

1 AN ACT to amend the Downstate Public Transportation Act  
2 by changing Sections 2-2.02, 2-2.04, and 2-7.

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

5 Section 5. The Downstate Public Transportation Act is  
6 amended by changing Sections 2-2.02, 2-2.04, and 2-7 as  
7 follows:

8 (30 ILCS 740/2-2.02) (from Ch. 111 2/3, par. 662.02)

9 Sec. 2-2.02. "Participant" means:

10 (1) a city, village, or incorporated town, or a local  
11 mass transit district organized under the Local Mass Transit  
12 District Act (a) serving an urbanized area of over 50,000  
13 population on December 28, 1989, (b) receiving State mass  
14 transportation operating assistance pursuant to the Downstate  
15 Public Transportation Act during Fiscal Year 1979, or (c)  
16 serving a nonurbanized area and receiving federal rural  
17 public transportation assistance on or before June 30, 2002  
18 ~~on-the-effective-date-of-this-amendatory-Act-of-1993~~; or

19 (2) any Metro-East Transit District established pursuant  
20 to Section 3 of the Local Mass Transit District Act and  
21 serving one or more of the Counties of Madison, Monroe, and  
22 St. Clair during Fiscal Year 1989, all located outside the  
23 boundaries of the Regional Transportation Authority as  
24 established pursuant to the Regional Transportation Authority  
25 Act.

26 (Source: P.A. 91-357, eff. 7-29-99.)

27 (30 ILCS 740/2-2.04) (from Ch. 111 2/3, par. 662.04)

28 Sec. 2-2.04. "Eligible operating expenses" means all  
29 expenses required for public transportation, including  
30 employee wages and benefits, materials, fuels, supplies,

1 rental of facilities, taxes other than income taxes, payment  
2 made for debt service (including principal and interest) on  
3 publicly owned equipment or facilities, and any other  
4 expenditure which is an operating expense according to  
5 standard accounting practices for the providing of public  
6 transportation. Eligible operating expenses shall not include  
7 allowances: (a) for depreciation whether funded or unfunded;  
8 (b) for amortization of any intangible costs; (c) for debt  
9 service on capital acquired with the assistance of capital  
10 grant funds provided by the State of Illinois; (d) for  
11 profits or return on investment; (e) for excessive payment to  
12 associated entities; (f) for Comprehensive Employment  
13 Training Act expenses; (g) for costs reimbursed under  
14 Sections 6 and 8 of the "Urban Mass Transportation Act of  
15 1964", as amended; (h) for entertainment expenses; (i) for  
16 charter expenses; (j) for fines and penalties; (k) for  
17 charitable donations; (l) for interest expense on long term  
18 borrowing and debt retirement other than on publicly owned  
19 equipment or facilities; (m) for income taxes; or (n) for  
20 such other expenses as the Department may determine  
21 consistent with federal Department of Transportation  
22 regulations or requirements.

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

1 operating expenses upon which the appropriation for such  
2 participant for Fiscal 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  
7 year ending June 30, 1979, the maximum eligible operating  
8 expenses for any such participant in any fiscal year after  
9 Fiscal Year 1980 shall not exceed such participant's eligible  
10 operating expenses for the fiscal year ending June 30, 1980,  
11 plus in each year a 10% increase over the maximum established  
12 for the preceding fiscal year. For Fiscal Year 1980, the  
13 maximum eligible operating expenses for any such participant  
14 shall be the eligible operating expenses incurred during such  
15 fiscal year, or projected operating expenses upon which the  
16 appropriation for such participant for the Fiscal Year 1980  
17 is based; whichever is less.

18 With respect to all participants other than any  
19 Metro-East Transit District participant, the maximum eligible  
20 operating expenses for any such participant in any fiscal  
21 year after Fiscal Year 1985 shall be the amount appropriated  
22 for such participant for the fiscal year ending June 30,  
23 1985, plus in each year a 10% increase over the maximum  
24 established for the preceding year. For Fiscal Year 1985, the  
25 maximum eligible operating expenses for any such participant  
26 shall be the amount of projected operating expenses upon  
27 which the appropriation for such participant for Fiscal Year  
28 1985 is based.

29 With respect to any mass transit district participant  
30 that has increased its district boundaries by annexing  
31 counties since 1998 and is maintaining a level of local  
32 financial support, including all income and revenues, equal  
33 to or greater than the level in the State fiscal year ending  
34 June 30, 2001, the maximum eligible operating expenses for

1 any State fiscal year after 2002 shall be the amount  
 2 appropriated for that participant for the State fiscal year  
 3 ending June 30, 2002, plus, in each State fiscal year, a 10%  
 4 increase over the preceding State fiscal year. For State  
 5 fiscal year 2002, the maximum eligible operating expenses for  
 6 any such participant shall be the amount of projected  
 7 operating expenses upon which the appropriation for that  
 8 participant for State fiscal year 2002 is based. For that  
 9 participant, eligible operating expenses for State fiscal  
 10 year 2002 in excess of the eligible operating expenses for  
 11 the State fiscal year ending June 30, 2001, plus 10%, must  
 12 be attributed to the provision of services in the newly  
 13 annexed counties.

14 With respect to a participant that receives an initial  
 15 appropriation in State fiscal year 2002, the maximum eligible  
 16 operating expenses for any State fiscal year after 2003 shall  
 17 be the amount appropriated for that participant for the State  
 18 fiscal year ending June 30, 2003, plus, in each year, a 10%  
 19 increase over the preceding year. For State fiscal year  
 20 2003, the maximum eligible operating expenses for any such  
 21 participant shall be the amount of projected operating  
 22 expenses upon which the appropriation for that participant  
 23 for State fiscal year 2003 is based.

24 ~~The 10% maximum increase over the amount appropriated for~~  
 25 ~~the preceding year, however, may be exceeded for a~~  
 26 ~~participant that received an initial appropriation in Fiscal~~  
 27 ~~Year 1994 or Fiscal Year 1998. For any such participant, a~~  
 28 ~~10% maximum increase over the amount appropriated in the~~  
 29 ~~preceding year is established in each subsequent year~~  
 30 ~~following the Fiscal Year when the amount appropriated is~~  
 31 ~~equal to or greater than the maximum allowable under Section~~  
 32 ~~2-7 of this Act.~~

33 (Source: P.A. 90-508, eff. 8-22-97; 90-694, eff. 8-7-98.)

1 (30 ILCS 740/2-7) (from Ch. 111 2/3, par. 667)

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

3 (a) Any Metro-East Transit District participant shall,  
4 no later than ~~60~~ 30 days following the end of each quarter  
5 ~~month~~ of any fiscal year, file with the Department on forms  
6 provided by the Department for that purpose, a report of the  
7 actual operating deficit experienced during that quarter.  
8 The Department shall, upon receipt of the quarterly report,  
9 determine whether the ~~and--upon--determining---that---such~~  
10 operating deficits were incurred in conformity with the  
11 program of proposed expenditures approved by the Department  
12 pursuant to Section 2-11. Any Metro-East District may either  
13 monthly or quarterly for any fiscal year file a request for  
14 the participant's eligible share, as allocated in accordance  
15 with Section 2-6, of the amounts transferred into the  
16 Metro-East Public Transportation Fund, ~~pay to any Metro-East~~  
17 ~~Transit-District-participant-such-portion-of--such--operating~~  
18 ~~deficit--as--funds--have--been--transferred-to-the-Metro-East~~  
19 ~~Transit-Public-Transportation--Fund--and--allocated--to--that~~  
20 ~~Metro-East-Transit-District-participant.~~

21 (b) Each participant other than any Metro-East Transit  
22 District participant shall, 30 days before the end of each  
23 quarter, file with the Department on forms provided by the  
24 Department for such purposes a report of the projected  
25 eligible operating expenses to be incurred in the next  
26 quarter and 30 days before the third and fourth quarters of  
27 any fiscal year a statement of actual eligible operating  
28 expenses incurred in the preceding quarters. Within 45 days  
29 of receipt by the Department of such quarterly report, the  
30 Comptroller shall order paid and the Treasurer shall pay from  
31 the Downstate Public Transportation Fund to each participant  
32 an amount equal to one-third of such participant's eligible  
33 operating expenses; provided, however, that in Fiscal Year  
34 1997, the amount paid to each participant from the Downstate

1 Public Transportation Fund shall be an amount equal to 47% of  
2 such participant's eligible operating expenses and shall be  
3 increased to 49% in Fiscal Year 1998, 51% in Fiscal Year  
4 1999, 53% in Fiscal Year 2000, and 55% in Fiscal Year 2001  
5 and thereafter; however, in any year that a participant  
6 receives funding under subsection (i) of Section 2705-305 of  
7 the Department of Transportation Law (20 ILCS 2705/2705-305),  
8 that participant shall be eligible only for assistance equal  
9 to the following percentage of its eligible operating  
10 expenses: 42% in Fiscal Year 1997, 44% in Fiscal Year 1998,  
11 46% in Fiscal Year 1999, 48% in Fiscal Year 2000, and 50% in  
12 Fiscal Year 2001 and thereafter. Any such payment for the  
13 third and fourth quarters of any fiscal year shall be  
14 adjusted to reflect actual eligible operating expenses for  
15 preceding quarters of such fiscal year. However, no  
16 participant shall receive an amount less than that which was  
17 received in the immediate prior year, provided in the event  
18 of a shortfall in the fund those participants receiving less  
19 than their full allocation pursuant to Section 2-6 of this  
20 Article shall be the first participants to receive an amount  
21 not less than that received in the immediate prior year.

22 (c) No later than 180 days following the last day of the  
23 Fiscal Year each participant shall provide the Department  
24 with an audit prepared by a Certified Public Accountant  
25 covering that Fiscal Year. ~~Any--discrepancy--between--the~~  
26 ~~grants--paid--and--one--third--of--the--eligible--operating--expenses~~  
27 ~~or--in--the--case--of--the--Bi--State--Metropolitan--Development~~  
28 ~~District--the--approved--program--amount--shall--be--reconciled--by~~  
29 ~~appropriate--payment--or--credit--Beginning--in--Fiscal--Year--1985,~~  
30 For those participants other than a Metro-East Transit  
31 District ~~the--Bi--State--Metropolitan--Development--District~~, any  
32 discrepancy between the grants paid and the percentage of the  
33 eligible operating expenses provided for by paragraph (b) of  
34 this Section shall be reconciled by appropriate payment or

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

5 (Source: P.A. 91-239, eff. 1-1-00; 91-357, eff. 7-29-99;  
6 revised 8-9-99.)

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