

AN ACT concerning finance.

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

Section 5. The Grant Accountability and Transparency Act is amended by changing Sections 20, 25, and 45 as follows:

(30 ILCS 708/20)

Sec. 20. Adoption of federal rules applicable to grants.

(a) On or before July 1, 2016, the Governor's Office of Management and Budget, with the advice and technical assistance of the Illinois Single Audit Commission, shall adopt rules which adopt the Uniform Guidance at 2 CFR 200. The rules, which shall apply to all State and federal pass-through awards effective on and after July 1, 2016, shall include the following:

(1) Administrative requirements. In accordance with Subparts B through D of 2 CFR 200, the rules shall set forth the uniform administrative requirements for grant and cooperative agreements, including the requirements for the management by State awarding agencies of federal grant programs before State and federal pass-through awards have been made and requirements that State awarding agencies may impose on non-federal entities in State and federal pass-through awards.

(2) Cost principles. In accordance with Subpart E of 2 CFR 200, the rules shall establish principles for determining the allowable costs incurred by non-federal entities under State and federal pass-through awards. The principles are intended for cost determination, but are not intended to identify the circumstances or dictate the extent of State or federal pass-through participation in financing a particular program or project. The principles shall provide that State and federal awards bear their fair share of cost recognized under these principles, except where restricted or prohibited by State or federal law.

(3) Audit and single audit requirements and audit follow-up. In accordance with Subpart F of 2 CFR 200 and the federal Single Audit Act Amendments of 1996, the rules shall set forth standards to obtain consistency and uniformity among State and federal pass-through awarding agencies for the audit of non-federal entities expending State and federal awards. These provisions shall also set forth the policies and procedures for State and federal pass-through entities when using the results of these audits.

The provisions of this item (3) do not apply to for-profit subrecipients because for-profit subrecipients are not subject to the requirements of 2 CFR 200, Subpart F, Audits of States, Local and Non-Profit Organizations.

Audits of for-profit subrecipients must be conducted pursuant to a Program Audit Guide issued by the Federal awarding agency. If a Program Audit Guide is not available, the State awarding agency must prepare a Program Audit Guide in accordance with the 2 CFR 200, Subpart F - Audit Requirements - Compliance Supplement. For-profit entities are subject to all other general administrative requirements and cost principles applicable to grants.

(b) This Act addresses only State and federal pass-through auditing functions and does not address the external audit function of the Auditor General.

(c) For public institutions of higher education, the provisions of this Section apply only to awards funded by ~~State appropriations and~~ federal pass-through awards from a State agency to public institutions of higher education. Federal pass-through awards from a State agency to public institutions of higher education are governed by and must comply with federal guidelines under 2 CFR 200.

(d) The State grant-making agency is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The agreement with the for-profit subrecipient shall describe the applicable compliance requirements and the for-profit subrecipient's compliance responsibility. Methods to ensure compliance for State and federal pass-through awards made to for-profit subrecipients

shall include pre-award, audits, monitoring during the agreement, and post-award audits. The Governor's Office of Management and Budget shall provide such advice and technical assistance to the State grant-making agency as is necessary or indicated.

(Source: P.A. 99-523, eff. 6-30-16; 100-676, eff. 1-1-19.)

(30 ILCS 708/25)

Sec. 25. Supplemental rules. On or before July 1, 2017, the Governor's Office of Management and Budget, with the advice and technical assistance of the Illinois Single Audit Commission, shall adopt supplemental rules pertaining to the following:

(1) Criteria to define mandatory formula-based grants and discretionary grants.

(2) The award of one-year grants for new applicants.

(3) The award of competitive grants in 3-year terms (one-year initial terms with the option to renew for up to 2 additional years) to coincide with the federal award.

(4) The issuance of grants, including:

(A) public notice of announcements of funding opportunities;

(B) the development of uniform grant applications;

(C) State agency review of merit of proposals and risk posed by applicants;

(D) specific conditions for individual recipients

(including the use of a fiscal agent and additional corrective conditions);

(E) certifications and representations;

(F) pre-award costs;

(G) performance measures and statewide prioritized goals under Section 50-25 of the State Budget Law of the Civil Administrative Code of Illinois, commonly referred to as "Budgeting for Results"; and

(H) for mandatory formula grants, the merit of the proposal and the risk posed should result in additional reporting, monitoring, or measures such as reimbursement-basis only.

(5) The development of uniform budget requirements, which shall include:

(A) mandatory submission of budgets as part of the grant application process;

(B) mandatory requirements regarding contents of the budget including, at a minimum, common detail line items specified under guidelines issued by the Governor's Office of Management and Budget;

(C) a requirement that the budget allow flexibility to add lines describing costs that are common for the services provided as outlined in the grant application;

(D) a requirement that the budget include information necessary for analyzing cost and

performance for use in Budgeting for Results; and

(E) caps on the amount of salaries that may be charged to grants based on the limitations imposed by federal agencies.

(6) The development of pre-qualification requirements for applicants, including the fiscal condition of the organization and the provision of the following information:

(A) organization name;

(B) Federal Employee Identification Number;

(C) Data Universal Numbering System (DUNS) number;

(D) fiscal condition;

(E) whether the applicant is in good standing with the Secretary of State;

(F) past performance in administering grants;

(G) whether the applicant is on the Debarred and Suspended List maintained by the Governor's Office of Management and Budget;

(H) whether the applicant is on the federal Excluded Parties List; and

(I) whether the applicant is on the Sanctioned Party List maintained by the Illinois Department of Healthcare and Family Services.

Nothing in this Act affects the provisions of the Fiscal Control and Internal Auditing Act nor the requirement that the management of each State agency is responsible for maintaining

effective internal controls under that Act.

For public institutions of higher education, the provisions of this Section apply only to awards funded by ~~State appropriations and~~ federal pass-through awards from a State agency to public institutions of higher education.

(Source: P.A. 100-676, eff. 1-1-19; 100-997, eff. 8-20-18; 101-81, eff. 7-12-19.)

(30 ILCS 708/45)

Sec. 45. Applicability.

(a) Except as otherwise provided in this Section, the ~~The~~ requirements established under this Act apply to State grant-making agencies that make State and federal pass-through awards to non-federal entities. These requirements apply to all costs related to State and federal pass-through awards. The requirements established under this Act do not apply to private awards, to allocations of State revenues paid over by the Comptroller to units of local government and other taxing districts pursuant to the State Revenue Sharing Act from the Local Government Distributive Fund or the Personal Property Tax Replacement Fund, or to allotments of State motor fuel tax revenues distributed by the Department of Transportation to units of local government pursuant to the Motor Fuel Tax Law from the Motor Fuel Tax Fund or the Transportation Renewal Fund.

(a-5) Nothing in this Act shall prohibit the use of State

funds for purposes of federal match or maintenance of effort.

(b) The terms and conditions of State, federal, and pass-through awards apply to subawards and subrecipients unless a particular Section of this Act or the terms and conditions of the State or federal award specifically indicate otherwise. Non-federal entities shall comply with requirements of this Act regardless of whether the non-federal entity is a recipient or subrecipient of a State or federal pass-through award. Pass-through entities shall comply with the requirements set forth under the rules adopted under subsection (a) of Section 20 of this Act, but not to any requirements in this Act directed towards State or federal awarding agencies, unless the requirements of the State or federal awards indicate otherwise.

When a non-federal entity is awarded a cost-reimbursement contract, only 2 CFR 200.330 through 200.332 are incorporated by reference into the contract. However, when the Cost Accounting Standards are applicable to the contract, they take precedence over the requirements of this Act unless they are in conflict with Subpart F of 2 CFR 200. In addition, costs that are made unallowable under 10 U.S.C. 2324(e) and 41 U.S.C. 4304(a), as described in the Federal Acquisition Regulations, subpart 31.2 and subpart 31.603, are always unallowable. For requirements other than those covered in Subpart D of 2 CFR 200.330 through 200.332, the terms of the contract and the Federal Acquisition Regulations apply.

With the exception of Subpart F of 2 CFR 200, which is required by the Single Audit Act, in any circumstances where the provisions of federal statutes or regulations differ from the provisions of this Act, the provision of the federal statutes or regulations govern. This includes, for agreements with Indian tribes, the provisions of the Indian Self-Determination and Education and Assistance Act, as amended, 25 U.S.C. 450-458ddd-2.

(c) State grant-making agencies may apply subparts A through E of 2 CFR 200 to for-profit entities, foreign public entities, or foreign organizations, except where the awarding agency determines that the application of these subparts would be inconsistent with the international obligations of the United States or the statute or regulations of a foreign government.

(d) 2 CFR 200.101 specifies how 2 CFR 200 is applicable to different types of awards. The same applicability applies to this Act.

(e) (Blank).

(f) For public institutions of higher education, the provisions of this Act apply only to awards funded by ~~State appropriations and~~ federal pass-through awards from a State agency to public institutions of higher education. This Act shall recognize provisions in 2 CFR 200 as applicable to public institutions of higher education, including Appendix III of Part 200 and the cost principles under Subpart E.

(g) Each grant-making agency shall enhance its processes to monitor and address noncompliance with reporting requirements and with program performance standards. Where applicable, the process may include a corrective action plan. The monitoring process shall include a plan for tracking and documenting performance-based contracting decisions.

(Source: P.A. 100-676, eff. 1-1-19; 100-863, eff. 8-14-18; 101-81, eff. 7-12-19.)

Section 10. The Downstate Public Transportation Act is amended by changing Sections 2-3, 2-4, 2-5, 2-5.1, 2-7, 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15.2, 2-15.3, and 2-17 as follows:

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

Sec. 2-3. (a) As soon as possible after the first day of each month, beginning July 1, 1984, upon certification of the Department of Revenue, the Comptroller shall order transferred, and the Treasurer shall transfer, from the General Revenue Fund to a special fund in the State Treasury which is hereby created, to be known as the Downstate Public Transportation Fund, an amount equal to  $\frac{2}{32}$  (beginning July 1, 2005,  $\frac{3}{32}$ ) of the net revenue realized from the Retailers' Occupation Tax Act, the Service Occupation Tax Act, the Use Tax Act, and the Service Use Tax Act from persons incurring municipal or county retailers' or service occupation tax

liability for the benefit of any municipality or county located wholly within the boundaries of each participant, other than any Metro-East Transit District participant certified pursuant to subsection (c) of this Section during the preceding month, except that the Department shall pay into the Downstate Public Transportation Fund 2/32 (beginning July 1, 2005, 3/32) of 80% of the net revenue realized under the State tax Acts named above within any municipality or county located wholly within the boundaries of each participant, other than any Metro-East participant, for tax periods beginning on or after January 1, 1990. Net revenue realized for a month shall be the revenue collected by the State pursuant to such Acts during the previous month from persons incurring municipal or county retailers' or service occupation tax liability for the benefit of any municipality or county located wholly within the boundaries of a participant, less the amount paid out during that same month as refunds or credit memoranda to taxpayers for overpayment of liability under such Acts for the benefit of any municipality or county located wholly within the boundaries of a participant.

Notwithstanding any provision of law to the contrary, beginning on July 6, 2017 (the effective date of Public Act 100-23), those amounts required under this subsection (a) to be transferred by the Treasurer into the Downstate Public Transportation Fund from the General Revenue Fund shall be directly deposited into the Downstate Public Transportation

Fund as the revenues are realized from the taxes indicated.

(b) As soon as possible after the first day of each month, beginning July 1, 1989, upon certification of the Department of Revenue, the Comptroller shall order transferred, and the Treasurer shall transfer, from the General Revenue Fund to a special fund in the State Treasury which is hereby created, to be known as the Metro-East Public Transportation Fund, an amount equal to  $\frac{2}{32}$  of the net revenue realized, as above, from within the boundaries of Madison, Monroe, and St. Clair Counties, except that the Department shall pay into the Metro-East Public Transportation Fund  $\frac{2}{32}$  of 80% of the net revenue realized under the State tax Acts specified in subsection (a) of this Section within the boundaries of Madison, Monroe and St. Clair Counties for tax periods beginning on or after January 1, 1990. A local match equivalent to an amount which could be raised by a tax levy at the rate of .05% on the assessed value of property within the boundaries of Madison County is required annually to cause a total of  $\frac{2}{32}$  of the net revenue to be deposited in the Metro-East Public Transportation Fund. Failure to raise the required local match annually shall result in only  $\frac{1}{32}$  being deposited into the Metro-East Public Transportation Fund after July 1, 1989, or  $\frac{1}{32}$  of 80% of the net revenue realized for tax periods beginning on or after January 1, 1990.

(b-5) As soon as possible after the first day of each month, beginning July 1, 2005, upon certification of the

Department of Revenue, the Comptroller shall order transferred, and the Treasurer shall transfer, from the General Revenue Fund to the Downstate Public Transportation Fund, an amount equal to  $\frac{3}{32}$  of 80% of the net revenue realized from within the boundaries of Monroe and St. Clair Counties under the State Tax Acts specified in subsection (a) of this Section and provided further that, beginning July 1, 2005, the provisions of subsection (b) shall no longer apply with respect to such tax receipts from Monroe and St. Clair Counties.

Notwithstanding any provision of law to the contrary, beginning on July 6, 2017 (the effective date of Public Act 100-23), those amounts required under this subsection (b-5) to be transferred by the Treasurer into the Downstate Public Transportation Fund from the General Revenue Fund shall be directly deposited into the Downstate Public Transportation Fund as the revenues are realized from the taxes indicated.

(b-6) As soon as possible after the first day of each month, beginning July 1, 2008, upon certification by the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer, from the General Revenue Fund to the Downstate Public Transportation Fund, an amount equal to  $\frac{3}{32}$  of 80% of the net revenue realized from within the boundaries of Madison County under the State Tax Acts specified in subsection (a) of this Section and provided further that, beginning July 1, 2008, the provisions of

subsection (b) shall no longer apply with respect to such tax receipts from Madison County.

Notwithstanding any provision of law to the contrary, beginning on July 6, 2017 (the effective date of Public Act 100-23), those amounts required under this subsection (b-6) to be transferred by the Treasurer into the Downstate Public Transportation Fund from the General Revenue Fund shall be directly deposited into the Downstate Public Transportation Fund as the revenues are realized from the taxes indicated.

(b-7) Beginning July 1, 2018, notwithstanding the other provisions of this Section, instead of the Comptroller making monthly transfers from the General Revenue Fund to the Downstate Public Transportation Fund, the Department of Revenue shall deposit the designated fraction of the net revenue realized from collections under the Retailers' Occupation Tax Act, the Service Occupation Tax Act, the Use Tax Act, and the Service Use Tax Act directly into the Downstate Public Transportation Fund.

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

(d) For the purposes of this Article, beginning in fiscal year 2009 the General Assembly shall appropriate an amount from the Downstate Public Transportation Fund equal to the sum

total of funds projected to be paid to the participants pursuant to Section 2-7. If the General Assembly fails to make appropriations sufficient to cover the amounts projected to be paid pursuant to Section 2-7, this Act shall constitute an irrevocable and continuing appropriation from the Downstate Public Transportation Fund of all amounts necessary for those purposes.

(e) (Blank).

(f) (Blank).

(g) (Blank).

(h) For State fiscal year 2020 only, notwithstanding any provision of law to the contrary, the total amount of revenue and deposits under this Section attributable to revenues realized during State fiscal year 2020 shall be reduced by 5%.

(i) For State fiscal year 2021 only, notwithstanding any provision of law to the contrary, the total amount of revenue and deposits under this Section attributable to revenues realized during State fiscal year 2021 shall be reduced by 5%.

(j) Commencing with State fiscal year 2022 programs, and for each fiscal year thereafter, all appropriations made under the provisions of this Act shall not constitute a grant program subject to the requirements of the Grant Accountability and Transparency Act. The Department shall approve programs of proposed expenditures and services submitted by participants under the requirements of Sections 2-5 and 2-11.

(Source: P.A. 100-23, eff. 7-6-17; 100-363, eff. 7-1-18; 100-587, eff. 6-4-18; 100-863, eff. 8-14-18; 101-10, eff. 6-5-19; 101-636, eff. 6-10-20.)

(30 ILCS 740/2-4) (from Ch. 111 2/3, par. 664)

Sec. 2-4. The Department shall establish forms for the reporting of projected and actual operating deficits and expenses and other required information by the participants, and has the power to promulgate rules and regulations for the filing of such reports within the limitations set out in Sections 2-5, 2-6 and 2-7. Each participant shall be governed by the rules and regulations established under this Section.

(Source: P.A. 82-783.)

(30 ILCS 740/2-5) (from Ch. 111 2/3, par. 665)

Sec. 2-5. Applications.

(a) Through State fiscal year 2021, each ~~Each~~ participant making application for grants pursuant to this Article shall submit to the Department at the time of making such application, on forms provided by the Department: (1) ~~(a)~~ an estimate of projected operating deficits and a separate statement of eligible operating expenses and an estimate of all projected operating income or revenues; and (2) ~~(b)~~ a program of proposed expenditures; all such submittals to be for the period of such grant. The program of proposed expenditures shall be directly related to the operation,

maintenance or improvement of an existing system of public transportation serving the residents of the participant, and shall include the proposed expenditures for eligible operating expenses.

For Fiscal Year 1980 grant applications shall be submitted to the Department within 60 days of the effective date of this amendatory Act of 1979. Beginning with Fiscal Year 1981 and thereafter, grant applications shall be submitted to the Department by April 1 of the preceding fiscal year.

(b) For Fiscal Year 2022 applications for funding, and for each fiscal year thereafter, each participant making application for funding shall submit to the Department by April 1 of the preceding fiscal year, a program of proposed expenditures and services on forms provided by the Department, consisting of the following information: (1) an estimate of projected operating deficits and a separate statement of eligible operating expenses and an estimate of all projected operating income or revenues; and (2) a program of proposed expenditures and services; all such submittals to be for the period of such project. The program of proposed expenditures and services shall be directly related to the operation, maintenance, or improvement of an existing system of public transportation serving the residents of the participant, and shall include the proposed expenditures and services for eligible operating expenses.

(Source: P.A. 82-783.)

(30 ILCS 740/2-5.1)

Sec. 2-5.1. Additional requirements.

(a) Through State fiscal year 2021, any ~~Any~~ unit of local government that becomes a participant on or after the effective date of this amendatory Act of the 94th General Assembly shall, in addition to any other requirements under this Article, meet all of the following requirements when applying for grants under this Article:

(1) The grant application must demonstrate the participant's plan to provide general public transportation with an emphasis on persons with disabilities and elderly and economically disadvantaged populations.

(2) The grant application must demonstrate the participant's plan for interagency coordination that, at a minimum, allows the participation of all State-funded and federally-funded agencies and programs with transportation needs in the proposed service area in the development of the applicant's public transportation program.

(3) Any participant serving a nonurbanized area that is not receiving Federal Section 5311 funding must meet the operating and safety compliance requirements as set forth in that federal program.

(4) The participant is required to hold public hearings to allow comment on the proposed service plan in

all municipalities with populations of 1,500 inhabitants or more within the proposed service area.

(a-5) Any unit of local government that becomes a participant on or after the effective date of this amendatory Act of the 102nd General Assembly shall, in addition to any other requirements under this Article, meet all of the following requirements when applying for the approval of the program of proposed expenditures and services under this Article:

(1) The program of proposed expenditures and services must demonstrate the participant's plan to provide general public transportation with an emphasis on persons with disabilities and elderly and economically disadvantaged populations.

(2) The program of proposed expenditures and services must demonstrate the participant's plan for interagency coordination that, at a minimum, allows the participation of all State-funded and federally-funded agencies and programs with transportation needs in the proposed service area in the development of the applicant's public transportation program.

(3) Any participant serving a non-urbanized area that is not receiving Federal Section 5311 Program funding must meet the operating and safety compliance requirements as set forth in that federal program.

(4) The participant is required to hold public

hearings to allow comment on the proposed service plan in all municipalities with populations of 1,500 inhabitants or more within the proposed service area.

(b) Service extensions by any participant after July 1, 2005 by either annexation or intergovernmental agreement must meet the 4 requirements of subsection (a).

(c) In order to receive funding, the Department shall certify that the participant has met the requirements of this Section. Funding priority shall be given to service extension, multi-county, and multi-jurisdictional projects.

(d) The Department shall develop an annual application process for existing or potential participants to request an initial appropriation or an appropriation exceeding the formula amount found in subsection (b-10) of Section 2-7 for funding service in new areas in the next fiscal year. The application shall include, but not be limited to, a description of the new service area, proposed service in the new area, and a budget for providing existing and new service. The Department shall review the application for reasonableness and compliance with the requirements of this Section, and, if it approves the application, shall recommend to the Governor an appropriation for the next fiscal year in an amount sufficient to provide 65% of projected eligible operating expenses associated with a new participant's service area or the portion of an existing participant's service area that has been expanded by annexation or intergovernmental agreement.

The recommended appropriation for the next fiscal year may exceed the formula amount found in subsection (b-10) of Section 2-7.

(Source: P.A. 99-143, eff. 7-27-15.)

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

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

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

(b) Each participant other than any Metro-East Transit District participant shall, 30 days before the end of each quarter, file with the Department on forms provided by the Department for such purposes a report of the projected eligible operating expenses to be incurred in the next quarter and 30 days before the third and fourth quarters of any fiscal

year a statement of actual eligible operating expenses incurred in the preceding quarters. Except as otherwise provided in subsection (b-5), within 45 days of receipt by the Department of such quarterly report, the Comptroller shall order paid and the Treasurer shall pay from the Downstate Public Transportation Fund to each participant an amount equal to one-third of such participant's eligible operating expenses; provided, however, that in Fiscal Year 1997, the amount paid to each participant from the Downstate Public Transportation Fund shall be an amount equal to 47% of such participant's eligible operating expenses and shall be increased to 49% in Fiscal Year 1998, 51% in Fiscal Year 1999, 53% in Fiscal Year 2000, 55% in Fiscal Years 2001 through 2007, and 65% in Fiscal Year 2008 and thereafter; however, in any year that a participant receives funding under subsection (i) of Section 2705-305 of the Department of Transportation Law (20 ILCS 2705/2705-305), that participant shall be eligible only for assistance equal to the following percentage of its eligible operating expenses: 42% in Fiscal Year 1997, 44% in Fiscal Year 1998, 46% in Fiscal Year 1999, 48% in Fiscal Year 2000, and 50% in Fiscal Year 2001 and thereafter. Any such payment for the third and fourth quarters of any fiscal year shall be adjusted to reflect actual eligible operating expenses for preceding quarters of such fiscal year. However, no participant shall receive an amount less than that which was received in the immediate prior year, provided in the

event of a shortfall in the fund those participants receiving less than their full allocation pursuant to Section 2-6 of this Article shall be the first participants to receive an amount not less than that received in the immediate prior year.

(b-5) (Blank.)

(b-10) On July 1, 2008, each participant shall receive an appropriation in an amount equal to 65% of its fiscal year 2008 eligible operating expenses adjusted by the annual 10% increase required by Section 2-2.04 of this Act. In no case shall any participant receive an appropriation that is less than its fiscal year 2008 appropriation. Every fiscal year thereafter, each participant's appropriation shall increase by 10% over the appropriation established for the preceding fiscal year as required by Section 2-2.04 of this Act.

(b-15) Beginning on July 1, 2007, and for each fiscal year thereafter, each participant shall maintain a minimum local share contribution (from farebox and all other local revenues) equal to the actual amount provided in Fiscal Year 2006 or, for new recipients, an amount equivalent to the local share provided in the first year of participation. The local share contribution shall be reduced by an amount equal to the total amount of lost revenue for services provided under Section 2-15.2 and Section 2-15.3 of this Act.

(b-20) Any participant in the Downstate Public Transportation Fund may use State operating assistance funding

pursuant to this Section to provide transportation services within any county that is contiguous to its territorial boundaries as defined by the Department and subject to Departmental approval. Any such contiguous-area service provided by a participant after July 1, 2007 must meet the requirements of subsection (a) of Section 2-5.1.

(c) No later than 180 days following the last day of the Fiscal Year each participant shall provide the Department with an audit prepared by a Certified Public Accountant covering that Fiscal Year. For those participants other than a Metro-East Transit District, any discrepancy between the funds ~~grants~~ paid and the percentage of the eligible operating expenses provided for by paragraph (b) of this Section shall be reconciled by appropriate payment or credit. In the case of any Metro-East Transit District, any amount of payments from the Metro-East Public Transportation Fund which exceed the eligible deficit of the participant shall be reconciled by appropriate payment or credit.

(Source: P.A. 94-70, eff. 6-22-05; 95-708, eff. 1-18-08; 95-906, eff. 8-26-08.)

(30 ILCS 740/2-9) (from Ch. 111 2/3, par. 669)

Sec. 2-9. Each program of proposed expenditures and services shall, in the case of a system of public transportation owned and operated by a participant, undertake to meet operating deficits directly. The purchase of service

agreements with a provider of public transportation services shall constitute an eligible expense ~~Grants to a participant may be made for services provided through purchase of service agreements with a provider of public transportation services.~~

(Source: P.A. 82-783.)

(30 ILCS 740/2-10) (from Ch. 111 2/3, par. 670)

Sec. 2-10. Cooperative projects. Nothing in this Act shall prohibit any participant from including in a program of proposed expenditures and services funding for a portion of a cooperative public transportation project or purpose, the total cost of which is shared among one or more other participants or other financial contributors, as long as the residents of the participant are served by any such project or purpose.

(Source: P.A. 82-783.)

(30 ILCS 740/2-11) (from Ch. 111 2/3, par. 671)

Sec. 2-11. The Department shall review and approve or disapprove within 45 days of receipt each program of proposed expenditures and services submitted by any participant ~~pursuant to the provisions of Section 2-5.~~ Notwithstanding the above, in the event the Department is prevented from processing applications or certifying that a participant meets the requirements of this Section due to extraordinary circumstances beyond its control, the certification deadline

for that application shall be stayed until the Department is able to process and certify the same. Notice from the Department, as well as an explanation of the extraordinary circumstances, shall be provided to each participant affected by such delay. The Department may disapprove a program of proposed expenditures and services or portions thereof only for the following reasons:

(a) A finding that expenditures are proposed for projects or purposes which are not in compliance with Section 2-5; or

(b) A finding that expenditures are proposed for projects or purposes which are in conflict with established comprehensive transportation plans for a participant or a region of which it is a part; or

(c) In Fiscal Year 1980, with regard to the participants which have not received State operating assistance prior to the effective date of this amendatory Act of 1979, a finding by the Department that a proposed program submitted by such participant or any portion thereof is not in the public interest in that levels or kinds of service proposed exceeds the reasonable needs of the community served by such participant as demonstrated in the transportation development plan for such community or other studies and information available to the Department.

(Source: P.A. 82-783.)

Sec. 2-12. Disapproval of program. Upon disapproval of any program of proposed expenditures and services, the Department shall so notify the chief official of the participant having submitted such program, setting forth in detail the reasons for such disapproval. Thereupon, any such participant shall have 45 days from the date of receipt of such notice of disapproval by the Department to submit to the Department one or more amended programs of proposed expenditures and services.

(Source: P.A. 82-783.)

(30 ILCS 740/2-13) (from Ch. 111 2/3, par. 673)

Sec. 2-13. Review of amended programs. The Department shall review each amended program of proposed expenditures and services submitted to it pursuant to the provisions of Section 2-12 and may disapprove any such amended program of proposed expenditures and services only for the reasons and in the same fashion set forth in Section 2-11.

(Source: P.A. 82-783.)

(30 ILCS 740/2-14) (from Ch. 111 2/3, par. 674)

Sec. 2-14. Grants.

(a) Upon a determination by the Department that any initial or amended program of proposed expenditures is in compliance with the provisions of this Act, and upon approval thereof, the Department shall enter into one or more grant

agreements with and shall make grants to that participant as necessary to implement the adopted program of expenditures.

(b) All grants by the Department pursuant to this Act shall be administered upon such conditions as the Secretary of Transportation shall determine, consistent with the provisions and purpose of this Act.

(c) For State fiscal year 2022 or any fiscal year thereafter, upon a determination by the Department that any initial or amended program of proposed expenditure is in compliance with the provisions of this Act, and upon approval thereof, the Department shall enter into one or more agreements with the participant and shall obligate for payment to that participant as necessary to implement the adopted program of expenditure.

(Source: P.A. 82-783.)

(30 ILCS 740/2-15.2)

Sec. 2-15.2. Free services; eligibility.

(a) Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly and until subsection (b) is implemented, any fixed route public transportation services provided by, or under grant or purchase of service contracts of, every participant, as defined in Section 2-2.02 (1)(a), shall be provided without charge to all senior citizen residents of the participant aged 65 and older, under such

conditions as shall be prescribed by the participant.

(b) Notwithstanding any law to the contrary, no later than 180 days following the effective date of this amendatory Act of the 96th General Assembly, but only through State fiscal year 2021, any fixed route public transportation services provided by, or under grant or purchase of service contracts of, every participant, as defined in Section 2-2.02 (1)(a), shall be provided without charge to senior citizens aged 65 and older who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, under such conditions as shall be prescribed by the participant. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section. Nothing in this Section shall relieve the participant from providing reduced fares as may be required by federal law.

(Source: P.A. 99-143, eff. 7-27-15.)

(30 ILCS 740/2-15.3)

Sec. 2-15.3. Transit services for individuals with disabilities. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, but only through State fiscal year 2021, all fixed route public transportation

services provided by, or under grant or purchase of service contract of, any participant shall be provided without charge to all persons with disabilities who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Persons with Disabilities Property Tax Relief Act, under such procedures as shall be prescribed by the participant. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

(Source: P.A. 99-143, eff. 7-27-15.)

(30 ILCS 740/2-17) (from Ch. 111 2/3, par. 678)

Sec. 2-17. County authorization to provide public transportation and to receive funds from appropriations to apply for funding ~~grants~~ in connection therewith. (a) Any county or counties may, by ordinance, operate or otherwise provide for public transportation within such county or counties. In order to so provide for such public transportation, any county or counties may enter into agreements with any individual, corporation or other person or private or public entity to operate or otherwise assist in the provision of such public transportation services. Upon the execution of an agreement for the operation of such public transportation, the operator shall file 3 copies of such agreement certified by the clerk of the county executing the

same with the Illinois Commerce Commission. Thereafter the Illinois Commerce Commission shall enter an order directing compliance by the operator with the provisions of Sections 55a and 55b of "An Act concerning public utilities", approved June 28, 1921, as amended.

(b) Any county may apply for, accept and expend moneys ~~grants~~, loans or other funds from the State of Illinois or any department or agency thereof, from any unit of local government, from the federal government or any department or agency thereof, or from any other person or entity, for use in connection with any public transportation provided pursuant to this Section.

(Source: P.A. 82-783.)

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