



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB3214

Introduced 2/1/2012, by Sen. Susan Garrett

SYNOPSIS AS INTRODUCED:

70 ILCS 3605/54 new
70 ILCS 3615/2.20

from Ch. 111 2/3, par. 702.20

Amends the Metropolitan Transit Authority Act and the Regional Transportation Authority Act. Provides that the Regional Transportation Authority or a Service Board may enter into an option contract, forward contract, futures contract, swap, cap, or collar agreement with price floors or ceilings, or both, for fuel risk management purposes, subject to the approval of the Board of Directors of the Regional Transportation Authority.

LRB097 13024 KMW 57529 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Metropolitan Transit Authority Act is
5 amended by adding Section 54 as follows:

6 (70 ILCS 3605/54 new)

7 Sec. 54. Fuel risk management. The Authority may, for the
8 sole purposes of protecting, managing, and insuring against the
9 risks associated with volatile fuel prices, enter into an
10 option contract, forward contract, futures contract, swap,
11 cap, or collar agreement with price floors or ceilings, or
12 both, for fuel risk management, but only to the extent
13 determined by the Board of Directors of the Regional
14 Transportation Authority to be in the best interests of the
15 Authority.

16 Section 10. The Regional Transportation Authority Act is
17 amended by changing Section 2.20 as follows:

18 (70 ILCS 3615/2.20) (from Ch. 111 2/3, par. 702.20)

19 Sec. 2.20. General Powers.

20 (a) Except as otherwise limited by this Act, the Authority
21 shall also have all powers necessary to meet its

1 responsibilities and to carry out its purposes, including, but
2 not limited to, the following powers:

3 (i) To sue and be sued;

4 (ii) To invest any funds or any monies not required for
5 immediate use or disbursement, as provided in "An Act
6 relating to certain investments of public funds by public
7 agencies", approved July 23, 1943, as now or hereafter
8 amended;

9 (iii) To make, amend and repeal by-laws, rules and
10 regulations, and ordinances not inconsistent with this
11 Act;

12 (iv) To hold, sell, sell by installment contract, lease
13 as lessor, transfer or dispose of such real or personal
14 property as it deems appropriate in the exercise of its
15 powers or to provide for the use thereof by any
16 transportation agency and to mortgage, pledge or otherwise
17 grant security interests in any such property;

18 (v) To enter at reasonable times upon such lands,
19 waters or premises as in the judgment of the Authority may
20 be necessary, convenient or desirable for the purpose of
21 making surveys, soundings, borings and examinations to
22 accomplish any purpose authorized by this Act after having
23 given reasonable notice of such proposed entry to the
24 owners and occupants of such lands, waters or premises, the
25 Authority being liable only for actual damage caused by
26 such activity;

1 (vi) To make and execute all contracts and other
2 instruments necessary or convenient to the exercise of its
3 powers;

4 (vii) To enter into contracts of group insurance for
5 the benefit of its employees and to provide for retirement
6 or pensions or other employee benefit arrangements for such
7 employees, and to assume obligations for pensions or other
8 employee benefit arrangements for employees of
9 transportation agencies, all or part of the facilities of
10 which are acquired by the Authority;

11 (viii) To provide for the insurance of any property,
12 directors, officers, employees or operations of the
13 Authority against any risk or hazard, and to self-insure or
14 participate in joint self-insurance pools or entities to
15 insure against such risk or hazard;

16 (ix) To appear before the Illinois Commerce Commission
17 in all proceedings concerning the Authority, a Service
18 Board or any transportation agency; and

19 (x) To pass all ordinances and make all rules and
20 regulations proper or necessary to regulate the use,
21 operation and maintenance of its property and facilities
22 and, by ordinance, to prescribe fines or penalties for
23 violations thereof. No fine or penalty shall exceed \$1,000
24 per offense. Any ordinance providing for any fine or
25 penalty shall be published in a newspaper of general
26 circulation in the metropolitan region. No such ordinance

1 shall take effect until 10 days after its publication.

2 The Authority may enter into arbitration arrangements,
3 which may be final and binding.

4 The Commuter Rail Board shall continue the separate public
5 corporation, known as the Northeast Illinois Regional Commuter
6 Railroad Corporation, as a separate operating unit to operate
7 on behalf of the Commuter Rail Board commuter railroad
8 facilities, subject at all times to the supervision and
9 direction of the Commuter Rail Board and may, by ordinance,
10 dissolve such Corporation. Such Corporation shall be governed
11 by a Board of Directors which shall consist of the members of
12 the Transition Board until such time as all of the members of
13 the Commuter Rail Board are appointed and qualified and
14 thereafter the members of the Commuter Rail Board. Such
15 Corporation shall have all the powers given the Authority and
16 the Commuter Rail Board under Article II of this Act (other
17 than under Section 2.13) as are delegated to it by ordinance of
18 the Commuter Rail Board with regard to such operation of
19 facilities and the same exemptions, restrictions and
20 limitations as are provided by law with regard to the Authority
21 shall apply to such Corporation. Such Corporation shall be a
22 transportation agency as provided in this Act except for
23 purposes of paragraph (e) of Section 3.01 of this Act.

24 The Authority shall cooperate with the Illinois Commerce
25 Commission and local law enforcement agencies in establishing a
26 two year pilot program in DuPage County to determine the

1 effectiveness of an automated railroad grade crossing
2 enforcement system.

3 (b) In each case in which this Act gives the Authority the
4 power to construct or acquire real or personal property, the
5 Authority shall have the power to acquire such property by
6 contract, purchase, gift, grant, exchange for other property or
7 rights in property, lease (or sublease) or installment or
8 conditional purchase contracts, which leases or contracts may
9 provide for consideration therefor to be paid in annual
10 installments during a period not exceeding 40 years. Property
11 may be acquired subject to such conditions, restrictions,
12 liens, or security or other interests of other parties as the
13 Authority may deem appropriate, and in each case the Authority
14 may acquire a joint, leasehold, easement, license or other
15 partial interest in such property. Any such acquisition may
16 provide for the assumption of, or agreement to pay, perform or
17 discharge outstanding or continuing duties, obligations or
18 liabilities of the seller, lessor, donor or other transferor of
19 or of the trustee with regard to such property. In connection
20 with the acquisition of public transportation equipment,
21 including, but not limited to, rolling stock, vehicles,
22 locomotives, buses or rapid transit equipment, the Authority
23 may also execute agreements concerning such equipment leases,
24 equipment trust certificates, conditional purchase agreements
25 and such other security agreements and may make such agreements
26 and covenants as required, in the form customarily used in such

1 cases appropriate to effect such acquisition. Obligations of
2 the Authority incurred pursuant to this Section shall not be
3 considered bonds or notes within the meaning of Section 4.04 of
4 this Act.

5 (c) The Authority shall assume all costs of rights,
6 benefits and protective conditions to which any employee is
7 entitled under this Act from any transportation agency in the
8 event of the inability of the transportation agency to meet its
9 obligations in relation thereto due to bankruptcy or
10 insolvency, provided that the Authority shall retain the right
11 to proceed against the bankrupt or insolvent transportation
12 agency or its successors, trustees, assigns or debtors for the
13 costs assumed. The Authority may mitigate its liability under
14 this paragraph (c) and under Section 2.16 to the extent of
15 employment and employment benefits which it tenders.

16 (d) The Authority or a Service Board may, for the sole
17 purposes of protecting, managing, and insuring against the
18 risks associated with volatile fuel prices, enter into an
19 option contract, forward contract, futures contract, swap,
20 cap, or collar agreement with price floors or ceilings, or
21 both, for fuel risk management, but only to the extent
22 determined by the Board to be in the best interests of the
23 Authority or Service Board.

24 (Source: P.A. 97-333, eff. 8-12-11.)