance may also provide a  
2 specific pledge or assignment of and lien on or security  
3 interest in and direct payment to the trustee of all or a  
4 portion of the moneys otherwise received by the Authority from  
5 a tax imposed by the Authority under Section 55 of this Act.  
6 Any such pledge, assignment, lien or security interest for the  
7 benefit of owners of bonds or notes shall be valid and binding  
8 from the time the bonds or notes are issued, without any  
9 physical delivery or further act, and shall be valid and  
10 binding as against and prior to the claims of all other parties  
11 having claims of any kind against the Authority or any other  
12 person, irrespective of whether such other parties have notice  
13 of such pledge, assignment, lien or security interest, all as  
14 provided in the Local Government Debt Reform Act, as it may be  
15 amended from time to time. The bonds or notes of the Authority  
16 issued pursuant to this Section 12c shall have such priority of  
17 payment and as to their claim for payment from particular  
18 sources of funds, including their priority with respect to  
19 obligations of the Authority issued under other Sections of  
20 this Act, all as shall be provided in the ordinances  
21 authorizing the issuance of the bonds or notes. The ordinance  
22 authorizing the issuance of any bonds or notes under this  
23 Section may provide for the creation of, deposits in, and  
24 regulation and disposition of sinking fund or reserve accounts  
25 relating to those bonds or notes and related agreements. The  
26 ordinance authorizing the issuance of any such bonds or notes

1 authorized under this Section 12c may contain provisions for  
2 the creation of a separate fund to provide for the payment of  
3 principal of and interest on those bonds or notes and related  
4 agreements. The ordinance may also provide limitations on the  
5 issuance of additional bonds or notes of the Authority.

6 (f) Bonds or notes issued under this Section 12c shall not  
7 constitute an indebtedness of the Regional Transportation  
8 Authority, the State of Illinois, or of any other political  
9 subdivision of or municipality within the State, except the  
10 Authority.

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

1 of, sources of payment for and security for the bonds and  
2 notes.

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

20 (i) For purposes of this Section, "Debt Service" with  
21 respect to bonds or notes includes, without limitation,  
22 principal (at maturity or upon mandatory redemption),  
23 redemption premium, interest, periodic, upfront, and  
24 termination payments on Swaps, fees for bond insurance or other  
25 credit enhancement, liquidity facilities, the funding of bond  
26 or note reserves, bond trustee fees, and all other costs of

1 providing for the security or payment of the bonds or notes.

2 (j) The Authority shall adopt a procurement program with  
3 respect to contracts relating to the following service  
4 providers in connection with the issuance of debt for the  
5 benefit of the Retirement Plan for Chicago Transit Authority  
6 Employees: underwriters, bond counsel, financial advisors, and  
7 accountants. The program shall include goals for the payment of  
8 not less than 30% of the total dollar value of the fees from  
9 these contracts to minority owned businesses and female owned  
10 businesses as defined in the Business Enterprise for  
11 Minorities, Females, and Persons with Disabilities Act. The  
12 Authority shall conduct outreach to minority owned businesses  
13 and female owned businesses. Outreach shall include, but is not  
14 limited to, advertisements in periodicals and newspapers,  
15 mailings, and other appropriate media. The Authority shall  
16 submit to the General Assembly a comprehensive report that  
17 shall include, at a minimum, the details of the procurement  
18 plan, outreach efforts, and the results of the efforts to  
19 achieve goals for the payment of fees. The service providers  
20 selected by the Authority pursuant to such program shall not be  
21 subject to approval by the Regional Transportation Authority,  
22 and the Regional Transportation Authority's approval pursuant  
23 to subsection (e) of this Section 12c related to the issuance  
24 of debt shall not be based in any way on the service providers  
25 selected by the Authority pursuant to this Section.

26 (k) No person holding an elective office in this State,

1 holding a seat in the General Assembly, serving as a director,  
2 trustee, officer, or employee of the Regional Transportation  
3 Authority or the Chicago Transit Authority, including the  
4 spouse or minor child of that person, may receive a legal,  
5 banking, consulting, or other fee related to the issuance of  
6 any bond issued by the Chicago Transit Authority pursuant to  
7 this Section.

8 (70 ILCS 3605/15) (from Ch. 111 2/3, par. 315)

9 Sec. 15. The Authority shall have power to apply for and  
10 accept grants and loans from the Federal Government or any  
11 agency or instrumentality thereof, from the State, or from any  
12 county, municipal corporation or other political subdivision  
13 of the State to be used for any of the purposes of the  
14 Authority, including, but not by way of limitation, grants and  
15 loans in aid of mass transportation and for studies in mass  
16 transportation, and may provide matching funds when necessary  
17 to qualify for such grants or loans. The Authority may enter  
18 into any agreement with the Federal Government, the State, and  
19 any county, municipal corporation or other political  
20 subdivision of the State in relation to such grants or loans;  
21 provided that such agreement does not conflict with any of the  
22 provisions of any trust agreement securing the payment of bonds  
23 or certificates of the Authority.

24 The Authority may also accept from the state, or from any  
25 county or other political subdivision, or from any municipal



1 corporation, or school district, or school authorities, grants  
2 or other funds authorized by law to be paid to the Authority  
3 for any of the purposes of this Act.

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

5 (70 ILCS 3605/28a) (from Ch. 111 2/3, par. 328a)

6 Sec. 28a. (a) The Board may deal with and enter into  
7 written contracts with the employees of the Authority through  
8 accredited representatives of such employees or  
9 representatives of any labor organization authorized to act for  
10 such employees, concerning wages, salaries, hours, working  
11 conditions and pension or retirement provisions; provided,  
12 nothing herein shall be construed to permit hours of labor in  
13 excess of those provided by law or to permit working conditions  
14 prohibited by law. In case of dispute over wages, salaries,  
15 hours, working conditions, or pension or retirement provisions  
16 the Board may arbitrate any question or questions and may agree  
17 with such accredited representatives or labor organization  
18 that the decision of a majority of any arbitration board shall  
19 be final, provided each party shall agree in advance to pay  
20 half of the expense of such arbitration.

21 No contract or agreement shall be made with any labor  
22 organization, association, group or individual for the  
23 employment of members of such organization, association, group  
24 or individual for the construction, improvement, maintenance,  
25 operation or administration of any property, plant or

1 facilities under the jurisdiction of the Authority, where such  
2 organization, association, group or individual denies on the  
3 ground of race, creed, color, sex, religion, physical or mental  
4 handicap unrelated to ability, or national origin membership  
5 and equal opportunities for employment to any citizen of  
6 Illinois.

7 (b)(1) The provisions of this paragraph (b) apply to  
8 collective bargaining agreements (including extensions and  
9 amendments of existing agreements) entered into on or after  
10 January 1, 1984.

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

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

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

19 (4) Within 30 days of the signing of any such collective  
20 bargaining agreement, the Board shall determine the costs of  
21 each provision of the agreement, prepare an amended budget  
22 incorporating the costs of the agreement, and present the  
23 amended budget to the Board of the Regional Transportation  
24 Authority for its approval under Section 4.11 of the Regional  
25 Transportation Act. The Board of the Regional Transportation  
26 Authority may approve the amended budget by an affirmative vote

1 of 12 ~~two-thirds~~ of its then Directors. If the budget is not  
2 approved by the Board of the Regional Transportation Authority,  
3 the agreement may be reopened and its terms may be  
4 renegotiated. Any amended budget which may be prepared  
5 following renegotiation shall be presented to the Board of the  
6 Regional Transportation Authority for its approval in like  
7 manner.

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

9 (70 ILCS 3605/34) (from Ch. 111 2/3, par. 334)

10 Sec. 34. Budget and Program. The Authority, subject to the  
11 powers of the Regional Transportation Authority in Section 4.11  
12 of the Regional Transportation Authority Act, shall control the  
13 finances of the Authority. It shall by ordinance appropriate  
14 money to perform the Authority's purposes and provide for  
15 payment of debts and expenses of the Authority. Each year the  
16 Authority shall prepare and publish a comprehensive annual  
17 budget and five-year capital program document, and a financial  
18 plan for the 2 years thereafter describing the state of the  
19 Authority and presenting for the forthcoming fiscal year and  
20 the two following years the Authority's plans for such  
21 operations and capital expenditures as it intends to undertake  
22 and the means by which it intends to finance them. The proposed  
23 budget, ~~and~~ financial plan, and five-year capital program shall  
24 be based on the Regional Transportation Authority's estimate of  
25 funds to be made available to the Authority by or through the

1 Regional Transportation Authority and shall conform in all  
2 respects to the requirements established by the Regional  
3 Transportation Authority. The proposed ~~program and budget,~~  
4 financial plan, and five-year capital program shall contain a  
5 statement of the funds estimated to be on hand at the beginning  
6 of the fiscal year, the funds estimated to be received from all  
7 sources for such year and the funds estimated to be on hand at  
8 the end of such year. ~~After adoption of the Regional~~  
9 ~~Transportation Authority's first Five Year Program, as~~  
10 ~~provided in Section 2.01 of the Regional Transportation~~  
11 ~~Authority Act, the proposed program and budget shall~~  
12 ~~specifically identify any respect in which the recommended~~  
13 ~~program deviates from the Regional Transportation Authority's~~  
14 ~~then existing Five Year Program, giving the reasons for such~~  
15 ~~deviation.~~ The proposed ~~program and budget,~~ financial plan, and  
16 five-year capital program shall be available at no cost for  
17 public inspection at the Authority's main office and at the  
18 Regional Transportation Authority's main office at least 3  
19 weeks prior to any public hearing. Before the proposed budget,  
20 ~~and program and financial plan,~~ and five-year capital program  
21 are submitted to the Regional Transportation Authority, the  
22 Authority shall hold at least one public hearing thereon in  
23 each of the counties in which the Authority provides service.  
24 All Board members of the Authority shall attend a majority of  
25 the public hearings unless reasonable cause is given for their  
26 absence. After the public hearings, the Board of the Authority

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

1 Transportation Authority may be made from time to time by the  
2 Board.

3 The budget shall:

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

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

13 (iii) provide for a level of fares or charges and  
14 operating or administrative costs for the public  
15 transportation provided by or subject to the jurisdiction  
16 of the Board sufficient to allow the Board to meet its  
17 required system generated revenue recovery ratio as  
18 determined in accordance with subsection (a) of Section  
19 4.11 of the Regional Transportation Authority Act;

20 (iv) be based upon and employ assumptions and  
21 projections which are reasonable and prudent;

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

25 (vi) meet such other financial, budgetary, or fiscal  
26 requirements that the Board of the Regional Transportation

1 Authority may by rule or regulation establish; and ~~and~~

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

5 The Board shall establish a fiscal operating year. At least  
6 thirty days prior to the beginning of the first full fiscal  
7 year after the creation of the Authority, and annually  
8 thereafter, the Board shall cause to be prepared a tentative  
9 budget which shall include all operation and maintenance  
10 expense for the ensuing fiscal year. The tentative budget shall  
11 be considered by the Board and, subject to any revision and  
12 amendments as may be determined, shall be adopted prior to the  
13 first day of the ensuing fiscal year as the budget for that  
14 year. No expenditures for operations and maintenance in excess  
15 of the budget shall be made during any fiscal year except by  
16 the affirmative vote of at least five members of the Board. It  
17 shall not be necessary to include in the annual budget any  
18 statement of necessary expenditures for pensions or retirement  
19 annuities, or for interest or principal payments on bonds or  
20 certificates, or for capital outlays, but it shall be the duty  
21 of the Board to make provision for payment of same from  
22 appropriate funds. The Board may not alter its fiscal year  
23 without the prior approval of the Board of the Regional  
24 Transportation Authority.

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



1 (70 ILCS 3605/46) (from Ch. 111 2/3, par. 346)

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

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

17 (70 ILCS 3605/50 new)

18 Sec. 50. Disadvantaged Business Enterprise Contracting and  
19 Equal Employment Opportunity Programs. The Authority shall, as  
20 soon as is practicable but in no event later than two years  
21 after the effective date of this amendatory Act of the 95th  
22 General Assembly, establish and maintain a disadvantaged  
23 business enterprise contracting program designed to ensure  
24 non-discrimination in the award and administration of  
25 contracts not covered under a federally mandated disadvantaged

1 business enterprise program. The program shall establish  
2 narrowly tailored goals for the participation of disadvantaged  
3 business enterprises as the Authority determines appropriate.  
4 The goals shall be based on demonstrable evidence of the  
5 availability of ready, willing, and able disadvantaged  
6 business enterprises relative to all businesses ready,  
7 willing, and able to participate on the program's contracts.  
8 The program shall require the Authority to monitor the progress  
9 of the contractors' obligations with respect to the program's  
10 goals. Nothing in this program shall conflict with or interfere  
11 with the maintenance or operation of, or compliance with, any  
12 federally mandated disadvantaged business enterprise program.

13 The Authority shall establish and maintain a program  
14 designed to promote equal employment opportunity. Each year, no  
15 later than October 1, the Authority shall report to the General  
16 Assembly on the number of employees of the Authority and the  
17 number of employees who have designated themselves as members  
18 of a minority group and gender.

19 Each year no later than October 1, and starting no later  
20 than the October 1 after the establishment of the disadvantaged  
21 business enterprise contracting program, the Authority shall  
22 submit a report with respect to such program to the General  
23 Assembly. In addition, no later than October 1 of each year,  
24 the Authority shall submit a copy of its federally mandated  
25 semi-annual Uniform Report of Disadvantaged Business  
26 Enterprises Awards or Commitments and Payments to the General

1 Assembly.

2 (70 ILCS 3605/55 new)

3 Sec. 55. Real estate transfer tax. Within 6 months after  
4 the effective date of this amendatory Act of the 95th General  
5 Assembly, the Chicago Transit Authority may by ordinance impose  
6 a real estate transfer tax on the privilege of transferring  
7 title to real estate in the City of Chicago at a rate of up to  
8 \$1.50 for each \$500 of value or fraction thereof, which may be  
9 on the buyer or seller of real estate, or jointly and severally  
10 on both. The Chicago Transit Authority shall file a copy of any  
11 ordinance imposing such tax with the Illinois Department of  
12 Revenue and shall file a report with the Department each month  
13 certifying the amount received in the previous month from the  
14 proceeds of such tax. Such tax may, pursuant to an  
15 intergovernmental agreement, be collected by the City of  
16 Chicago in connection with real estate transfer taxes the City  
17 imposes in accordance with Section 8-3-19 of the Illinois  
18 Municipal Code and be remitted to the Chicago Transit Authority  
19 net a reasonable agreed fee for costs of collection. The terms  
20 of such real estate transfer tax shall be the same as those of  
21 the City of Chicago's real estate transfer tax with regard to  
22 definitions, scope, exemptions, procedures, penalties, and all  
23 other terms except as expressly provided in this Section.

24 Section 20. The Regional Transportation Authority Act is

1 amended by changing Sections 1.02, 2.01, 2.04, 2.05, 2.09,  
2 2.12, 2.14, 2.18a, 2.30, 3.01, 3.03, 3.04, 3.05, 3A.10, 3A.11,  
3 3A.14, 3B.02, 3B.03, 3B.05, 3B.07, 3B.09, 3B.10, 3B.11, 3B.12,  
4 3B.13, 4.01, 4.02, 4.02a, 4.02b, 4.03, 4.04, 4.09, 4.11, 4.13,  
5 4.14, and 5.01 and by adding Section 2.01a, 2.01b, 2.01c,  
6 2.01d, 2.01e, 2.12b, 2.31, and 4.03.3 as follows:

7 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

8 Sec. 1.02. Findings and Purpose. (a) The General Assembly  
9 finds;

10 (i) Public transportation is, as provided in Section 7 of  
11 Article XIII of the Illinois Constitution, an essential public  
12 purpose for which public funds may be expended and that Section  
13 authorizes the State to provide financial assistance to units  
14 of local government for distribution to providers of public  
15 transportation. There is an urgent need to reform and continue  
16 a unit of local government to assure the proper management of  
17 public transportation and to receive and distribute State or  
18 federal operating assistance and to raise and distribute  
19 revenues for local operating assistance. System generated  
20 revenues are not adequate for such service and a public need  
21 exists to provide for, aid and assist public transportation in  
22 the northeastern area of the State, consisting of Cook, DuPage,  
23 Kane, Lake, McHenry and Will Counties.

24 (ii) Comprehensive and coordinated regional public  
25 transportation is essential to the public health, safety and

1 welfare. It is essential to economic well-being, maintenance of  
2 full employment, conservation of sources of energy and land for  
3 open space and reduction of traffic congestion and for  
4 providing and maintaining a healthful environment for the  
5 benefit of present and future generations in the metropolitan  
6 region. Public transportation improves the mobility of the  
7 public and improves access to jobs, commercial facilities,  
8 schools and cultural attractions. Public transportation  
9 decreases air pollution and other environmental hazards  
10 resulting from excessive use of automobiles and allows for more  
11 efficient land use and planning.

12 (iii) Because system generated receipts are not presently  
13 adequate, public transportation facilities and services in the  
14 northeastern area are in grave financial condition. With  
15 existing methods of financing, coordination and management,  
16 and relative convenience of automobiles, such public  
17 transportation facilities are not providing adequate public  
18 transportation to insure the public health, safety and welfare.

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

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

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

1           (i) Substantial, recurring deficits in the operations of  
2 public transportation services subject to the jurisdiction of  
3 the Regional Transportation Authority and periodic cash  
4 shortages have occurred either of which could bring about a  
5 loss of public transportation services throughout the  
6 metropolitan region at any time;

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

11           (iii) To meet the urgent needs of the people of the  
12 metropolitan region that such an emergency be averted and to  
13 provide financially sound methods of managing the provision of  
14 public transportation services in the northeastern area of the  
15 State, it is necessary, while maintaining and continuing the  
16 existing Authority, to modify the powers and responsibilities  
17 of the Authority, to reallocate responsibility for operating  
18 decisions, to change the composition and appointment of the  
19 Board of Directors thereof, and to immediately establish a new  
20 Board of Directors.

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

23           (i) The economic vitality of northeastern Illinois  
24 requires regionwide and systemwide efforts to increase  
25 ridership on the transit systems, constrain road congestion  
26 within the metropolitan region, and allocate resources for

1 transportation so as to assist in the development of an  
2 adequate, efficient, and coordinated regional transportation  
3 system that is in a state of good repair.

4 (ii) To achieve the purposes of this amendatory Act of the  
5 95th General Assembly, the powers and duties of the Authority  
6 must be enhanced to improve overall planning and coordination,  
7 to achieve an integrated and efficient regional transit system,  
8 to advance the mobility of transit users, and to increase  
9 financial transparency of the Authority and the Service Boards.

10 (d) ~~(e)~~ It is the purpose of this Act to provide for, aid  
11 and assist public transportation in the northeastern area of  
12 the State without impairing the overall quality of existing  
13 public transportation by providing for the creation of a single  
14 authority responsive to the people and elected officials of the  
15 area and with the power and competence to develop, implement,  
16 and enforce plans that promote adequate, efficient, and  
17 coordinated public transportation, provide financial review of  
18 the providers of public transportation in the metropolitan  
19 region and facilitate public transportation provided by  
20 Service Boards which is attractive and economical to users,  
21 comprehensive, coordinated among its various elements,  
22 economical, safe, efficient and coordinated with area and State  
23 plans.

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

1           Sec. 2.01. General Allocation of Responsibility for Public  
2 Transportation. Provision of Public Transportation — Review  
3 and Program.

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

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

11           (ii) set goals, objectives, and standards for the  
12 Authority, the Service Boards, and transportation  
13 agencies;

14           (iii) develop performance measures to inform the  
15 public about the extent to which the provision of public  
16 transportation in the metropolitan region meets those  
17 goals, objectives, and standards;

18           (iv) allocate operating and capital funds made  
19 available to support public transportation in the  
20 metropolitan region;

21           (v) provide financial oversight of the Service Boards;  
22 and

23           (vi) coordinate the provision of public transportation  
24 and the investment in public transportation facilities to  
25 enhance the integration of public transportation  
26 throughout the metropolitan region, all as provided in this



1       Act.

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

19       (b) The Authority shall subject the operating and capital  
20 plans and expenditures of the Service Boards in the  
21 metropolitan region with regard to public transportation to  
22 continuing review so that the Authority may budget and expend  
23 its funds with maximum effectiveness and efficiency. The  
24 Authority shall conduct audits of each of the Service Boards no  
25 less than every 5 years. Such audits may include management,  
26 performance, financial, and infrastructure condition audits.

1 The Authority may conduct management, performance, financial,  
2 and infrastructure condition audits of transportation agencies  
3 that receive funds from the Authority. The Authority may direct  
4 a Service Board to conduct any such audit of a transportation  
5 agency that receives funds from such Service Board, and the  
6 Service Board shall comply with such request to the extent it  
7 has the right to do so. These audits of the Service Boards or  
8 transportation agencies may be project or service specific  
9 audits to evaluate their achievement of the goals and  
10 objectives of that project or service and their compliance with  
11 any applicable requirements. Certain of its recommendations in  
12 this regard shall be set forth in 2 public documents, the  
13 Five-Year Program provided for in this Section and an Annual  
14 Budget and Program provided for in Section 4.01.

15 ~~(c) The Authority shall, in consultation with the Service~~  
16 ~~Boards, each year prepare and, by ordinance, adopt, after~~  
17 ~~public hearings held in each county in the metropolitan region,~~  
18 ~~a Five Year Program to inform the public and government~~  
19 ~~officials of the Authority's objectives and program for~~  
20 ~~operations and capital development during the forthcoming~~  
21 ~~five year period. The Five Year Program shall set forth the~~  
22 ~~standards of service which the public may expect; each Service~~  
23 ~~Board's plans for coordinating routes and service of the~~  
24 ~~various transportation agencies; the anticipated expense of~~  
25 ~~providing public transportation at standards of service then~~  
26 ~~existing and under alternative operating programs; the nature,~~

1 ~~location and expense of anticipated capital improvements~~  
2 ~~exceeding \$250,000, by specific item and by fiscal year; and~~  
3 ~~such demographic and other data developed by planning and other~~  
4 ~~related agencies, as the Authority shall consider pertinent to~~  
5 ~~the Service Boards' decisions as to levels and nature of~~  
6 ~~service, including without limitation the patterns of~~  
7 ~~population density and growth, projected commercial and~~  
8 ~~residential development, environmental factors and the~~  
9 ~~availability of alternative modes of transportation. The~~  
10 ~~Five-Year Program shall be adopted on the affirmative votes of~~  
11 ~~9 of the then Directors.~~

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

13 (70 ILCS 3615/2.01a new)

14 Sec. 2.01a. Strategic Plan.

15 (a) By the affirmative vote of at least 12 of its then  
16 Directors, the Authority shall adopt a Strategic Plan, no less  
17 than every 5 years, after consultation with the Service Boards  
18 and after holding a minimum of 3 public hearings in Cook County  
19 and one public hearing in each of the other counties in the  
20 region. The Executive Director of the Authority shall review  
21 the Strategic Plan on an ongoing basis and make recommendations  
22 to the Board of the Authority with respect to any update or  
23 amendment of the Strategic Plan. The Strategic Plan shall  
24 describe the specific actions to be taken by the Authority and  
25 the Service Boards to provide adequate, efficient, and

1 coordinated public transportation.

2 (b) The Strategic Plan shall identify goals and objectives  
3 with respect to:

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

6 (ii) coordination of public transportation services  
7 and the investment in public transportation facilities to  
8 enhance the integration of public transportation  
9 throughout the metropolitan region;

10 (iii) coordination of fare and transfer policies to  
11 promote transfers by riders among Service Boards,  
12 transportation agencies, and public transportation modes,  
13 which may include goals and objectives for development of a  
14 universal fare instrument that riders may use  
15 interchangeably on all public transportation funded by the  
16 Authority, and methods to be used to allocate revenues from  
17 transfers;

18 (iv) improvements in public transportation facilities  
19 to bring those facilities into a state of good repair,  
20 enhancements that attract ridership and improve customer  
21 service, and expansions needed to serve areas with  
22 sufficient demand for public transportation;

23 (v) access for transit-dependent populations,  
24 including access by low-income communities to places of  
25 employment, utilizing analyses provided by the Chicago  
26 Metropolitan Agency for Planning regarding employment and

1 transportation availability, and giving consideration to  
2 the location of employment centers in each county and the  
3 availability of public transportation at off-peak hours  
4 and on weekends;

5 (vi) the financial viability of the public  
6 transportation system, including both operating and  
7 capital programs;

8 (vii) limiting road congestion within the metropolitan  
9 region and enhancing transit options to improve mobility;  
10 and

11 (viii) such other goals and objectives that advance the  
12 policy of the State to provide adequate, efficient, and  
13 coordinated public transportation in the metropolitan  
14 region.

15 (c) The Strategic Plan shall establish the process and  
16 criteria by which proposals for capital improvements by a  
17 Service Board or a transportation agency will be evaluated by  
18 the Authority for inclusion in the Five-Year Capital Program,  
19 which may include criteria for:

20 (i) allocating funds among maintenance, enhancement,  
21 and expansion improvements;

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

24 (iii) projects intended to improve or enhance  
25 ridership or customer service;

26 (iv) design and location of station or transit

1 improvements intended to promote transfers, increase  
2 ridership, and support transit-oriented land development;

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

5 (vi) other criteria that advance the goals and  
6 objectives of the Strategic Plan.

7 (d) The Strategic Plan shall establish performance  
8 standards and measurements regarding the adequacy, efficiency,  
9 and coordination of public transportation services in the  
10 region and the implementation of the goals and objectives in  
11 the Strategic Plan. At a minimum, such standards and measures  
12 shall include customer-related performance data measured by  
13 line, route, or sub-region, as determined by the Authority, on  
14 the following:

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

16 (ii) ridership data;

17 (iii) equipment failure rates;

18 (iv) employee and customer safety; and

19 (v) customer satisfaction.

20 The Service Boards and transportation agencies that  
21 receive funding from the Authority or Service Boards shall  
22 prepare, publish, and submit to the Authority such reports with  
23 regard to these standards and measurements in the frequency and  
24 form required by the Authority; however, the frequency of such  
25 reporting shall be no less than annual. The Service Boards  
26 shall publish such reports on their respective websites. The

1 Authority shall compile and publish such reports on its  
2 website. Such performance standards and measures shall not be  
3 used as the basis for disciplinary action against any employee  
4 of the Authority or Service Boards, except to the extent the  
5 employment and disciplinary practices of the Authority or  
6 Service Board provide for such action.

7 (e) The Strategic Plan shall identify innovations to  
8 improve the delivery of public transportation and the  
9 construction of public transportation facilities.

10 (f) The Strategic Plan shall describe the expected  
11 financial condition of public transportation in the  
12 metropolitan region prospectively over a 10-year period, which  
13 may include information about the cash position and all known  
14 obligations of the Authority and the Service Boards including  
15 operating expenditures, debt service, contributions for  
16 payment of pension and other post-employment benefits, the  
17 expected revenues from fares, tax receipts, grants from the  
18 federal, State, and local governments for operating and capital  
19 purposes and issuance of debt, the availability of working  
20 capital, and the resources needed to achieve the goals and  
21 objectives described in the Strategic Plan.

22 (g) In developing the Strategic Plan, the Authority shall  
23 rely on such demographic and other data, forecasts, and  
24 assumptions developed by the Chicago Metropolitan Agency for  
25 Planning with respect to the patterns of population density and  
26 growth, projected commercial and residential development, and

1 environmental factors, within the metropolitan region and in  
2 areas outside the metropolitan region that may impact public  
3 transportation utilization in the metropolitan region. Before  
4 adopting or amending any Strategic Plan, the Authority shall  
5 consult with the Chicago Metropolitan Agency for Planning  
6 regarding the consistency of the Strategic Plan with the  
7 Regional Comprehensive Plan adopted pursuant to the Regional  
8 Planning Act.

9 (h) The Authority may adopt, by the affirmative vote of at  
10 least 12 of its then Directors, sub-regional or corridor plans  
11 for specific geographic areas of the metropolitan region in  
12 order to improve the adequacy, efficiency, and coordination of  
13 existing, or the delivery of new, public transportation. Such  
14 plans may also address areas outside the metropolitan region  
15 that may impact public transportation utilization in the  
16 metropolitan region. In preparing a sub-regional or corridor  
17 plan, the Authority may identify changes in operating practices  
18 or capital investment in the sub-region or corridor that could  
19 increase ridership, reduce costs, improve coordination, or  
20 enhance transit-oriented development. The Authority shall  
21 consult with any affected Service Boards in the preparation of  
22 any sub-regional or corridor plans.

23 (i) If the Authority determines, by the affirmative vote of  
24 at least 12 of its then Directors, that, with respect to any  
25 proposed new public transportation service or facility, (i)  
26 multiple Service Boards or transportation agencies are



1 potential service providers and (ii) the public transportation  
2 facilities to be constructed or purchased to provide that  
3 service have an expected construction cost of more than  
4 \$25,000,000, the Authority shall have sole responsibility for  
5 conducting any alternatives analysis and preliminary  
6 environmental assessment required by federal or State law.  
7 Nothing in this subparagraph (i) shall prohibit a Service Board  
8 from undertaking alternatives analysis and preliminary  
9 environmental assessment for any public transportation service  
10 or facility identified in items (i) and (ii) above that is  
11 included in the Five-Year Capital Program as of the effective  
12 date of this amendatory Act of the 95th General Assembly;  
13 however, any expenditure related to any such public  
14 transportation service or facility must be included in a  
15 Five-Year Capital Program under the requirements of Sections  
16 2.01b and 4.02 of this Act.

17 (70 ILCS 3615/2.01b new)

18 Sec. 2.01b. The Five-Year Capital Program. By the  
19 affirmative vote of at least 12 of its then Directors, the  
20 Authority, after consultation with the Service Boards and after  
21 holding a minimum of 3 public hearings in Cook County and one  
22 public hearing in each of the other counties in the  
23 metropolitan region, shall each year adopt a Five-Year Capital  
24 Program that shall include each capital improvement to be  
25 undertaken by or on behalf of a Service Board provided that the

1 Authority finds that the improvement meets any criteria for  
2 capital improvements contained in the Strategic Plan, is not  
3 inconsistent with any sub-regional or corridor plan adopted by  
4 the Authority, and can be funded within amounts available with  
5 respect to the capital and operating costs of such improvement.  
6 In reviewing proposals for improvements to be included in a  
7 Five-Year Capital Program, the Authority may give priority to  
8 improvements that are intended to bring public transportation  
9 facilities into a state of good repair. The Five-Year Capital  
10 Program shall also identify capital improvements to be  
11 undertaken by a Service Board, a transportation agency, or a  
12 unit of local government and funded by the Authority from  
13 amounts in the Innovation, Coordination, and Enhancement Fund,  
14 provided that no improvement that is included in the Five-Year  
15 Capital Program as of the effective date of this amendatory Act  
16 of the 95th General Assembly may receive funding from the  
17 Innovation, Coordination, and Enhancement Fund. Before  
18 adopting a Five-Year Capital Program, the Authority shall  
19 consult with the Chicago Metropolitan Agency for Planning  
20 regarding the consistency of the Five-Year Capital Program with  
21 the Regional Comprehensive Plan adopted pursuant to the  
22 Regional Planning Act.

23 (70 ILCS 3615/2.01c new)

24 Sec. 2.01c. Innovation, Coordination, and Enhancement  
25 Fund.

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

22       (b) Any grantee that receives funds from the Innovation,  
23 Coordination, and Enhancement Fund for the operation of  
24 eligible programs must (i) implement such programs within one  
25 year of receipt of such funds and (ii) within 2 years following  
26 commencement of any program utilizing such funds, determine

1 whether it is desirable to continue the program, and upon such  
2 a determination, either incorporate such program into its  
3 annual operating budget and capital program or discontinue such  
4 program. No additional funds from the Innovation,  
5 Coordination, and Enhancement Fund may be distributed to a  
6 grantee for any individual program beyond 2 years unless the  
7 Authority by the affirmative vote of at least 12 of its then  
8 Directors waives this limitation. Any such waiver will be with  
9 regard to an individual program and with regard to a one  
10 year-period, and any further waivers for such individual  
11 program require a subsequent vote of the Board.

12 (70 ILCS 3615/2.01d new)

13 Sec. 2.01d. ADA Paratransit Fund. The Authority shall  
14 establish an ADA Paratransit Fund and, each year, deposit into  
15 that Fund the amounts directed by Section 4.03.3 of this Act  
16 and any funds received from the State pursuant to  
17 appropriations for the purpose of funding ADA paratransit  
18 services. The amounts on deposit in the Fund and interest and  
19 other earnings on those amounts shall be used by the Authority  
20 to make grants to the Suburban Bus Board for ADA paratransit  
21 services provided pursuant to plans approved by the Authority  
22 under Section 2.30 of this Act. Funds received by the Suburban  
23 Bus Board from the Authority's ADA Paratransit Fund shall be  
24 used only to provide ADA paratransit services to individuals  
25 who are determined to be eligible for such services by the

1 Authority under the Americans with Disabilities Act of 1990 and  
2 its implementing regulations. Revenues from and costs of  
3 services provided by the Suburban Bus Board with grants made  
4 under this Section shall be included in the Annual Budget and  
5 Two-Year Financial Program of the Suburban Bus Board and shall  
6 be subject to all budgetary and financial requirements under  
7 this Act that apply to ADA paratransit services. Beginning in  
8 2008, the Executive Director shall, no later than August 15 of  
9 each year, provide to the Board a written determination of the  
10 projected annual costs of ADA paratransit services that are  
11 required to be provided pursuant to the Americans with  
12 Disabilities Act of 1990 and its implementing regulations. The  
13 Authority shall conduct triennial financial, compliance, and  
14 performance audits of ADA paratransit services to assist in  
15 this determination.

16 (70 ILCS 3615/2.01e new)

17 Sec. 2.01e. Suburban Community Mobility Fund. The  
18 Authority shall establish a Suburban Community Mobility Fund  
19 and, each year, deposit into that Fund the amounts directed by  
20 Section 4.03.3 of this Act. The amounts on deposit in the Fund  
21 and interest and other earnings on those amounts shall be used  
22 by the Authority to make grants to the Suburban Bus Board for  
23 the purpose of operating transit services, other than  
24 traditional fixed-route services, that enhance suburban  
25 mobility, including, but not limited to, demand-responsive

1 transit services, ride sharing, van pooling, service  
2 coordination, centralized dispatching and call taking, reverse  
3 commuting, service restructuring, and bus rapid transit.  
4 Revenues from and costs of services provided by the Suburban  
5 Bus Board with moneys from the Suburban Community Mobility Fund  
6 shall be included in the Annual Budget and Two-Year Financial  
7 Program of the Suburban Bus Board and shall be subject to all  
8 budgetary and financial requirements under this Act.

9 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

10 Sec. 2.04. Fares and Nature of Service.

11 (a) Whenever a Service Board provides any public  
12 transportation by operating public transportation facilities,  
13 the Service Board shall provide for the level and nature of  
14 fares or charges to be made for such services, and the nature  
15 and standards of public transportation to be so provided that  
16 meet the goals and objectives adopted by the Authority in the  
17 Strategic Plan. Provided, however that if the Board adopts a  
18 budget and financial plan for a Service Board in accordance  
19 with the provisions in Section 4.11(b)(5), the Board may  
20 consistent with the terms of any purchase of service contract  
21 provide for the level and nature of fares to be made for such  
22 services under the jurisdiction of that Service Board, and the  
23 nature and standards of public transportation to be so  
24 provided.

25 (b) Whenever a Service Board provides any public

1 transportation pursuant to grants made after June 30, 1975, to  
2 transportation agencies for operating expenses (other than  
3 with regard to experimental programs) or pursuant to any  
4 purchase of service agreement, the purchase of service  
5 agreement or grant contract shall provide for the level and  
6 nature of fares or charges to be made for such services, and  
7 the nature and standards of public transportation to be so  
8 provided. A Service Board shall require all transportation  
9 agencies with which it contracts, or from which it purchases  
10 transportation services or to which it makes grants to provide  
11 half fare transportation for their student riders if any of  
12 such agencies provide for half fare transportation to their  
13 student riders.

14 (c) In so providing for the fares or charges and the nature  
15 and standards of public transportation, any purchase of service  
16 agreements or grant contracts shall provide, among other  
17 matters, for the terms or cost of transfers or interconnections  
18 between different modes of transportation and different public  
19 transportation agencies, schedules or routes of such service,  
20 changes which may be made in such service, the nature and  
21 condition of the facilities used in providing service, the  
22 manner of collection and disposition of fares or charges, the  
23 records and reports to be kept and made concerning such  
24 service, ~~and~~ for interchangeable tickets or other coordinated  
25 or uniform methods of collection of charges, and shall further  
26 require that the transportation agency comply with any

1 determination made by the Board of the Authority under and  
2 subject to the provisions of Section 2.12b of this Act. In  
3 regard to any such service, the Authority and the Service  
4 Boards shall give attention to and may undertake programs to  
5 promote use of public transportation and to provide coordinated  
6 ticket sales and passenger information. In the case of a grant  
7 to a transportation agency which remains subject to Illinois  
8 Commerce Commission supervision and regulation, the Service  
9 Boards shall exercise the powers set forth in this Section in a  
10 manner consistent with such supervision and regulation by the  
11 Illinois Commerce Commission.

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

13 (70 ILCS 3615/2.05) (from Ch. 111 2/3, par. 702.05)

14 Sec. 2.05. Centralized Services; Acquisition and  
15 Construction.

16 (a) The Authority may at the request of two or more Service  
17 Boards, serve, or designate a Service Board to serve, as a  
18 centralized purchasing agent for the Service Boards so  
19 requesting.

20 (b) The Authority may at the request of two or more Service  
21 Boards perform other centralized services such as ridership  
22 information and transfers between services under the  
23 jurisdiction of the Service Boards where such centralized  
24 services financially benefit the region as a whole. Provided,  
25 however, that the Board may require transfers only upon an



1 affirmative vote of 12 ~~9~~ of its then Directors.

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

14 In connection with any construction or acquisition, the  
15 Authority shall make relocation payments as may be required by  
16 federal law or by the requirements of any federal agency  
17 authorized to administer any federal program of aid.

18 (d) The Authority shall, after consulting with the Service  
19 Boards, develop regionally coordinated and consolidated sales,  
20 marketing, advertising, and public information programs that  
21 promote the use and coordination of, and transfers among,  
22 public transportation services in the metropolitan region. The  
23 Authority shall develop and adopt, with the affirmative vote of  
24 at least 12 of its then Directors, rules and regulations for  
25 the Authority and the Service Boards regarding such programs to  
26 ensure that the Service Boards' independent programs conform

1 with the Authority's regional programs.

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

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

4 Sec. 2.09. Research and Development.

5 (a) The Authority and the Service Boards shall study public  
6 transportation problems and developments; encourage  
7 experimentation in developing new public transportation  
8 technology, financing methods, and management procedures;  
9 conduct, in cooperation with other public and private agencies,  
10 studies and demonstration and development projects to test and  
11 develop methods for improving public transportation, for  
12 reducing its costs to users or for increasing public use; and  
13 conduct, sponsor, and participate in other studies and  
14 experiments, which may include fare demonstration programs,  
15 useful to achieving the purposes of this Act. The cost for any  
16 such item authorized by this Section may be exempted by the  
17 Board in a budget ordinance from the "costs" included in  
18 determining that the Authority and its service boards meet the  
19 farebox recovery ratio or system generated revenues recovery  
20 ratio requirements of Sections 3A.10, 3B.10, 4.01(b), 4.09 and  
21 4.11 of this Act and Section 34 of the Metropolitan Transit  
22 Authority Act during the Authority's fiscal year which begins  
23 January 1, 1986 and ends December 31, 1986, provided that the  
24 cost of any item authorized herein must be specifically  
25 approved within the budget adopted pursuant to Sections 4.01

1 and 4.11 of this Act for that fiscal year.

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

21 (c) The Suburban Bus Division and the Authority shall  
22 cooperate in the development, funding, and operation of  
23 programs to enhance access to job markets for residents in  
24 south suburban Cook County. Beginning in 2008, the Authority  
25 shall allocate to the Suburban Bus Division an amount not less  
26 than \$3,750,000, and beginning in 2009 an amount not less than

1 \$7,500,000 annually for the costs of such programs.

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

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

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

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

21 (70 ILCS 3615/2.12b new)

22 Sec. 2.12b. Coordination of Fares and Service. Upon the  
23 request of a Service Board, the Executive Director of the  
24 Authority may, upon the affirmative vote of 9 of the then

1 Directors of the Authority, intervene in any matter involving  
2 (i) a dispute between Service Boards or a Service Board and a  
3 transportation agency providing service on behalf of a Service  
4 Board with respect to the terms of transfer between, and the  
5 allocation of revenues from fares and charges for,  
6 transportation services provided by the parties or (ii) a  
7 dispute between 2 Service Boards with respect to coordination  
8 of service, route duplication, or a change in service. Any  
9 Service Board or transportation agency involved in such dispute  
10 shall meet with the Executive Director, cooperate in good faith  
11 to attempt to resolve the dispute, and provide any books,  
12 records, and other information requested by the Executive  
13 Director. If the Executive Director is unable to mediate a  
14 resolution of any dispute, he or she may provide a written  
15 determination recommending a change in the fares or charges or  
16 the allocation of revenues for such service or directing a  
17 change in the nature or provider of service that is the subject  
18 of the dispute. The Executive Director shall base such  
19 determination upon the goals and objectives of the Strategic  
20 Plan established pursuant to Section 2.01a(b). Such  
21 determination shall be presented to the Board of the Authority  
22 and, if approved by the affirmative vote of at least 9 of the  
23 then Directors of the Authority, shall be final and shall be  
24 implemented by any affected Service Board and transportation  
25 agency within the time frame required by the determination.

1 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)

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

24 No unlawful discrimination, as defined and prohibited in  
25 the Illinois Human Rights Act, shall be made in any term or  
26 aspect of employment nor shall there be discrimination based

1 upon political reasons or factors. The Authority shall  
2 establish regulations to insure that its discharges shall not  
3 be arbitrary and that hiring and promotion are based on merit.

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

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

16 (70 ILCS 3615/2.18a) (from Ch. 111 2/3, par. 702.18a)

17 Sec. 2.18a. (a) The provisions of this Section apply to  
18 collective bargaining agreements (including extensions and  
19 amendments to existing agreements) between Service Boards or  
20 transportation agencies subject to the jurisdiction of Service  
21 Boards and their employees, which are entered into after  
22 January 1, 1984.

23 (b) The Authority shall approve amended budgets prepared by  
24 Service Boards which incorporate the costs of collective  
25 bargaining agreements between Service Boards and their

1 employees. The Authority shall approve such an amended budget  
2 provided that it determines by the affirmative vote of 12 ~~9~~ of  
3 its then members that the amended budget meets the standards  
4 established in Section 4.11.

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

6 (70 ILCS 3615/2.30)

7 Sec. 2.30. Paratransit services.

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

16 (b) Beginning July 1, 2005, the Authority is responsible  
17 for the funding, from amounts on deposit in the ADA Paratransit  
18 Fund established under Section 2.01d of this Act, financial  
19 review and oversight of all ADA paratransit services that are  
20 provided by the Authority or by any of the Service Boards. The  
21 Suburban Bus Board shall operate or provide for the operation  
22 of all ADA paratransit services by no later than July 1, 2006,  
23 except that this date may be extended to the extent necessary  
24 to obtain approval from the Federal Transit Administration of  
25 the plan prepared pursuant to subsection (c).



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

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

23 (2) transfer the appropriate ADA paratransit services,  
24 management, personnel, service contracts and assets from  
25 the Chicago Transit Authority to the Authority or the  
26 Suburban Bus Board, as necessary, by no later than July 1,

1           2006, except that this date may be extended to the extent  
2           necessary to obtain approval from the Federal Transit  
3           Administration of the plan prepared pursuant to this  
4           subsection (c);

5           (3) provide for consistent policies throughout the  
6           metropolitan region for scheduling of ADA paratransit  
7           service trips to and from destinations, with consideration  
8           of scheduling of return trips on a "will-call" open-ended  
9           basis upon request of the rider, if practicable, and with  
10          consideration of an increased number of trips available by  
11          subscription service than are available as of the effective  
12          date of this amendatory Act;

13          (4) provide that service contracts and rates, entered  
14          into or set after the approval by the Federal Transit  
15          Administration of the plan prepared pursuant to subsection  
16          (c) of this Section, with private carriers and taxicabs for  
17          ADA paratransit service are procured by means of an open  
18          procurement process;

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

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

25          (7) provide, in cooperation with the Illinois  
26          Department of Transportation, the Illinois Department of

1 Public Aid and other appropriate public agencies and  
2 private entities, for the application and receipt of  
3 grants, including, without limitation, reimbursement from  
4 Medicaid or other programs for ADA paratransit services;

5 (8) provide for a system of dispatch of ADA paratransit  
6 services transportation carriers throughout the  
7 metropolitan region, with consideration of county-based  
8 dispatch systems already in place as of the effective date  
9 of this amendatory Act;

10 (9) provide for a process of determining eligibility  
11 for ADA paratransit services that complies with the  
12 Americans with Disabilities Act of 1990 and its  
13 implementing regulations;

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

16 (11) provide for the creation of one or more ADA  
17 advisory boards, or the reconstitution of the existing ADA  
18 advisory boards for the Service Boards, to represent the  
19 diversity of individuals with disabilities in the  
20 metropolitan region and to provide appropriate ongoing  
21 input from individuals with disabilities into the  
22 operation of ADA paratransit services.

23 (d) All revisions and annual updates to the ADA paratransit  
24 services plan developed pursuant to subsection (c) of this  
25 Section, or certifications of continued compliance in lieu of  
26 plan updates, that are required to be provided to the Federal

1 Transit Administration shall be developed by the Authority, in  
2 collaboration with the Suburban Bus Board and the Chicago  
3 Transit Authority, and the Authority shall submit such  
4 revision, update or certification to the Federal Transit  
5 Administration for approval. Approval of such revisions,  
6 updates or certifications by the Authority shall require the  
7 affirmative votes of 12 ~~9~~ of the then Directors.

8 (e) The Illinois Department of Transportation, the  
9 Illinois Department of Public Aid, the Authority, the Suburban  
10 Bus Board and the Chicago Transit Authority shall enter into  
11 intergovernmental agreements as may be necessary to provide  
12 funding and accountability for, and implementation of, the  
13 requirements of this Section.

14 (f) By no later than April 1, 2007, the Authority shall  
15 develop and submit to the General Assembly and the Governor a  
16 funding plan for ADA paratransit services. Approval of such  
17 plan by the Authority shall require the affirmative votes of 12  
18 ~~9~~ of the then Directors. The funding plan shall, at a minimum,  
19 contain an analysis of the current costs of providing ADA  
20 paratransit services, projections of the long-term costs of  
21 providing ADA paratransit services, identification of and  
22 recommendations for possible cost efficiencies in providing  
23 ADA paratransit services, and identification of and  
24 recommendations for possible funding sources for providing ADA  
25 paratransit services. The Illinois Department of  
26 Transportation, the Illinois Department of Public Aid, the

1 Suburban Bus Board, the Chicago Transit Authority and other  
2 State and local public agencies as appropriate shall cooperate  
3 with the Authority in the preparation of such funding plan.

4 (g) Any funds derived from the federal Medicaid program for  
5 reimbursement of the costs of providing ADA paratransit  
6 services within the metropolitan region shall be directed to  
7 the Authority and shall be used to pay for or reimburse the  
8 costs of providing such services.

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

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

13 (70 ILCS 3615/2.31 new)

14 Sec. 2.31. Disadvantaged Business Enterprise Contracting  
15 and Equal Employment Opportunity Programs. The Authority and  
16 each Service Board shall, as soon as is practicable but in no  
17 event later than two years after the effective date of this  
18 amendatory Act of the 95th General Assembly, establish and  
19 maintain a disadvantaged business enterprise contracting  
20 program designed to ensure non-discrimination in the award and  
21 administration of contracts not covered under a federally  
22 mandated disadvantaged business enterprise program. The  
23 program shall establish narrowly tailored goals for the  
24 participation of disadvantaged business enterprises as the  
25 Authority and each Service Board determines appropriate. The

1 goals shall be based on demonstrable evidence of the  
2 availability of ready, willing, and able disadvantaged  
3 business enterprises relative to all businesses ready,  
4 willing, and able to participate on the program's contracts.  
5 The program shall require the Authority and each Service Board  
6 to monitor the progress of the contractors' obligations with  
7 respect to the program's goals. Nothing in this program shall  
8 conflict with or interfere with the maintenance or operation  
9 of, or compliance with, any federally mandated disadvantaged  
10 business enterprise program.

11 The Authority and each Service Board shall establish and  
12 maintain a program designed to promote equal employment  
13 opportunity. Each year, no later than October 1, the Authority  
14 and each Service Board shall report to the General Assembly on  
15 the number of their respective employees and the number of  
16 their respective employees who have designated themselves as  
17 members of a minority group and gender.

18 Each year no later than October 1, and starting no later  
19 than the October 1 after the establishment of their  
20 disadvantaged business enterprise contracting programs, the  
21 Authority and each Service Board shall submit a report with  
22 respect to such program to the General Assembly. In addition,  
23 each year no later than October 1, the Authority and each  
24 Service Board shall submit a copy of its federally mandated  
25 semi-annual Uniform Report of Disadvantaged Business  
26 Enterprises Awards or Commitments and Payments to the General

1 Assembly.

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

3 Sec. 3.01. Board of Directors. ~~The~~ ~~Upon expiration of the~~  
4 ~~term of the members of the Transition Board as provided for in~~  
5 ~~Section 3.09, the~~ corporate authorities and governing body of  
6 the Authority shall be a Board consisting of 13 Directors until  
7 April 1, 2008, and 16 Directors thereafter, appointed as  
8 follows:

9 (a) Four Directors appointed by the Mayor of the City of  
10 Chicago, with the advice and consent of the City Council of the  
11 City of Chicago, and, only until April 1, 2008, a fifth  
12 director who shall be the Chairman of the Chicago Transit  
13 Authority. After April 1, 2008, the Mayor of the City of  
14 Chicago, with the advice and consent of the City Council of the  
15 City of Chicago, shall appoint a fifth Director. The Directors  
16 appointed by the Mayor of the City of Chicago shall not be the  
17 chairman or a director of the Chicago Transit Authority. Each  
18 such Director shall reside in the City of Chicago ~~except the~~  
19 ~~Chairman of the Chicago Transit Authority who shall reside~~  
20 ~~within the metropolitan area as defined in the Metropolitan~~  
21 ~~Transit Authority Act.~~

22 (b) Four Directors appointed by the votes of a majority of  
23 the members of the Cook County Board elected from ~~that part of~~  
24 ~~Cook County outside of Chicago, or, in the event such Board of~~  
25 ~~Commissioners becomes elected from single member districts, by~~

1 ~~those Commissioners elected from~~ districts, a majority of the  
2 electors of which reside outside Chicago. After April 1, 2008,  
3 a fifth Director appointed by the President of the Cook County  
4 Board with the advice and consent of the members of the Cook  
5 County Board. ~~In either case, such appointment shall be with~~  
6 ~~the concurrence of four such Commissioners.~~ Each ~~such~~ Director  
7 appointed under this subparagraph shall reside in that part of  
8 Cook County outside Chicago.

9 (c) Until April 1, 2008, 3 Directors appointed by the  
10 Chairmen of the county boards of DuPage, Kane, Lake, McHenry,  
11 and Will Counties, as follows:

12 (i) Two Directors appointed by the Chairmen of the  
13 county boards of Kane, Lake, McHenry and Will Counties,  
14 with the concurrence of not less than a majority of the  
15 Chairmen from such counties, from nominees by the Chairmen.  
16 Each such Chairman may nominate not more than 2 persons for  
17 each position. Each such Director shall reside in a county  
18 in the metropolitan region other than Cook or DuPage  
19 Counties.

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

24 (d) After April 1, 2008, 5 Directors appointed by the  
25 Chairmen of the county boards of DuPage, Kane, Lake and McHenry  
26 Counties and the County Executive of Will County, as follows:



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

4           (ii) One Director appointed by the County Executive of  
5           Will County with the advice and consent of the Will County  
6           Board. Such Director shall reside in Will County.

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

11           (iv) One Director appointed by the Chairman of the Lake  
12           County Board with the advice and consent of the Lake County  
13           Board. Such Director shall reside in Lake County.

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

18           (vi) To implement the changes in appointing authority  
19           under this subparagraph (d) the three Directors appointed  
20           under subparagraph (c) and residing in Lake County, DuPage  
21           County, and Kane County respectively shall each continue to  
22           serve as Director until the expiration of their respective  
23           term of office and until his or her successor is appointed  
24           and qualified or a vacancy occurs in the office. Thereupon,  
25           the appointment shall be made by the officials given  
26           appointing authority with respect to the Director whose

1 term has expired or office has become vacant.

2 (e) The Chairman serving on the effective date of this  
3 amendatory Act of the 95th General Assembly shall continue to  
4 serve as Chairman until the expiration of his or her term of  
5 office and until his or her successor is appointed and  
6 qualified or a vacancy occurs in the office ~~Before January 1,~~  
7 ~~1987, for the term expiring July 1, 1989, the Chairman shall be~~  
8 ~~appointed by the Governor. Thereafter the Chairman shall be~~  
9 ~~appointed by the other 12 Directors with the concurrence of~~  
10 ~~three-fourths of such Directors.~~ Upon the expiration or vacancy  
11 of the term of the Chairman then serving upon the effective  
12 date of this amendatory Act of the 95th General Assembly, the  
13 Chairman shall be appointed by the other Directors, by the  
14 affirmative vote of at least 11 of the then Directors. The  
15 chairman shall not be appointed from among the other Directors.  
16 The chairman shall be a resident of the metropolitan region.

17 (f) Except as otherwise provided by this Act no Director  
18 shall, while serving as such, be an officer, a member of the  
19 Board of Directors or Trustees or an employee of any Service  
20 Board or transportation agency, or be an employee of the State  
21 of Illinois or any department or agency thereof, or of any unit  
22 of local government or receive any compensation from any  
23 elected or appointed office under the Constitution and laws of  
24 Illinois; except that a Director may be a member of a school  
25 board.

26 (g) Each appointment made under this Section and under

1 Section 3.03 shall be certified by the appointing authority to  
2 the Board, which shall maintain the certifications as part of  
3 the official records of the Authority; ~~provided that the~~  
4 ~~initial appointments shall be certified to the Secretary of~~  
5 ~~State, who shall transmit the certifications to the Board~~  
6 ~~following its organization. All appointments made by the~~  
7 ~~Governor shall be made with the advice and consent of the~~  
8 ~~Senate.~~

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

21 ~~Insofar as may be practicable, the changes in Board~~  
22 ~~membership necessary to achieve this purpose shall take effect~~  
23 ~~as appropriate members terms expire, no member's term being~~  
24 ~~reduced by reason of such revision of the composition of the~~  
25 ~~Board.~~

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

1 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

2 Sec. 3.03. Terms, vacancies. Each Director, ~~including the~~  
3 ~~Chairman, shall be appointed for an initial term as provided~~  
4 ~~for in Section 3.10 of this Act. Thereafter, each Director~~  
5 shall hold office for a term of 5 years, and until his  
6 successor has been appointed and has qualified. A vacancy shall  
7 occur upon resignation, death, conviction of a felony, or  
8 removal from office of a Director. Any Director may be removed  
9 from office upon concurrence of not less than 11 ~~9~~ Directors,  
10 on a formal finding of incompetence, neglect of duty, or  
11 malfeasance in office. Within 30 days after the office of any  
12 member becomes vacant for any reason, the appointing  
13 authorities of such member shall make an appointment to fill  
14 the vacancy. A vacancy shall be filled for the unexpired term.

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

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

1 (70 ILCS 3615/3.04) (from Ch. 111 2/3, par. 703.04)

2 Sec. 3.04. Compensation. Each Director, excluding  
3 ~~including~~ the Chairman, ~~except for the Chairman of the Chicago~~  
4 ~~Transit Authority who shall not be compensated by the~~  
5 ~~Authority,~~ shall be compensated at the rate of \$25,000 per  
6 year. The Chairman shall be compensated at the rate of \$50,000  
7 per year.

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

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

14 (70 ILCS 3615/3.05) (from Ch. 111 2/3, par. 703.05)

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

24 A majority of the Directors holding office shall constitute  
25 a quorum for the conduct of business. Except as otherwise

1 provided in this Act, the affirmative votes of at least 9 ~~7~~  
2 Directors shall be necessary for approving any contract or  
3 agreement, adopting any rule or regulation, and any other  
4 action required by this Act to be taken by resolution or  
5 ordinance.

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

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

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

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

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

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

20 The budget shall:

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



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

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

12 (iv) be based upon and employ assumptions and  
13 projections which are reasonable and prudent;

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

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

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

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

24 (70 ILCS 3615/3A.11) (from Ch. 111 2/3, par. 703A.11)

25 Sec. 3A.11. Citizens Advisory Board. The Suburban Bus Board

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

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

15 (70 ILCS 3615/3A.14) (from Ch. 111 2/3, par. 703A.14)

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

20 (b) The Suburban Bus Board shall deal with and enter into  
21 written contracts with their employees, through accredited  
22 representatives of such employees authorized to act for such  
23 employees concerning wages, salaries, hours, working  
24 conditions, and pension or retirement provisions about which a  
25 collective bargaining agreement has been entered prior to the

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

25 (c) The collective bargaining agreement may not include a  
26 prohibition on the use of part-time operators on any service

1 operated by the Suburban Bus Board except where prohibited by  
2 federal law.

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

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

16 (70 ILCS 3615/3B.02) (from Ch. 111 2/3, par. 703B.02)

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

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

22 (1) ~~(a)~~ One director shall be appointed by the Chairman  
23 of the Board of DuPage County with the advice and consent  
24 of the County Board of DuPage County and shall reside in  
25 DuPage County. ~~†~~

1           (2) ~~(b)~~ Two directors appointed by the Chairmen of the  
2 County Boards of Kane, Lake, McHenry and Will Counties with  
3 the concurrence of not less than a majority of the chairmen  
4 from such counties, from nominees by the Chairmen. Each  
5 such chairman may nominate not more than two persons for  
6 each position. Each such director shall reside in a county  
7 in the metropolitan region other than Cook or DuPage  
8 County.

9           (3) ~~(c)~~ Three directors appointed by the members of the  
10 Cook County Board elected from that part of Cook County  
11 outside of Chicago, or, in the event such Board of  
12 Commissioners becomes elected from single member  
13 districts, by those Commissioners elected from districts,  
14 a majority of the residents of which reside outside  
15 Chicago. In either case, such appointment shall be with the  
16 concurrence of four such Commissioners. Each such director  
17 shall reside in that part of Cook County outside Chicago.

18           (4) ~~(d)~~ One director appointed by the Mayor of the City  
19 of Chicago, with the advice and consent of the City Council  
20 of the City of Chicago. Such director shall reside in the  
21 City of Chicago.

22           (5) The chairman shall be appointed by the directors,  
23 from the members of the board, with the concurrence of 5 of  
24 such directors.

25           (b) After April 1, 2008 the governing body of the Commuter  
26 Rail Division shall be a board consisting of 11 directors

1 appointed, pursuant to Sections 3B.03 and 3B.04, as follows:

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

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

20 (3) One Director shall be appointed by the Will County  
21 Executive with the advice and consent of the Will County  
22 Board and shall reside in Will County. To implement the  
23 change in appointing authority under this Section, upon the  
24 expiration of the term of or vacancy in office of the  
25 Director appointed under item (2) of subsection (a) of this  
26 Section who resides in Will County, a Director shall be

1 appointed under this subparagraph.

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

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

8 (6) One Director shall be appointed by the Mayor of the  
9 City of Chicago with the advice and consent of the City  
10 Council of the City of Chicago and shall reside in the City  
11 of Chicago. To implement the changes in appointing  
12 authority under this Section, upon the expiration of the  
13 term of or vacancy in office of the Director appointed  
14 under item (4) of subsection (a) of this Section who  
15 resides in the City of Chicago, a Director shall be  
16 appointed under this subparagraph.

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

19 (i) One Director who resides in Cook County outside  
20 of the City of Chicago, appointed by the President of  
21 the Cook County Board with the advice and consent of  
22 the members of the Cook County Board.

23 (ii) One Director who resides in the township of  
24 Barrington, Palatine, Wheeling, Hanover, Schaumburg,  
25 or Elk Grove. To implement the changes in appointing  
26 authority under this Section, upon the expiration of

1           the term of or vacancy in office of the Director  
2           appointed under paragraph (3) of subsection (a) of this  
3           Section who resides in the geographic area described in  
4           this subparagraph, a Director shall be appointed under  
5           this subparagraph.

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

9           (iv) One Director who resides in the township of  
10           Proviso, Riverside, Berwyn, Cicero, Lyons, Stickney,  
11           Lemont, Palos, or Orland. To implement the changes in  
12           appointing authority under this Section, upon the  
13           expiration of the term of or vacancy in office of the  
14           Director appointed under paragraph (3) of subsection  
15           (a) of this Section who resides in the geographic area  
16           described in this subparagraph and whose term of office  
17           had not expired as of August 1, 2007, a Director shall  
18           be appointed under this subparagraph.

19           (v) One Director who resides in the township of  
20           Worth, Calumet, Bremen, Thornton, Rich, or Bloom. To  
21           implement the changes in appointing authority under  
22           this Section, upon the expiration of the term of or  
23           vacancy in office of the Director appointed under  
24           paragraph (3) of subsection (a) of this Section who  
25           resides in the geographic area described in this  
26           subparagraph and whose term of office had expired as of



1           August 1, 2007, a Director shall be appointed under  
2           this subparagraph.

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

17           (8) The chairman shall be appointed by the directors,  
18           from the members of the board, with the concurrence of 8 of  
19           such directors. To implement the changes in appointing  
20           authority under this Section, upon the expiration of the  
21           term of or vacancy in office of the Chairman appointed  
22           under item (5) of subsection (a) of this Section, a  
23           Chairman shall be appointed under this subparagraph.

24           (c) No director, while serving as such, shall be an  
25           officer, a member of the board of directors or trustee or an  
26           employee of any transportation agency, or be an employee of the

1 State of Illinois or any department or agency thereof, or of  
2 any unit of local government or receive any compensation from  
3 any elected or appointed office under the Constitution and laws  
4 of Illinois.

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

13 ~~Appointments to the Commuter Rail Board shall be~~  
14 ~~apportioned so as to represent the City of Chicago, that part~~  
15 ~~of Cook County outside of the City of Chicago, and DuPage~~  
16 ~~County and that part of the metropolitan region other than Cook~~  
17 ~~and DuPage Counties based on morning boardings of the services~~  
18 ~~provided by the Commuter Rail Division as certified to the~~  
19 ~~Board of the Authority by the Commuter Rail Board, provided~~  
20 ~~however that the Mayor of the City of Chicago shall appoint no~~  
21 ~~fewer than 1 member of the Commuter Rail Board. Within two~~  
22 ~~years after each federal decennial census, the Board of the~~  
23 ~~Authority shall review the composition of the Commuter Rail~~  
24 ~~Board and, if change is needed to comply with this requirement,~~  
25 ~~shall provide for the necessary reapportionment by July 1 of~~  
26 ~~the second year after such census. Insofar as may be~~

1 ~~practicable, the changes in board membership necessary to~~  
2 ~~achieve this purpose shall take effect as appropriate members~~  
3 ~~terms expire, no member's term being reduced by reason of such~~  
4 ~~revision of the composition of the Commuter Rail Board.~~

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

6 (70 ILCS 3615/3B.03) (from Ch. 111 2/3, par. 703B.03)

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

1 of any director becomes vacant for any reason, the appropriate  
2 appointing authorities of such director, as provided in Section  
3 3B.02, shall make an appointment to fill the vacancy. A vacancy  
4 shall be filled for the unexpired term.

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

6 (70 ILCS 3615/3B.05) (from Ch. 111 2/3, par. 703B.05)

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

1 agencies in the metropolitan region.

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

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

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

21 (70 ILCS 3615/3B.07) (from Ch. 111 2/3, par. 703B.07)

22 Sec. 3B.07. Meetings. The Commuter Rail Board shall  
23 prescribe the times and places for meetings and the manner in  
24 which special meetings may be called. The Commuter Rail Board  
25 shall comply in all respects with the "Open Meetings Act", as

1 now or hereafter amended. All records, documents and papers of  
2 the Commuter Rail Division, other than those relating to  
3 matters concerning which closed sessions of the Commuter Rail  
4 Board may be held, shall be available for public examination,  
5 subject to such reasonable regulations as the board may adopt.

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

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

11 (70 ILCS 3615/3B.09) (from Ch. 111 2/3, par. 703B.09)

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

17 (a) to cooperate with the Regional Transportation  
18 Authority in the exercise by the Regional Transportation  
19 Authority of all the powers granted it by such Act;

20 (b) to receive funds from the Regional Transportation  
21 Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and 4.10  
22 of the "Regional Transportation Authority Act", all as provided  
23 in the "Regional Transportation Authority Act"; ~~and~~

24 (c) to receive financial grants from the Regional  
25 Transportation Authority or a Service Board, as defined in the

1 "Regional Transportation Authority Act", upon such terms and  
2 conditions as shall be set forth in a grant contract between  
3 either the Division and the Regional Transportation Authority  
4 or the Division and another Service Board, which contract or  
5 agreement may be for such number of years or duration as the  
6 parties may agree, all as provided in the "Regional  
7 Transportation Authority Act"; ~~and~~

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

1 Regional Transportation Authority pursuant to Section  
2 4.03.3(f) of the Regional Transportation Authority Act. The  
3 bonds shall bear interest at a rate not to exceed the maximum  
4 rate authorized by the Bond Authorization Act and shall mature  
5 at such time or times not exceeding 25 years from their  
6 respective dates. Bonds issued pursuant to this paragraph must  
7 be issued with scheduled principal or mandatory redemption  
8 payments in equal amounts in each fiscal year over the term of  
9 the bonds, with the first principal or mandatory redemption  
10 payment scheduled within the fiscal year in which bonds are  
11 issued or within the next succeeding fiscal year. At least 25%,  
12 based on total principal amount, of all bonds authorized  
13 pursuant to this Section shall be sold pursuant to notice of  
14 sale and public bid. No more than 75%, based on total principal  
15 amount, of all bonds authorized pursuant to this Section shall  
16 be sold by negotiated sale. The maximum principal amount of the  
17 bonds that may be issued and outstanding at any time may not  
18 exceed \$1,000,000,000. The bonds shall have all the qualities  
19 of negotiable instruments under the laws of this State. To  
20 secure the payment of any or all of such bonds and for the  
21 purpose of setting forth the covenants and undertakings of the  
22 Commuter Rail Board in connection with the issuance thereof and  
23 the issuance of any additional bonds payable from such revenue  
24 or income as well as the use and application of the revenue or  
25 income received by the Commuter Rail Board, the Commuter Rail  
26 Board may execute and deliver a trust agreement or agreements;



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

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

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

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

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

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

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

7 The budget shall:

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

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

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

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

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

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

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

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

7 (70 ILCS 3615/3B.11) (from Ch. 111 2/3, par. 703B.11)

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

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

23 (70 ILCS 3615/3B.12) (from Ch. 111 2/3, par. 703B.12)

24 Sec. 3B.12. Working Cash Borrowing. The Commuter Rail Board

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

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

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

13 Sec. 3B.13. Labor.

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

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

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

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

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

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

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

17 (70 ILCS 3615/4.01) (from Ch. 111 2/3, par. 704.01)

18 Sec. 4.01. Budget and Program.

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



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

1 ~~July 1st 1981 and~~ July 1st of each year ~~thereafter~~ the Director  
2 of the Illinois Governor's Office of Management and Budget  
3 (formerly Bureau of the Budget) shall submit to the Authority  
4 an estimate of revenues for the next fiscal year of the  
5 Authority to be collected from the taxes imposed by the  
6 Authority and the amounts to be available in the Public  
7 Transportation Fund and the Regional Transportation Authority  
8 Occupation and Use Tax Replacement Fund and the amounts  
9 otherwise to be appropriated by the State to the Authority for  
10 its purposes. The Authority shall file a copy of its Annual  
11 Budget and Two-Year Financial Plan with ~~For the fiscal year~~  
12 ~~ending on December 31, 1983, the Board shall report its results~~  
13 ~~from operations and financial condition to the General Assembly~~  
14 ~~and the Governor by January 31. For the fiscal year beginning~~  
15 ~~January 1, 1984, and thereafter, the budget and program shall~~  
16 ~~be presented to~~ the General Assembly and the Governor after its  
17 adoption ~~not later than the preceding December 31st.~~ Before the  
18 proposed Annual Budget and Two-Year Financial Plan ~~budget and~~  
19 ~~program~~ is adopted, the Authority shall hold at least one  
20 public hearing thereon in the metropolitan region, and shall  
21 meet . ~~The Board shall hold at least one meeting for~~  
22 ~~consideration of the proposed program and budget~~ with the  
23 county board or its designee of each of the several counties in  
24 the metropolitan region. After conducting such hearings and  
25 holding such meetings and after making such changes in the  
26 proposed Annual Budget and Two-Year Financial Plan ~~program and~~

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

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

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

22 (i) that the level of fares and charges for mass  
23 transportation provided by, or under grant or purchase of  
24 service contracts of, the Service Boards is sufficient to  
25 cause the aggregate of all projected fare revenues from  
26 such fares and charges received in each fiscal year to

1 equal at least 50% of the aggregate costs of providing such  
2 public transportation in such fiscal year. "Fare revenues"  
3 include the proceeds of all fares and charges for services  
4 provided, contributions received in connection with public  
5 transportation from units of local government other than  
6 the Authority and from the State pursuant to subsection (i)  
7 of Section 2705-305 of the Department of Transportation Law  
8 (20 ILCS 2705/2705-305), and all other operating revenues  
9 properly included consistent with generally accepted  
10 accounting principles but do not include: the proceeds of  
11 any borrowings, revenues received by the Chicago Transit  
12 Authority from a real estate transfer tax imposed under  
13 Section 55 of the Metropolitan Transit Authority Act, and,  
14 beginning with the 2007 fiscal year, all revenues and  
15 receipts, including but not limited to fares and grants  
16 received from the federal, State or any unit of local  
17 government or other entity, derived from providing ADA  
18 paratransit service pursuant to Section 2.30 of the  
19 Regional Transportation Authority Act. "Costs" include all  
20 items properly included as operating costs consistent with  
21 generally accepted accounting principles, including  
22 administrative costs, but do not include: depreciation;  
23 payment of principal and interest on bonds, notes or other  
24 evidences of obligation for borrowed money issued by the  
25 Authority; payments with respect to public transportation  
26 facilities made pursuant to subsection (b) of Section 2.20

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

1 amount of \$200,000,000 in fiscal year 2008, reducing by  
2 \$40,000,000 in each fiscal year thereafter until this  
3 exemption is eliminated; and

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

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

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

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

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

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



1 pursuant to subsection (d) of Section 4.01 for the immediately  
2 preceding calendar year.

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

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

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

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

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

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

8 (70 ILCS 3615/4.02) (from Ch. 111 2/3, par. 704.02)

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

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

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

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

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

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

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

1 ~~Section 4.01 and further provided the Service Board is in~~  
2 ~~compliance with the requirements in Section 4.11.~~

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

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

9 (70 ILCS 3615/4.02a)

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

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

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

1 liability to the Chicago Transit Authority for amounts paid to  
2 the Board of Trustees ~~trustee~~ of the Retirement Plan ~~retirement~~  
3 ~~system~~ under this Section.

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

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

10 (70 ILCS 3615/4.02b)

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

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

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

1 affected pension plan under this Section.

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

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

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

18 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

19 Sec. 4.03. Taxes.

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



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

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

1 motor fuel in the metropolitan region, at rates as limited by  
2 this Section.

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

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

1 periodic fee, whether publicly or privately owned, but does not  
2 include parking spaces on a public street, the use of which is  
3 regulated by parking meters.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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 warrant to be drawn for the  
9 amount specified, and to the person named in the notification  
10 from the Department. The refund shall be paid by the State  
11 Treasurer out of the Regional Transportation Authority tax fund  
12 established under paragraph (n) of this Section.

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

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



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

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

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

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

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

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

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

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

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

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

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

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

26 (m) Any ordinance imposing or discontinuing any tax under

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

1 amendatory Act of the 95th General Assembly are effective only  
2 if imposed by ordinance of the Authority.

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

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

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

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

1 tax imposed by the Authority otherwise in conformity with law.

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

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

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

23 (Source: P.A. 92-221, eff. 8-2-01; 92-651, eff. 7-11-02;  
24 93-1068, eff. 1-15-05.)

25 (70 ILCS 3615/4.03.3 new)



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

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

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

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

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

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

1       Commuter Rail Board and 30% to the Suburban Bus Board.

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

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

1 \$100,000,000 shall be deposited in the ADA Paratransit Fund  
2 described in Section 2.01d, \$20,000,000 shall be deposited in  
3 the Suburban Community Mobility Fund described in Section  
4 2.01e, and \$10,000,000 shall be deposited in the Innovation,  
5 Coordination and Enhancement Fund described in Section 2.01c,  
6 and the balance shall be allocated 48% to the Chicago Transit  
7 Authority, 39% to the Commuter Rail Board, and 13% to the  
8 Suburban Bus Board; and in 2009 and each year thereafter, the  
9 amounts deposited in the ADA Paratransit Fund, the Suburban  
10 Community Mobility Fund and the Innovation, Coordination and  
11 Enhancement Fund respectively shall equal the amount deposited  
12 in the previous year increased or decreased by the percentage  
13 growth or decline in revenues received by the Authority from  
14 taxes imposed under Section 4.03 in the previous year, and the  
15 balance shall be allocated 48% to the Chicago Transit  
16 Authority, 39% to the Commuter Rail Board and 13% to the  
17 Suburban Bus Board.

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

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

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

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

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

24 (70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

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

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

1 under any self-insurance plan or joint self-insurance pool or  
2 entity.

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

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

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



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

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

1 shall fix by the ordinance authorizing such bond or note and  
2 shall mature at such time or times, within a period not to  
3 exceed forty years from the date of issue, and may be  
4 redeemable prior to maturity with or without premium, at the  
5 option of the Authority, upon such terms and conditions as the  
6 Authority shall fix by the ordinance authorizing the issuance  
7 of such bonds or notes. No bond anticipation note or any  
8 renewal thereof shall mature at any time or times exceeding 5  
9 years from the date of the first issuance of such note. The  
10 Authority may provide for the registration of bonds or notes in  
11 the name of the owner as to the principal alone or as to both  
12 principal and interest, upon such terms and conditions as the  
13 Authority may determine. The ordinance authorizing bonds or  
14 notes may provide for the exchange of such bonds or notes which  
15 are fully registered, as to both principal and interest, with  
16 bonds or notes which are registerable as to principal only. All  
17 bonds or notes issued under this Section by the Authority other  
18 than those issued in exchange for property or for bonds or  
19 notes of the Authority shall be sold at a price which may be at  
20 a premium or discount but such that the interest cost  
21 (excluding any redemption premium) to the Authority of the  
22 proceeds of an issue of such bonds or notes, computed to stated  
23 maturity according to standard tables of bond values, shall not  
24 exceed that permitted in the Bond Authorization Act. The  
25 Authority shall notify the Governor's Office of Management and  
26 Budget and the State Comptroller at least 30 days before any

1 bond sale and shall file with the Governor's Office of  
2 Management and Budget and the State Comptroller a certified  
3 copy of any ordinance authorizing the issuance of bonds at or  
4 before the issuance of the bonds. After December 31, 1994, any  
5 such bonds or notes shall be sold to the highest and best  
6 bidder on sealed bids as the Authority shall deem. As such  
7 bonds or notes are to be sold the Authority shall advertise for  
8 proposals to purchase the bonds or notes which advertisement  
9 shall be published at least once in a daily newspaper of  
10 general circulation published in the metropolitan region at  
11 least 10 days before the time set for the submission of bids.  
12 The Authority shall have the right to reject any or all bids.  
13 Notwithstanding any other provisions of this Section, Working  
14 Cash Notes or bonds or notes to provide funds for  
15 self-insurance or a joint self-insurance pool or entity may be  
16 sold either upon competitive bidding or by negotiated sale  
17 (without any requirement of publication of intention to  
18 negotiate the sale of such Notes), as the Board shall determine  
19 by ordinance adopted with the affirmative votes of at least 9 ~~7~~  
20 Directors. In case any officer whose signature appears on any  
21 bonds, notes or coupons authorized pursuant to this Section  
22 shall cease to be such officer before delivery of such bonds or  
23 notes, such signature shall nevertheless be valid and  
24 sufficient for all purposes, the same as if such officer had  
25 remained in office until such delivery. Neither the Directors  
26 of the Authority nor any person executing any bonds or notes

1       thereof shall be liable personally on any such bonds or notes  
2       or coupons by reason of the issuance thereof.

3           (c) All bonds or notes of the Authority issued pursuant to  
4       this Section shall be general obligations of the Authority to  
5       which shall be pledged the full faith and credit of the  
6       Authority, as provided in this Section. Such bonds or notes  
7       shall be secured as provided in the authorizing ordinance,  
8       which may, notwithstanding any other provision of this Act,  
9       include in addition to any other security, a specific pledge or  
10      assignment of and lien on or security interest in any or all  
11      tax receipts of the Authority and on any or all other revenues  
12      or moneys of the Authority from whatever source, which may by  
13      law be utilized for debt service purposes and a specific pledge  
14      or assignment of and lien on or security interest in any funds  
15      or accounts established or provided for by the ordinance of the  
16      Authority authorizing the issuance of such bonds or notes. Any  
17      such pledge, assignment, lien or security interest for the  
18      benefit of holders of bonds or notes of the Authority 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 valid  
21      and binding as against and prior to the claims of all other  
22      parties having claims of any kind against the Authority or any  
23      other person irrespective of whether such other parties have  
24      notice of such pledge, assignment, lien or security interest.  
25      The obligations of the Authority incurred pursuant to this  
26      Section shall be superior to and have priority over any other

1 obligations of the Authority.

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

26       (d) The ordinance of the Authority authorizing the issuance

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

1 notes or used for paying bonds or notes to be paid by the  
2 trustee to the Authority.

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

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

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

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



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

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

18           \$100,000,000 is authorized to be issued on or after  
19      January 1, 1990;

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

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

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

26           an additional \$100,000,000 is authorized to be issued

1 on or after January 1, 1994; and

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

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

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

22 \$260,000,000 is authorized to be issued on or after  
23 January 1, 2000;

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

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

1 on or after January 1, 2002;

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

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

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

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

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

26 (i) In addition to any other authority granted by law, the

1 State Treasurer may, with the approval of the Governor, invest  
2 or reinvest, at a price not to exceed par, any State money in  
3 the State Treasury which is not needed for current expenditures  
4 due or about to become due in Working Cash Notes.

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

6 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

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

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

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

1 deposited into the Regional Transportation Authority tax fund  
2 created by Section 4.03 of this Act from the County and Mass  
3 Transit District Fund as provided in Section 6z-20 of the State  
4 Finance Act, and 25% of the amounts deposited into the Regional  
5 Transportation Authority Occupation and Use Tax Replacement  
6 Fund from the State and Local Sales Tax Reform Fund as provided  
7 in Section 6z-17 of the State Finance Act. As used in this  
8 Section, net ~~Net~~ revenue realized for a month shall be the  
9 revenue collected by the State pursuant to Sections 4.03 and  
10 4.03.1 during the previous month from within the metropolitan  
11 region, less the amount paid out during that same month as  
12 refunds to taxpayers for overpayment of liability in the  
13 metropolitan region under Sections 4.03 and 4.03.1.

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

1 Authority from the proceeds of any tax imposed by the Chicago  
2 Transit Authority under Section 55 of the Metropolitan Transit  
3 Authority Act.

4 (3) As soon as possible after the first day of January,  
5 2009 and each month thereafter, upon certification of the  
6 Department of Revenue with respect to the taxes collected under  
7 Section 4.03, the Comptroller shall order transferred and the  
8 Treasurer shall transfer from the General Revenue Fund to the  
9 Public Transportation Fund an amount equal to 25% of the net  
10 revenue, before the deduction of the serviceman and retailer  
11 discounts pursuant to Section 9 of the Service Occupation Tax  
12 Act and Section 3 of the Retailers' Occupation Tax Act,  
13 realized from (i) 20% of the proceeds of any tax imposed by the  
14 Authority at a rate of 1.25% in Cook County, (ii) 25% of the  
15 proceeds of any tax imposed by the Authority at the rate of 1%  
16 in Cook County, and (iii) one-third of the proceeds of any tax  
17 imposed by the Authority at the rate of 0.75% in the Counties  
18 of DuPage, Kane, Lake, McHenry, and Will, all pursuant to  
19 Section 4.03, and the Comptroller shall order transferred and  
20 the Treasurer shall transfer from the General Revenue Fund to  
21 the Public Transportation Fund (iv) an amount equal to 25% of  
22 the revenue realized by the Chicago Transit Authority from the  
23 proceeds of any tax imposed by the Chicago Transit Authority  
24 under Section 55 of the Metropolitan Transit Authority Act.

25 (b) (1) All moneys deposited in the Public Transportation  
26 Fund and the Regional Transportation Authority Occupation and

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



1 in this Section shall constitute an irrevocable and continuing  
2 appropriation of all amounts as provided herein. The State  
3 Treasurer and State Comptroller are hereby authorized and  
4 directed to make distributions as provided in this Section. (2)

5 Provided, however, no moneys deposited under subsection (a) of  
6 this Section shall be paid from the Public Transportation Fund  
7 to the Authority or its assignee for any fiscal year ~~beginning~~  
8 ~~after the effective date of this amendatory Act of 1983~~ until  
9 the Authority has certified to the Governor, the Comptroller,  
10 and the Mayor of the City of Chicago that it has adopted for  
11 that fiscal year an Annual Budget and Two-Year Financial Plan ~~a~~  
12 ~~budget and financial plan~~ meeting the requirements in Section  
13 4.01(b).

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

23	1990	\$5,000,000;
24	1991	\$5,000,000;
25	1992	\$10,000,000;
26	1993	\$10,000,000;

1           1994                   \$20,000,000;  
2           1995                   \$30,000,000;  
3           1996                   \$40,000,000;  
4           1997                   \$50,000,000;  
5           1998                   \$55,000,000; and  
6           each year thereafter   \$55,000,000.

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

16          2000                   \$0;  
17          2001                   \$16,000,000;  
18          2002                   \$35,000,000;  
19          2003                   \$54,000,000;  
20          2004                   \$73,000,000;  
21          2005                   \$93,000,000; and  
22          each year thereafter   \$100,000,000.

23          (d) Beginning with State fiscal year 1990 and continuing  
24          for each State fiscal year thereafter, the Authority shall  
25          annually certify to the State Comptroller and State Treasurer,  
26          separately with respect to each of subdivisions (g)(2) and

1 (g) (3) of Section 4.04 of this Act, the following amounts:

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

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

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

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

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

1           Immediately upon the issuance of bonds for which an  
2           estimated schedule of debt service payments was prepared, the  
3           Authority shall file an amended certification with respect to  
4           item (2) above, to specify the actual schedule of debt service  
5           payments, including the date and amount of each payment, for  
6           the remainder of the State fiscal year.

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

1 limits:

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

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

20 The term "outstanding" does not include bonds or notes for  
21 which refunding or advance refunding bonds or notes have been  
22 issued.

23 (e) Neither Additional State Assistance nor Additional  
24 Financial Assistance may be pledged, either directly or  
25 indirectly as general revenues of the Authority, as security  
26 for any bonds issued by the Authority. The Authority may not

1 assign its right to receive Additional State Assistance or  
2 Additional Financial Assistance, or direct payment of  
3 Additional State Assistance or Additional Financial  
4 Assistance, to a trustee or any other entity for the payment of  
5 debt service on its bonds.

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

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

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

1 included consistent with generally accepted accounting  
2 principles but may not include: the proceeds from any  
3 borrowing, revenues received by the Chicago Transit  
4 Authority from a real estate transfer tax imposed under  
5 Section 55 of the Metropolitan Transit Authority Act, and,  
6 beginning with the 2007 fiscal year, all revenues and  
7 receipts, including but not limited to fares and grants  
8 received from the federal, State or any unit of local  
9 government or other entity, derived from providing ADA  
10 paratransit service pursuant to Section 2.30 of the  
11 Regional Transportation Authority Act. "Costs" include all  
12 items properly included as operating costs consistent with  
13 generally accepted accounting principles, including  
14 administrative costs, but do not include: depreciation;  
15 payment of principal and interest on bonds, notes or other  
16 evidences of obligations for borrowed money of the  
17 Authority; payments with respect to public transportation  
18 facilities made pursuant to subsection (b) of Section 2.20;  
19 any payments with respect to rate protection contracts,  
20 credit enhancements or liquidity agreements made under  
21 Section 4.14; any other cost as to which it is reasonably  
22 expected that a cash expenditure will not be made; costs ~~up~~  
23 ~~to \$5,000,000 annually~~ for passenger security including  
24 grants, contracts, personnel, equipment and administrative  
25 expenses, except in the case of the Chicago Transit  
26 Authority, in which case the term does not include costs

1 spent annually by that entity for protection against crime  
2 as required by Section 27a of the Metropolitan Transit  
3 Authority Act; the costs of Debt Service paid by the  
4 Chicago Transit Authority, as defined in Section 12c of the  
5 Metropolitan Transit Authority Act, or bonds or notes  
6 issued pursuant to that Section; the payment by the  
7 Commuter Rail Division of debt service on bonds issued  
8 pursuant to Section 3B.09; expenses incurred by the  
9 Suburban Bus Division for the cost of new public  
10 transportation services funded from grants pursuant to  
11 Section 2.01e of this amendatory Act of the 95th General  
12 Assembly for a period of 2 years from the date of  
13 initiation of each such service; costs as exempted by the  
14 Board for projects pursuant to Section 2.09 of this Act;  
15 or, beginning with the 2007 fiscal year, expenses related  
16 to providing ADA paratransit service pursuant to Section  
17 2.30 of the Regional Transportation Authority Act; or in  
18 fiscal years 2008 through 2012 inclusive, costs in the  
19 amount of \$200,000,000 in fiscal year 2008, reducing by  
20 \$40,000,000 in each fiscal year thereafter until this  
21 exemption is eliminated. If said system generated revenues  
22 are less than 50% of said costs, the Board shall remit an  
23 amount equal to the amount of the deficit to the State. The  
24 Treasurer shall deposit any such payment in the General  
25 Revenue Fund; and

26 (ii) whether, beginning with the 2007 fiscal year, the



1 aggregate of all fares charged and received for ADA  
2 paratransit services equals the system generated ADA  
3 paratransit services revenue recovery ratio percentage of  
4 the aggregate of all costs of providing such ADA  
5 paratransit services.

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

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

19 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

20 Sec. 4.11. Budget Review Powers.

21 ~~(a) The provisions of this Section shall only be applicable~~  
22 ~~to financial periods beginning after December 31, 1983. The~~  
23 ~~Transition Board shall adopt a timetable governing the~~  
24 ~~certification of estimates and any submissions required under~~  
25 ~~this Section for fiscal year 1984 which shall control over the~~

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

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

1 ~~year beginning January 1, 1986 and ending December 31, 1986,~~  
2 ~~and for the fiscal year beginning January 1, 1987 and ending~~  
3 ~~December 31, 1987, the Board shall, by ordinance, provide that:~~  
4 ~~(1) the amount of a grant, pursuant to Section 2705-310 of the~~  
5 ~~Department of Transportation Law (20 ILCS 2705/2705-310), from~~  
6 ~~the Department of Transportation for the cost of services for~~  
7 ~~the mobility limited provided by the Chicago Transit Authority,~~  
8 ~~and (2) the amount of a grant, pursuant to Section 2705-310 of~~  
9 ~~the Department of Transportation Law (20 ILCS 2705/2705-310),~~  
10 ~~from the Department of Transportation for the cost of services~~  
11 ~~for the mobility limited by the Suburban Bus Board or the~~  
12 ~~Commuter Rail Board, be exempt from the farebox recovery ratio~~  
13 ~~or the system generated revenues recovery ratio.~~

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

25 (2) The Board shall review the proposed budget and two-year  
26 financial plan submitted by each Service Board, and shall adopt

1 ~~a consolidated budget and financial plan.~~ The Board shall  
2 approve the budget and two-year financial plan of a Service  
3 Board if:

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

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

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

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

1            (iv) ~~(v)~~ such budget and plan are based upon and employ  
2            assumptions and projections which are reasonable and  
3            prudent;

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

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

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

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

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

1 ~~financial plan except for~~ the cash proceeds of taxes imposed by  
2 the Authority under Section 4.03 and Section 4.03.1 and  
3 received after February 1 and 25% of the amounts transferred to  
4 the Authority from the Public Transportation Fund under Section  
5 4.09(a) (but not including Section 4.09(a)(3)(iv)) after  
6 February 1 that the Board has estimated to be available to that  
7 Service Board under Section 4.11(a). Such funding shall be  
8 released to the Service Board only upon approval of a budget  
9 and financial plan under this Section or adoption of a budget  
10 and financial plan on behalf of the Service Board by the  
11 Authority ~~which are allocated to the Service Board under~~  
12 ~~Section 4.01.~~

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

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

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

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

21 (3) If the Board shall determine that a revised budget  
22 submitted by a Service Board pursuant to subparagraph (1) or  
23 (2) of this paragraph (c) does not meet the criteria specified  
24 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of  
25 paragraph (b) of this Section, the Board shall withhold from  
26 ~~not release any monies to~~ that Service Board 25% of ~~except~~ the



1 cash proceeds of taxes imposed by the Authority under Section  
2 4.03 or 4.03.1 and received by the Authority after February 1  
3 and 25% of the amounts transferred to the Authority from the  
4 Public Transportation Fund under Section 4.09(a) (but not  
5 including Section 4.09(a)(3)(iv)) after February 1 that the  
6 Board has estimated to be available ~~which are allocated to that~~  
7 ~~the~~ Service Board under Section 4.11(a) ~~4.01~~. If the Service  
8 Board submits a revised financial plan and budget which plan  
9 and budget shows that the criteria will be met within a four  
10 quarter period, the Board shall ~~continue to~~ release any such  
11 withheld funds to the Service Board. The Board by the  
12 affirmative vote of at least 12 ~~a 9 vote~~ of its then Directors  
13 may require a Service Board to submit a revised financial plan  
14 and budget which shows that the criteria will be met in a time  
15 period less than four quarters.

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

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

24 (e) Whenever this Section requires the Board to make  
25 determinations with respect to estimates, budgets or financial  
26 plans, or rules or regulations with respect thereto such

1 determinations shall be made upon the affirmative vote of at  
2 least 12 ~~9~~ of the then Directors and shall be incorporated in a  
3 written report of the Board and such report shall be submitted  
4 within 10 days after such determinations are made to the  
5 Governor, the Mayor of Chicago (if such determinations relate  
6 to the Chicago Transit Authority), and the Auditor General of  
7 Illinois.

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

9 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

10 Sec. 4.13. Annual Capital Improvement Plan.

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

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

22 (ii) a certification by the Authority that the  
23 Authority and the Service Boards have applied for all  
24 grants, loans and other moneys made available by the  
25 federal government or the State of Illinois during the

1 preceding federal and State fiscal years for financing its  
2 capital development activities;

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

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

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

25 (vi) a long-range summary of the Strategic Capital  
26 Improvement Program describing the projects to be funded

1 through the Program with respect to project cost, category,  
2 location, and implementing entity, and presenting a  
3 financial plan including an estimated time schedule for  
4 obligating funds for the performance of approved projects,  
5 issuing bonds, expending bond proceeds and paying debt  
6 service throughout the duration of the Program; and

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

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

21 (c) The Authority shall seek approval from the Governor  
22 only through the Plan or an amendment thereto. The Authority  
23 shall not request approval of the Plan from the Governor in any  
24 calendar year in which it is unable to make the certifications  
25 required under items (ii), (iii) and (iv) of subsection (a). In  
26 no event shall the Authority seek approval of the Plan from the

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

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

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

17 (f) Before the Authority or a Service Board obligates any  
18 funds for a project for which the Authority or Service Board  
19 intends to use the proceeds of bonds or notes for Strategic  
20 Capital Improvement Projects, but which project is not included  
21 in an approved Plan, the Authority must notify the Governor of  
22 the intended obligation. No project costs incurred prior to  
23 approval of the Plan including that project may be paid from  
24 the proceeds of bonds or notes for Strategic Capital  
25 Improvement Projects issued under Section 4.04 of this Act.

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

1 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

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

21 Notwithstanding any provision in Section 2.20 (a) (ii) of  
22 this Act to the contrary, in connection with or incidental to  
23 the issuance by the Authority of its bonds or notes under the  
24 provisions of Section 4.04 or the exercise of its powers under  
25 subsection (b) of Section 2.20, the Authority, for its own

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

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

17 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

18 Sec. 5.01. Hearings and Citizen Participation.

19 (a) The Authority shall provide for and encourage  
20 participation by the public in the development and review of  
21 public transportation policy, and in the process by which major  
22 decisions significantly affecting the provision of public  
23 transportation are made. The Authority shall coordinate such  
24 public participation processes with the Chicago Metropolitan  
25 Agency for Planning to the extent practicable.



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

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

11           (i) the construction or acquisition of any public  
12 transportation facility, the aggregate cost of which exceeds \$5  
13 million; and

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

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

1 consumers of service of the Authority or of the transportation  
2 agency; or so providing for or allowing any discontinuance of  
3 any public transportation route, or major portion thereof,  
4 which has been in service for more than a year.

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

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

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

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

22 (70 ILCS 3615/2.12a rep.)

23 (70 ILCS 3615/3.09 rep.)

24 (70 ILCS 3615/3.10 rep.)

25 Section 25. The Regional Transportation Authority Act is

1 amended by repealing Sections 2.12a, 3.09, and 3.10.

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

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law.".