



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004
HB4334

Introduced 02/02/04, by Jay C. Hoffman

SYNOPSIS AS INTRODUCED:

30 ILCS 740/2-2.02	from Ch. 111 2/3, par. 662.02
30 ILCS 740/2-3	from Ch. 111 2/3, par. 663
30 ILCS 740/2-6	from Ch. 111 2/3, par. 666
30 ILCS 105/5.625 new	

Amends the Downstate Public Transportation Act. Provides that a municipality or local mass transit district serving a nonurbanized area and receiving federal rural public transportation assistance on or before December 31, 2003 (instead of June 30, 2002) is a "participant" for public transportation assistance. Provides that if any Metro-East Transit District levies use and occupation taxes at a rate authorized by a certain provision of the Local Mass Transit District Act, then the State Treasurer shall transfer, by September 1, 2004 and each September 1 thereafter, from the General Revenue Fund to the Metro-East Public Transportation Supplemental Fund an amount equal to 50% of all of the District's use and occupation tax receipts during the previous State fiscal year. Provides that the Department of Revenue shall allocate and distribute the amounts in the Fund to the Districts in proportion to the deposits into the Fund as a result of the tax levy of that District. Amends the State Finance Act to create the Metro-East Public Transportation Supplemental Fund. Effective immediately.

LRB093 16268 BDD 46227 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Downstate Public Transportation Act is
5 amended by changing Sections 2-2.02, 2-3, and 2-6 as follows:

6 (30 ILCS 740/2-2.02) (from Ch. 111 2/3, par. 662.02)

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

8 (1) a city, village, or incorporated town, or a local mass
9 transit district organized under the Local Mass Transit
10 District Act (a) serving an urbanized area of over 50,000
11 population on December 28, 1989, (b) receiving State mass
12 transportation operating assistance pursuant to the Downstate
13 Public Transportation Act during Fiscal Year 1979, or (c)
14 serving a nonurbanized area and receiving federal rural public
15 transportation assistance on or before December 31, 2003 ~~June~~
16 ~~30, 2002~~; or

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

23 (Source: P.A. 91-357, eff. 7-29-99; 92-258, eff. 8-7-01;
24 92-464, eff. 8-22-01.)

25 (30 ILCS 740/2-3) (from Ch. 111 2/3, par. 663)

26 Sec. 2-3. (a) As soon as possible after the first day of
27 each month, beginning July 1, 1984, upon certification of the
28 Department of Revenue, the Comptroller shall order
29 transferred, and the Treasurer shall transfer, from the General
30 Revenue Fund to a special fund in the State Treasury which is
31 hereby created, to be known as the "Downstate Public

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

35 (b) As soon as possible after the first day of each month,
36 beginning July 1, 1989, upon certification of the Department of

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

22 (b-5) If any Metro-East Transit District levies use and
23 occupation taxes at a rate authorized under subsection (d-5) of
24 Section 5.01 of the Local Mass Transit District Act, then the
25 State Treasurer shall transfer, by September 1, 2004 and each
26 September 1 thereafter, from the General Revenue Fund to the
27 Metro-East Public Transportation Supplemental Fund, a special
28 fund in the State Treasury, an amount equal to 50% of all of
29 the District's use and occupation tax receipts pursuant to that
30 Section 5.01 during the previous State fiscal year.

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

36 (d) For the purposes of this Article the Department shall

1 include in its annual request for appropriation of ordinary and
2 contingent expenses an amount equal to the sum total funds
3 projected to be paid to the participants pursuant to Section
4 2-7.

5 (e) In addition to any other permitted use of moneys in the
6 Fund, and notwithstanding any restriction on the use of the
7 Fund, moneys in the Downstate Public Transportation Fund may be
8 transferred to the General Revenue Fund as authorized by Public
9 Act 87-14. The General Assembly finds that an excess of moneys
10 existed in the Fund on July 30, 1991, and the Governor's order
11 of July 30, 1991, and the Governor's order of July 30, 1991,
12 requesting the Comptroller and Treasurer to transfer an amount
13 from the Fund to the General Revenue Fund is hereby validated.
14 (Source: P.A. 86-590; 86-953; 87-838.)

15 (30 ILCS 740/2-6) (from Ch. 111 2/3, par. 666)

16 Sec. 2-6. Allocation of funds.

17 (a) With respect to all participants other than any
18 Metro-East Transit District participant, the Department shall
19 allocate the funds to be made available to each participant
20 under this Article for the following fiscal year and shall
21 notify the chief official of each participant not later than
22 the first day of the fiscal year of this amount. For Fiscal
23 Year 1975, notification shall be made not later than January 1,
24 1975, of the amount of such allocation. In determining the
25 allocation for each participant, the Department shall estimate
26 the funds available to the participant from the Downstate
27 Public Transportation Fund for the purposes of this Article
28 during the succeeding fiscal year, and shall allocate to each
29 participant the amount attributable to it which shall be the
30 amount paid into the Downstate Public Transportation Fund under
31 Section 2-3 from within its boundaries. Said allocations may be
32 exceeded for participants receiving assistance equal to
33 one-third of their eligible operating expenses, only if an
34 allocation is less than one-third of such participant's
35 eligible operating expenses, provided, however, that no other

1 participant is denied its one-third of eligible operating
2 expenses. Beginning in Fiscal Year 1997, said allocation may be
3 exceeded for participants receiving assistance equal to the
4 percentage of their eligible operating expenses provided for in
5 paragraph (b) of Section 2-7, only if allocation is less than
6 the percentage of such participant's eligible operating
7 expenses provided for in paragraph (b) of Section 2-7, provided
8 however, that no other participant is denied its percentage of
9 eligible operating expenses.

10 (b) With regard to any Metro-East Transit District
11 organized under the Local Mass Transit District Act and serving
12 one or more of the Counties of Madison, Monroe and St. Clair
13 during Fiscal Year 1989, the Department shall allocate the
14 funds to be made available to each participant for the
15 following and succeeding fiscal years and shall notify the
16 chief official of each participant not later than the first day
17 of the fiscal year of this amount. The Department shall
18 allocate 55% of the amount paid into the Metro-East Public
19 Transportation Fund to the District serving primarily the
20 Counties of Monroe and St. Clair and 45% of the amount to that
21 District serving primarily the County of Madison. With regard
22 to the amount in the Metro-East Public Transportation
23 Supplemental Fund, deposited in accordance with the provisions
24 of subsection (b-5) of Section 2-3, the Department shall
25 allocate and distribute those amounts to the Districts in
26 proportion to the deposits into the Fund under subsection (b-5)
27 of Section 2-3 as a result of the tax levy of that District.

28 (Source: P.A. 89-598, eff. 8-1-96.)

29 Section 905. The State Finance Act is amended by adding
30 Section 5.625 as follows:

31 (30 ILCS 105/5.625 new)

32 Sec. 5.625. The Metro-East Public Transportation
33 Supplemental Fund.

1 Section 999. Effective date. This Act takes effect upon
2 becoming law.