

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Regional Transportation Authority Act is
5 amended by changing Sections 2.01c, 2.01d, 2.01e, 4.03.3, and
6 4.11 as follows:

7 (70 ILCS 3615/2.01c)

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

10 (a) The Authority shall establish an Innovation,
11 Coordination, and Enhancement Fund and ~~each year~~ deposit into
12 the Fund an amount equal to \$10,000,000 in 2008, and, each year
13 thereafter, an amount equal to the amount deposited in the
14 previous year increased or decreased by the percentage growth
15 or decline in revenues received by the Authority from taxes
16 imposed under Section 4.03 in the previous year ~~the amounts~~
17 ~~directed by Section 4.03.3 of this Act.~~ Amounts on deposit in
18 such Fund and interest and other earnings on those amounts may
19 be used by the Authority, upon the affirmative vote of 12 of
20 its then Directors, and after a public participation process,
21 for operating or capital grants or loans to Service Boards,
22 transportation agencies, or units of local government that
23 advance the goals and objectives identified by the Authority in

1 its Strategic Plan, provided that no improvement that has been
2 included in a Five-Year Capital Program as of the effective
3 date of this amendatory Act of the 95th General Assembly may
4 receive any funding from the Innovation, Coordination, and
5 Enhancement Fund. Unless the Board has determined by a vote of
6 12 of its then Directors that an emergency exists requiring the
7 use of some or all of the funds then in the Innovation,
8 Coordination, and Enhancement Fund, such funds may only be used
9 to enhance the coordination and integration of public
10 transportation and develop and implement innovations to
11 improve the quality and delivery of public transportation.

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

1 program require a subsequent vote of the Board.

2 (Source: P.A. 95-708, eff. 1-18-08.)

3 (70 ILCS 3615/2.01d)

4 Sec. 2.01d. ADA Paratransit Fund. The Authority shall
5 establish an ADA Paratransit Fund and, each year, deposit into
6 that Fund the following amounts: (i) a base amount equal to
7 \$115,000,000 in 2012, and, each year thereafter, an amount
8 equal to the final budgeted funding for ADA paratransit
9 services for the current year, (ii) ~~the amounts directed by~~
10 Section 4.03.3 of this Act and any funds received from the
11 State pursuant to appropriations for the purpose of funding ADA
12 paratransit services, and (iii) any additional funds necessary
13 to fund the budget or amended budget for ADA paratransit
14 services adopted or approved by the Board for the current year.

15 The amounts on deposit in the Fund and interest and other
16 earnings on those amounts shall be used by the Authority to
17 make grants to the Suburban Bus Board for ADA paratransit
18 services provided pursuant to plans approved by the Authority
19 under Section 2.30 of this Act. Funds received by the Suburban
20 Bus Board from the Authority's ADA Paratransit Fund shall be
21 used only to provide ADA paratransit services to individuals
22 who are determined to be eligible for such services by the
23 Authority under the Americans with Disabilities Act of 1990 and
24 its implementing regulations. Revenues from and costs of
25 services provided by the Suburban Bus Board with grants made

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

13 (Source: P.A. 95-708, eff. 1-18-08.)

14 (70 ILCS 3615/2.01e)

15 Sec. 2.01e. Suburban Community Mobility Fund. The
16 Authority shall establish a Suburban Community Mobility Fund
17 and, ~~each year,~~ deposit into that Fund an amount equal to
18 \$20,000,000 in 2008, and, each year thereafter, an amount equal
19 to the amount deposited in the previous year increased or
20 decreased by the percentage growth or decline in revenues
21 received by the Authority from taxes imposed under Section 4.03
22 in the previous year ~~the amounts directed by Section 4.03.3 of~~
23 ~~this Act~~. The amounts on deposit in the Fund and interest and
24 other earnings on those amounts shall be used by the Authority
25 to make grants to the Suburban Bus Board for the purpose of

1 operating transit services, other than traditional fixed-route
2 services, that enhance suburban mobility, including, but not
3 limited to, demand-responsive transit services, ride sharing,
4 van pooling, service coordination, centralized dispatching and
5 call taking, reverse commuting, service restructuring, and bus
6 rapid transit. Revenues from and costs of services provided by
7 the Suburban Bus Board with moneys from the Suburban Community
8 Mobility Fund shall be included in the Annual Budget and
9 Two-Year Financial Program of the Suburban Bus Board and shall
10 be subject to all budgetary and financial requirements under
11 this Act.

12 (Source: P.A. 95-708, eff. 1-18-08.)

13 (70 ILCS 3615/4.03.3)

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

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

1 Section 4.03, after withholding 15% of 80% of the receipts from
2 those taxes collected in Cook County at a rate of 1.25%, 15% of
3 75% of the receipts from those taxes collected in Cook County
4 at the rate of 1%, 15% of one-half of the receipts from those
5 taxes collected in DuPage, Kane, Lake, McHenry, and Will
6 Counties, and 15% of money received by the Authority from the
7 Regional Transportation Authority Occupation and Use Tax
8 Replacement Fund or from the Regional Transportation Authority
9 tax fund created in Section 4.03(n), the Board shall allocate
10 the proceeds and money remaining to the Service Boards as
11 follows:

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

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

1 the receipts from those taxes collected within Cook County
2 outside the City of Chicago at a rate of 1%, and (iii) 85%
3 of the money received by the Authority on account of
4 transfers to the Regional Transportation Authority
5 Occupation and Use Tax Replacement Fund or to the Regional
6 Transportation Authority tax fund created in Section
7 4.03(n) from the County and Mass Transit District Fund
8 attributable to retail sales within Cook County outside of
9 the City of Chicago shall be allocated 30% to the Chicago
10 Transit Authority, 55% to the Commuter Rail Board, and 15%
11 to the Suburban Bus Board; and

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

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

1 means, for purposes of this subsection (b), the ratio of the
2 total amount distributed to a Service Board pursuant to
3 subsection (a) of Section 4.03.3 for the immediately preceding
4 calendar year to the total amount distributed to all of the
5 Service Boards pursuant to subsection (a) of Section 4.03.3 for
6 the immediately preceding calendar year.

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

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

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

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

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

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

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

11 (Source: P.A. 95-708, eff. 1-18-08.)

12 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

13 Sec. 4.11. Budget Review Powers.

14 (a) Based upon estimates which shall be given to the
15 Authority by the Director of the Governor's Office of
16 Management and Budget (formerly Bureau of the Budget) of the
17 receipts to be received by the Authority from the taxes imposed
18 by the Authority and the authorized estimates of amounts to be
19 available from State and other sources to the Service Boards,
20 and the times at which such receipts and amounts will be
21 available, the Board shall, not later than the next preceding
22 September 15th prior to the beginning of the Authority's next
23 fiscal year, advise each Service Board of the amounts estimated
24 by the Board to be available for such Service Board during such
25 fiscal year and the two following fiscal years and the times at

1 which such amounts will be available. The Board shall, at the
2 same time, also advise each Service Board of its required
3 system generated revenues recovery ratio for the next fiscal
4 year which shall be the percentage of the aggregate costs of
5 providing public transportation by or under jurisdiction of
6 that Service Board which must be recovered from system
7 generated revenues. The Board shall, at the same time, consider
8 the written determination of the Executive Director, made
9 pursuant to Section 2.01d, of the costs of ADA paratransit
10 services that are required to be provided under the federal
11 Americans with Disabilities Act of 1990 and its implementing
12 regulations, and shall amend the current year budgets of the
13 Authority and the Service Boards to provide for additional
14 funding for the provision of ADA paratransit services, if
15 needed. The Board shall, at the same time, beginning with the
16 2007 fiscal year, also advise each Service Board that provides
17 ADA paratransit services of its required system generated ADA
18 paratransit services revenue recovery ratio for the next fiscal
19 year which shall be the percentage of the aggregate costs of
20 providing ADA paratransit services by or under jurisdiction of
21 that Service Board which must be recovered from fares charged
22 for such services, except that such required system generated
23 ADA paratransit services revenue recovery ratio shall not
24 exceed the minimum percentage established pursuant to Section
25 4.01(b)(ii) of this Act. In determining a Service Board's
26 system generated revenue recovery ratio, the Board shall

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

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

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

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

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

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

22 (iii) such budget and plan provide for a level of fares
23 or charges and operating or administrative costs for the
24 public transportation provided by or subject to the
25 jurisdiction of such Service Board sufficient to allow the
26 Service Board to meet its required system generated revenue

1 recovery ratio and, beginning with the 2007 fiscal year,
2 system generated ADA paratransit services revenue recovery
3 ratio;

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

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

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

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

16 (3) (Blank).

17 (4) Unless the Board by an affirmative vote of 12 of the
18 then Directors determines that the budget and financial plan of
19 a Service Board meets the criteria specified in clauses (i)
20 through (vii) of subparagraph (2) of this paragraph (b), the
21 Board shall withhold from that Service Board 25% of the cash
22 proceeds of taxes imposed by the Authority under Section 4.03
23 and Section 4.03.1 and received after February 1 and 25% of the
24 amounts transferred to the Authority from the Public
25 Transportation Fund under Section 4.09(a) (but not including
26 Section 4.09(a) (3) (iv)) after February 1 that the Board has

1 estimated to be available to that Service Board under Section
2 4.11(a). Such funding shall be released to the Service Board
3 only upon approval of a budget and financial plan under this
4 Section or adoption of a budget and financial plan on behalf of
5 the Service Board by the Authority.

6 (5) If the Board has not found that the budget and
7 financial plan of a Service Board meets the criteria specified
8 in clauses (i) through (vii) of subparagraph (2) of this
9 paragraph (b), the Board, by the affirmative vote of at least
10 12 of its then Directors, shall adopt a budget and financial
11 plan meeting such criteria for that Service Board.

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

1 incorporating such revised estimates or ratio.

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

13 (3) If the Board shall determine that a revised budget
14 submitted by a Service Board pursuant to subparagraph (1) or
15 (2) of this paragraph (c) does not meet the criteria specified
16 in clauses (i) through (vii) of subparagraph (2) of paragraph
17 (b) of this Section, the Board shall withhold from that Service
18 Board 25% of the cash proceeds of taxes imposed by the
19 Authority under Section 4.03 or 4.03.1 and received by the
20 Authority after February 1 and 25% of the amounts transferred
21 to the Authority from the Public Transportation Fund under
22 Section 4.09(a) (but not including Section 4.09(a)(3)(iv))
23 after February 1 that the Board has estimated to be available
24 to that Service Board under Section 4.11(a). If the Service
25 Board submits a revised financial plan and budget which plan
26 and budget shows that the criteria will be met within a four

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

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

1 to that Service Board any funds for operating purposes in
2 excess of the amounts distributed for such purposes to the
3 Service Board in the previous fiscal year. Except when the
4 Board adopts a budget and a financial plan for a Service Board
5 under paragraph (b) (5), a Service Board shall provide for such
6 levels of transportation services and fares or charges therefor
7 as it deems appropriate and necessary in the preparation of a
8 budget and financial plan meeting the criteria set forth in
9 clauses (i) through (vii) of subparagraph (2) of paragraph (b)
10 of this Section. The Authority shall have access to and the
11 right to examine and copy all books, documents, papers,
12 records, or other source data of a Service Board relevant to
13 any information submitted pursuant to this Section.

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

24 (Source: P.A. 94-370, eff. 7-29-05; 95-708, eff. 1-18-08.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.