



Sen. John J. Cullerton

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09500HB3667sam003

LRB095 06986 HLH 39531 a

1 AMENDMENT TO HOUSE BILL 3667

2 AMENDMENT NO. _____. Amend House Bill 3667 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois State Auditing Act is amended by
5 adding Section 3-2.3 as follows:

6 (30 ILCS 5/3-2.3 new)

7 Sec. 3-2.3. Report on Chicago Transit Authority.

8 (a) No less than 60 days prior to the issuance of bonds or
9 notes by the Chicago Transit Authority (referred to as the
10 "Authority" in this Section) pursuant to Section 12c of the
11 Metropolitan Transit Authority Act, the following
12 documentation shall be submitted to the Auditor General and the
13 Regional Transportation Authority:

14 (1) Retirement Plan Documentation. The Authority shall
15 submit a certification that:

16 (A) it is legally authorized to issue the bonds or

1 notes;

2 (B) scheduled annual payments of principal and
3 interest on the bonds and notes to be issued meet the
4 requirements of Section 12c(b)(5) of the Metropolitan
5 Transit Authority Act;

6 (C) no bond or note shall mature later than
7 December 31, 2039;

8 (D) after payment of costs of issuance and
9 necessary deposits to funds and accounts established
10 with respect to debt service on the bonds or notes, the
11 net bond and note proceeds (exclusive of any proceeds
12 to be used to refund outstanding bonds or notes) will
13 be deposited in the Retirement Plan for Chicago Transit
14 Authority Employees and used only for the purposes
15 required by Section 22-101 of the Illinois Pension
16 Code; and

17 (E) it has entered into an intergovernmental
18 agreement with the City of Chicago under which the City
19 of Chicago will provide financial assistance to the
20 Authority in an amount equal to the net receipts, after
21 fees for costs of collection, from a tax on the
22 privilege of transferring title to real estate in the
23 City of Chicago in an amount up to \$1.50 per \$500 of
24 value or fraction thereof under the provisions of
25 Section 8-3-19 of the Illinois Municipal Code, which
26 agreement shall be for a term expiring no earlier than

1 the final maturity of bonds or notes that it proposes
2 to issue under Section 12c of the Metropolitan Transit
3 Authority Act.

4 (2) The Board of Trustees of the Retirement Plan for
5 Chicago Transit Authority Employees shall submit a
6 certification that the Retirement Plan for Chicago Transit
7 Authority Employees is operating in accordance with all
8 applicable legal and contractual requirements, including
9 the following:

10 (A) the members of a new Board of Trustees have
11 been appointed according to the requirements of
12 Section 22-101(b) of the Illinois Pension Code; and

13 (B) contribution levels for employees and the
14 Authority have been established according to the
15 requirements of Section 22-101(d) of the Illinois
16 Pension Code.

17 (3) Actuarial Report. The Board of Trustees of the
18 Retirement Plan for Chicago Transit Authority Employees
19 shall submit an actuarial report prepared by an enrolled
20 actuary setting forth:

21 (A) the method of valuation and the underlying
22 assumptions;

23 (B) a comparison of the debt service schedules of
24 the bonds or notes proposed to be issued to the
25 Retirement Plan's current unfunded actuarial accrued
26 liability amortization schedule, as required by

1 Section 22-101(e) of the Illinois Pension Code, using
2 the projected interest cost of the bond or note issue
3 as the discount rate to calculate the estimated net
4 present value savings;

5 (C) the amount of the estimated net present value
6 savings comparing the true interest cost of the
7 bonds or notes with the actuarial investment
8 return assumption of the Retirement Plan; and

9 (D) a certification that the net proceeds of the
10 bonds or notes, together with anticipated earnings
11 on contributions and deposits, will be sufficient
12 to reasonably conclude on an actuarial basis that
13 the total retirement assets of the Retirement Plan
14 will not be less than 90% of its liabilities by the
15 end of fiscal year 2058.

16 (4) The Authority shall submit a financial analysis
17 prepared by an independent advisor. The financial analysis
18 must include a determination that the issuance of bonds is
19 in the best interest of the Retirement Plan for Chicago
20 Transit Authority Employees and the Chicago Transit
21 Authority. The independent advisor shall not act as
22 underwriter or receive a legal, consulting, or other fee
23 related to the issuance of any bond or notes issued by the
24 Authority pursuant to Section 12c of the Metropolitan
25 Transit Authority Act except compensation due for the
26 preparation of the financial analysis.

1 (5) Retiree Health Care Trust Documentation. The
2 Authority shall submit a certification that:

3 (A) it is legally authorized to issue the bonds or
4 notes;

5 (B) scheduled annual payments of principal and
6 interest on the bonds and notes to be issued meets the
7 requirements of Section 12c(b)(5) of the Metropolitan
8 Transit Authority Act;

9 (C) no bond or note shall mature later than
10 December 31, 2039;

11 (D) after payment of costs of issuance and
12 necessary deposits to funds and accounts established
13 with respect to debt service on the bonds or notes, the
14 net bond and note proceeds (exclusive of any proceeds
15 to be used to refund outstanding bonds or notes) will
16 be deposited in the Retiree Health Care Trust and used
17 only for the purposes required by Section 22-101B of
18 the Illinois Pension Code; and

19 (E) it has entered into an intergovernmental
20 agreement with the City of Chicago under which the City
21 of Chicago will provide financial assistance to the
22 Authority in an amount equal to the net receipts, after
23 fees for costs of collection, from a tax on the
24 privilege of transferring title to real estate in the
25 City of Chicago in an amount up to \$1.50 per \$500 of
26 value or fraction thereof under the provisions of

1 Section 8-3-19 of the Illinois Municipal Code, which
2 agreement shall be for a term expiring no earlier than
3 the final maturity of bonds or notes that it proposes
4 to issue under Section 12c of the Metropolitan Transit
5 Authority Act.

6 (6) The Board of Trustees of the Retiree Health Care
7 Trust shall submit a certification that the Retiree Health
8 Care Trust has been established in accordance with all
9 applicable legal requirements, including the following:

10 (A) the Retiree Health Care Trust has been
11 established and a Trust document is in effect to govern
12 the Retiree Health Care Trust;

13 (B) the members of the Board of Trustees of the
14 Retiree Health Care Trust have been appointed
15 according to the requirements of Section 22-101B(b) (1)
16 of the Illinois Pension Code;

17 (C) a health care benefit program for eligible
18 retirees and their dependents and survivors has been
19 established by the Board of Trustees according to the
20 requirements of Section 22-101B(b) (2) of the Illinois
21 Pension Code;

22 (D) contribution levels have been established for
23 retirees, dependents and survivors according to the
24 requirements of Section 22-101B(b) (5) of the Illinois
25 Pension Code; and

26 (E) contribution levels have been established for

1 employees of the Authority according to the
2 requirements of Section 22-101B(b)(6) of the Illinois
3 Pension Code.

4 (7) Actuarial Report. The Board of Trustees of the
5 Retiree Health Care Trust shall submit an actuarial report
6 prepared by an enrolled actuary setting forth:

7 (A) the method of valuation and the underlying
8 assumptions;

9 (B) a comparison of the projected interest cost of
10 the bonds or notes proposed to be issued with the
11 actuarial investment return assumption of the Retiree
12 Health Care Trust; and

13 (C) a certification that the net proceeds of the
14 bonds or notes, together with anticipated earnings on
15 contributions and deposits, will be sufficient to
16 adequately fund the actuarial present value of
17 projected benefits expected to be paid under the
18 Retiree Health Care Trust, or a certification of the
19 increases in contribution levels and decreases in
20 benefit levels that would be required in order to cure
21 any funding shortfall over a period of not more than 10
22 years.

23 (8) The Authority shall submit a financial analysis
24 prepared by an independent advisor. The financial analysis
25 must include a determination that the issuance of bonds is
26 in the best interest of the Retiree Health Care Trust and

1 the Chicago Transit Authority. The independent advisor
2 shall not act as underwriter or receive a legal,
3 consulting, or other fee related to the issuance of any
4 bond or notes issued by the Authority pursuant to Section
5 12c of the Metropolitan Transit Authority Act except
6 compensation due for the preparation of the financial
7 analysis.

8 (b) The Auditor General shall examine the information
9 submitted pursuant to Section 3-2.3(a)(1) through (4) and
10 submit a report to the General Assembly, the Legislative Audit
11 Commission, the Governor, the Regional Transportation
12 Authority and the Authority indicating whether (i) the required
13 certifications by the Authority and the Board of Trustees of
14 the Retirement Plan have been made, and (ii) the actuarial
15 reports have been provided, the reports include all required
16 information, the assumptions underlying those reports are not
17 unreasonable in the aggregate, and the reports appear to comply
18 with all pertinent professional standards, including those
19 issued by the Actuarial Standards Board. The Auditor General
20 shall submit such report no later than 60 days after receiving
21 the information required to be submitted by the Authority and
22 the Board of Trustees of the Retirement Plan. Any bonds or
23 notes issued by the Authority under item (1) of subsection (b)
24 of Section 12c of the Metropolitan Transit Authority Act shall
25 be issued within 120 days after receiving such report from the
26 Auditor General. The Authority may not issue bonds or notes

1 until it receives the report from the Auditor General
2 indicating the above requirements have been met.

3 (c) The Auditor General shall examine the information
4 submitted pursuant to Section 3-2.3(a)(5) through (8) and
5 submit a report to the General Assembly, the Legislative Audit
6 Commission, the Governor, the Regional Transportation
7 Authority and the Authority indicating whether (i) the required
8 certifications by the Authority and the Board of Trustees of
9 the Retiree Health Care Trust have been made, and (ii) the
10 actuarial reports have been provided, the reports include all
11 required information, the assumptions underlying those reports
12 are not unreasonable in the aggregate, and the reports appear
13 to comply with all pertinent professional standards, including
14 those issued by the Actuarial Standards Board. The Auditor
15 General shall submit such report no later than 60 days after
16 receiving the information required to be submitted by the
17 Authority and the Board of Trustees of the Retiree Health Care
18 Trust. Any bonds or notes issued by the Authority under item
19 (2) of subsection (b) of Section 12c of the Metropolitan
20 Transit Authority Act shall be issued within 120 days after
21 receiving such report from the Auditor General. The Authority
22 may not issue bonds or notes until it receives a report from
23 the Auditor General indicating the above requirements have been
24 met.

25 (d) In fulfilling this duty, after receiving the
26 information submitted pursuant to Section 3-2.3(a), the

1 Auditor General may request additional information and support
2 pertaining to the data and conclusions contained in the
3 submitted documents and the Authority, the Board of Trustees of
4 the Retirement Plan and the Board of Trustees of the Retiree
5 Health Care Trust shall cooperate with the Auditor General and
6 provide additional information as requested in a timely manner.
7 The Auditor General may also request from the Regional
8 Transportation Authority an analysis of the information
9 submitted by the Authority relating to the sources of funds to
10 be utilized for payment of the proposed bonds or notes of the
11 Authority. The Auditor General's report shall not be in the
12 nature of a post-audit or examination and shall not lead to the
13 issuance of an opinion as that term is defined in generally
14 accepted government auditing standards.

15 (e) Annual Retirement Plan Submission to Auditor General.
16 The Board of Trustees of the Retirement Plan for Chicago
17 Transit Authority Employees established by Section 22-101 of
18 the Illinois Pension Code shall provide the following documents
19 to the Auditor General annually no later than September 30:

20 (1) the most recent audit or examination of the
21 Retirement Plan;

22 (2) an annual statement containing the information
23 specified in Section 1A-109 of the Illinois Pension Code;
24 and

25 (3) a complete actuarial statement applicable to the
26 prior plan year, which may be the annual report of an

1 enrolled actuary retained by the Retirement Plan specified
2 in Section 22-101(e) of the Illinois Pension Code.

3 The Auditor General shall annually examine the information
4 provided pursuant to this subsection and shall submit a report
5 of the analysis thereof to the General Assembly, including the
6 report specified in Section 22-101(e) of the Illinois Pension
7 Code.

8 (f) The Auditor General shall annually examine the
9 information submitted pursuant to Section 22-101B(b)(3)(iii)
10 of the Illinois Pension Code and shall prepare the
11 determination specified in Section 22-101B(b)(3)(iv) of the
12 Illinois Pension Code.

13 (g) In fulfilling the duties under Sections 3-2.3(e) and
14 (f) the Auditor General may request additional information and
15 support pertaining to the data and conclusions contained in the
16 submitted documents and the Authority, the Board of Trustees of
17 the Retirement Plan and the Board of Trustees of the Retiree
18 Health Care Trust shall cooperate with the Auditor General and
19 provide additional information as requested in a timely manner.
20 The Auditor General's review shall not be in the nature of a
21 post-audit or examination and shall not lead to the issuance of
22 an opinion as that term is defined in generally accepted
23 government auditing standards. Upon request of the Auditor
24 General, the Commission on Government Forecasting and
25 Accountability and the Public Pension Division of the Illinois
26 Department of Financial and Professional Regulation shall

1 cooperate with and assist the Auditor General in the conduct of
2 his review.

3 (h) The Auditor General shall submit a bill to the
4 Authority for costs associated with the examinations and
5 reports specified in subsections (b) and (c) of this Section
6 3-2.3, which the Authority shall reimburse in a timely manner.
7 The costs associated with the examinations and reports which
8 are reimbursed by the Authority shall constitute a cost of
9 issuance of the bonds or notes under Section 12c(b) (1) and (2)
10 of the Metropolitan Transit Authority Act. The amount received
11 shall be deposited into the fund or funds from which such costs
12 were paid by the Auditor General. The Auditor General shall
13 submit a bill to the Retirement Plan for Chicago Transit
14 Authority Employees for costs associated with the examinations
15 and reports specified in subsection (e) of this Section, which
16 the Retirement Plan for Chicago Transit Authority Employees
17 shall reimburse in a timely manner. The amount received shall
18 be deposited into the fund or funds from which such costs were
19 paid by the Auditor General. The Auditor General shall submit a
20 bill to the Retiree Health Care Trust for costs associated with
21 the determination specified in subsection (f) of this Section,
22 which the Retiree Health Care Trust shall reimburse in a timely
23 manner. The amount received shall be deposited into the fund or
24 funds from which such costs were paid by the Auditor General.

25 Section 6. The State Finance Act is amended by adding

1 Section 5.676 as follows:

2 (30 ILCS 105/5.676 new)

3 Sec. 5.676. The Downstate Transit Improvement Fund.

4 Section 7. The Downstate Public Transportation Act is
5 amended by changing Sections 2-2.04, 2-3, 2-7, and 2-15 as
6 follows:

7 (30 ILCS 740/2-2.04) (from Ch. 111 2/3, par. 662.04)

8 Sec. 2-2.04. "Eligible operating expenses" means all
9 expenses required for public transportation, including
10 employee wages and benefits, materials, fuels, supplies,
11 rental of facilities, taxes other than income taxes, payment
12 made for debt service (including principal and interest) on
13 publicly owned equipment or facilities, and any other
14 expenditure which is an operating expense according to standard
15 accounting practices for the providing of public
16 transportation. Eligible operating expenses shall not include
17 allowances: (a) for depreciation whether funded or unfunded;
18 (b) for amortization of any intangible costs; (c) for debt
19 service on capital acquired with the assistance of capital
20 grant funds provided by the State of Illinois; (d) for profits
21 or return on investment; (e) for excessive payment to
22 associated entities; (f) for Comprehensive Employment Training
23 Act expenses; (g) for costs reimbursed under Sections 6 and 8

1 of the "Urban Mass Transportation Act of 1964", as amended; (h)
2 for entertainment expenses; (i) for charter expenses; (j) for
3 fines and penalties; (k) for charitable donations; (l) for
4 interest expense on long term borrowing and debt retirement
5 other than on publicly owned equipment or facilities; (m) for
6 income taxes; or (n) for such other expenses as the Department
7 may determine consistent with federal Department of
8 Transportation regulations or requirements. In consultation
9 with participants, the Department shall, by October 2008,
10 promulgate or update rules, pursuant to the Illinois
11 Administrative Procedure Act, concerning eligible expenses to
12 ensure consistent application of the Act, and the Department
13 shall provide written copies of those rules to all eligible
14 recipients. The Department shall review this process in the
15 same manner no less frequently than every 5 years.

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

1 participant shall be the amount of projected operating expenses
2 upon which the appropriation for such participant for Fiscal
3 Year 1980 is based.

4 With respect to participants receiving federal research
5 development and demonstration operating assistance funds for
6 operating assistance pursuant to Section 6 of the "Urban Mass
7 Transportation Act of 1964", as amended, during the fiscal year
8 ending June 30, 1979, the maximum eligible operating expenses
9 for any such participant in any fiscal year after Fiscal Year
10 1980 shall not exceed such participant's eligible operating
11 expenses for the fiscal year ending June 30, 1980, plus in each
12 year a 10% increase over the maximum established for the
13 preceding fiscal year. For Fiscal Year 1980, the maximum
14 eligible operating expenses for any such participant shall be
15 the eligible operating expenses incurred during such fiscal
16 year, or projected operating expenses upon which the
17 appropriation for such participant for the Fiscal Year 1980 is
18 based; whichever is less.

19 With respect to all participants other than any Metro-East
20 Transit District participant, the maximum eligible operating
21 expenses for any such participant in any fiscal year after
22 Fiscal Year 1985 (except Fiscal Year 2008 and Fiscal Year 2009)
23 shall be the amount appropriated for such participant for the
24 fiscal year ending June 30, 1985, plus in each year a 10%
25 increase over the maximum established for the preceding year.
26 For Fiscal Year 1985, the maximum eligible operating expenses

1 for any such participant shall be the amount of projected
2 operating expenses upon which the appropriation for such
3 participant for Fiscal Year 1985 is based.

4 With respect to any mass transit district participant that
5 has increased its district boundaries by annexing counties
6 since 1998 and is maintaining a level of local financial
7 support, including all income and revenues, equal to or greater
8 than the level in the State fiscal year ending June 30, 2001,
9 the maximum eligible operating expenses for any State fiscal
10 year after 2002 (except State fiscal years ~~year~~ 2006 through
11 2009) shall be the amount appropriated for that participant for
12 the State fiscal year ending June 30, 2002, plus, in each State
13 fiscal year, a 10% increase over the preceding State fiscal
14 year. For State fiscal year 2002, the maximum eligible
15 operating expenses for any such participant shall be the amount
16 of projected operating expenses upon which the appropriation
17 for that participant for State fiscal year 2002 is based. For
18 that participant, eligible operating expenses for State fiscal
19 year 2002 in excess of the eligible operating expenses for the
20 State fiscal year ending June 30, 2001, plus 10%, must be
21 attributed to the provision of services in the newly annexed
22 counties.

23 With respect to a participant that receives an initial
24 appropriation in State fiscal year 2002 or thereafter, the
25 maximum eligible operating expenses for any State fiscal year
26 after 2003 (except State fiscal years ~~year~~ 2006 through 2009)

1 shall be the amount appropriated for that participant for the
2 State fiscal year in which it received its initial
3 appropriation, plus, in each year, a 10% increase over the
4 preceding year. For the initial State fiscal year in which a
5 participant received an appropriation, the maximum eligible
6 operating expenses for any such participant shall be the amount
7 of projected operating expenses upon which the appropriation
8 for that participant for that State fiscal year is based.

9 With respect to the District serving primarily the counties
10 of Monroe and St. Clair, beginning July 1, 2005, the St. Clair
11 County Transit District shall no longer be included for new
12 appropriation funding purposes as part of the Metro-East Public
13 Transportation Fund and instead shall be included for new
14 appropriation funding purposes as part of the Downstate Public
15 Transportation Fund; provided, however, that nothing herein
16 shall alter the eligibility of that District for previously
17 appropriated funds to which it would otherwise be entitled.

18 With respect to the fiscal year beginning July 1, 2007, and
19 thereafter, the following shall be included for new
20 appropriation funding purposes as part of the Downstate Public
21 Transportation Fund: Bond County; Bureau County; Coles County;
22 Edgar County; Stephenson County and the City of Freeport; Henry
23 County; Jo Daviess County; Kankakee and McLean Counties; Peoria
24 County; Piatt County; Shelby County; Tazewell and Woodford
25 Counties; Vermillion County; Williamson County; and Kendall
26 County.

1 (Source: P.A. 94-70, eff. 6-22-05.)

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

3 Sec. 2-3. (a) As soon as possible after the first day of
4 each month, beginning July 1, 1984, upon certification of the
5 Department of Revenue, the Comptroller shall order
6 transferred, and the Treasurer shall transfer, from the General
7 Revenue Fund to a special fund in the State Treasury which is
8 hereby created, to be known as the "Downstate Public
9 Transportation Fund", an amount equal to 2/32 (beginning July
10 1, 2005, 3/32) of the net revenue realized from the "Retailers'
11 Occupation Tax Act", as now or hereafter amended, the "Service
12 Occupation Tax Act", as now or hereafter amended, the "Use Tax
13 Act", as now or hereafter amended, and the "Service Use Tax
14 Act", as now or hereafter amended, from persons incurring
15 municipal or county retailers' or service occupation tax
16 liability for the benefit of any municipality or county located
17 wholly within the boundaries of each participant other than any
18 Metro-East Transit District participant certified pursuant to
19 subsection (c) of this Section during the preceding month,
20 except that the Department shall pay into the Downstate Public
21 Transportation Fund 2/32 (beginning July 1, 2005, 3/32) of 80%
22 of the net revenue realized under the State tax Acts named
23 above within any municipality or county located wholly within
24 the boundaries of each participant, other than any Metro-East
25 participant, for tax periods beginning on or after January 1,

1 ~~1990; provided, however, that beginning with fiscal year 1985,~~
2 ~~the transfers into the Downstate Public Transportation Fund~~
3 ~~during any fiscal year shall not exceed the annual~~
4 ~~appropriation from the Downstate Public Transportation Fund~~
5 ~~for that year. The Department of Transportation shall notify~~
6 ~~the Department of Revenue and the Comptroller at the beginning~~
7 ~~of each fiscal year of the amount of the annual appropriation~~
8 ~~from the Downstate Public Transportation Fund.~~ Net revenue
9 realized for a month shall be the revenue collected by the
10 State pursuant to such Acts during the previous month from
11 persons incurring municipal or county retailers' or service
12 occupation tax liability for the benefit of any municipality or
13 county located wholly within the boundaries of a participant,
14 less the amount paid out during that same month as refunds or
15 credit memoranda to taxpayers for overpayment of liability
16 under such Acts for the benefit of any municipality or county
17 located wholly within the boundaries of a participant.

18 (b) As soon as possible after the first day of each month,
19 beginning July 1, 1989, upon certification of the Department of
20 Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, from the General Revenue Fund to a
22 special fund in the State Treasury which is hereby created, to
23 be known as the "Metro-East Public Transportation Fund", an
24 amount equal to 2/32 of the net revenue realized, as above,
25 from within the boundaries of Madison, Monroe, and St. Clair
26 Counties, except that the Department shall pay into the

1 Metro-East Public Transportation Fund 2/32 of 80% of the net
2 revenue realized under the State tax Acts specified in
3 subsection (a) of this Section within the boundaries of
4 Madison, Monroe and St. Clair Counties for tax periods
5 beginning on or after January 1, 1990. A local match equivalent
6 to an amount which could be raised by a tax levy at the rate of
7 .05% on the assessed value of property within the boundaries of
8 Madison County is required annually to cause a total of 2/32 of
9 the net revenue to be deposited in the Metro-East Public
10 Transportation Fund. Failure to raise the required local match
11 annually shall result in only 1/32 being deposited into the
12 Metro-East Public Transportation Fund after July 1, 1989, or
13 1/32 of 80% of the net revenue realized for tax periods
14 beginning on or after January 1, 1990.

15 (b-5) As soon as possible after the first day of each
16 month, beginning July 1, 2005, upon certification of the
17 Department of Revenue, the Comptroller shall order
18 transferred, and the Treasurer shall transfer, from the General
19 Revenue Fund to the Downstate Public Transportation Fund, an
20 amount equal to 3/32 of 80% of the net revenue realized from
21 within the boundaries of Monroe and St. Clair Counties under
22 the State Tax Acts specified in subsection (a) of this Section
23 and provided further that, beginning July 1, 2005, the
24 provisions of subsection (b) shall no longer apply with respect
25 to such tax receipts from Monroe and St. Clair Counties.

26 (b-6) As soon as possible after the first day of each

1 month, beginning in fiscal year 2009, upon certification of the
2 Department of Revenue, the Comptroller shall order
3 transferred, and the Treasurer shall transfer, from the General
4 Revenue Fund to the Metro-East Public Transportation Fund, an
5 amount equal to 3/32 of 80% of the net revenue realized from
6 within the boundaries of Madison County under the State Tax
7 Acts specified in subsection (a) of this Section.

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

13 (d) For the purposes of this Article the Department shall
14 include in its annual request for appropriation of ordinary and
15 contingent expenses an amount equal to the sum total funds
16 projected to be paid to the participants pursuant to Section
17 2-7.

18 ~~(e) In addition to any other permitted use of moneys in the~~
19 ~~Fund, and notwithstanding any restriction on the use of the~~
20 ~~Fund, moneys in the Downstate Public Transportation Fund may be~~
21 ~~transferred to the General Revenue Fund as authorized by Public~~
22 ~~Act 87-14. The General Assembly finds that an excess of moneys~~
23 ~~existed in the Fund on July 30, 1991, and the Governor's order~~
24 ~~of July 30, 1991, and the Governor's order of July 30, 1991,~~
25 ~~requesting the Comptroller and Treasurer to transfer an amount~~
26 ~~from the Fund to the General Revenue Fund is hereby validated.~~

1 (Source: P.A. 94-70, eff. 6-22-05.)

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

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

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

17 (b) Each participant other than any Metro-East Transit
18 District participant shall, 30 days before the end of each
19 quarter, file with the Department on forms provided by the
20 Department for such purposes a report of the projected eligible
21 operating expenses to be incurred in the next quarter and 30
22 days before the third and fourth quarters of any fiscal year a
23 statement of actual eligible operating expenses incurred in the
24 preceding quarters. Except as otherwise provided in subsection
25 (b-5), within 45 days of receipt by the Department of such

1 quarterly report, the Comptroller shall order paid and the
2 Treasurer shall pay from the Downstate Public Transportation
3 Fund to each participant an amount equal to one-third of such
4 participant's eligible operating expenses; provided, however,
5 that in Fiscal Year 1997, the amount paid to each participant
6 from the Downstate Public Transportation Fund shall be an
7 amount equal to 47% of such participant's eligible operating
8 expenses and shall be increased to 49% in Fiscal Year 1998, 51%
9 in Fiscal Year 1999, 53% in Fiscal Year 2000, ~~and~~ 55% in Fiscal
10 Years Year 2001 through 2007, and 65% in Fiscal Year 2008 and
11 thereafter; however, in any year that a participant receives
12 funding under subsection (i) of Section 2705-305 of the
13 Department of Transportation Law (20 ILCS 2705/2705-305), that
14 participant shall be eligible only for assistance equal to the
15 following percentage of its eligible operating expenses: 42% in
16 Fiscal Year 1997, 44% in Fiscal Year 1998, 46% in Fiscal Year
17 1999, 48% in Fiscal Year 2000, and 50% in Fiscal Year 2001 and
18 thereafter. Any such payment for the third and fourth quarters
19 of any fiscal year shall be adjusted to reflect actual eligible
20 operating expenses for preceding quarters of such fiscal year.
21 However, no participant shall receive an amount less than that
22 which was received in the immediate prior year, provided in the
23 event of a shortfall in the fund those participants receiving
24 less than their full allocation pursuant to Section 2-6 of this
25 Article shall be the first participants to receive an amount
26 not less than that received in the immediate prior year.

1 (b-5) (Blank.) ~~With respect to the District serving~~
2 ~~primarily the counties of Monroe and St. Clair, beginning July~~
3 ~~1, 2005 and each fiscal year thereafter, the District may, as~~
4 ~~an alternative to the provisions of subsection (b) of Section~~
5 ~~2-7, file a request with the Department for a monthly payment~~
6 ~~of 1/12 of the amount appropriated to the District for that~~
7 ~~fiscal year, except that, for the final month of the fiscal~~
8 ~~year, the District's request shall be in an amount such that~~
9 ~~the total payments made to the District in that fiscal year do~~
10 ~~not exceed the lesser of (i) 55% of the District's eligible~~
11 ~~operating expenses for that fiscal year or (ii) the total~~
12 ~~amount appropriated to the District for that fiscal year.~~

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

22 (b-15) Beginning on July 1, 2007, and for each fiscal year
23 thereafter, each participant shall maintain a minimum local
24 share contribution (from farebox and all other local revenues)
25 equal to the actual amount provided in Fiscal Year 2006 or, for
26 new recipients, an amount equivalent to the local share

1 provided in the first year of participation.

2 (b-20) Any participant in the Downstate Public
3 Transportation Fund may use State operating assistance
4 pursuant to this Section to provide transportation services
5 within any county that is contiguous to its territorial
6 boundaries as defined by the Department and subject to
7 Departmental approval. Any such contiguous-area service
8 provided by a participant after July 1, 2007 must meet the
9 requirements of subsection (a) of Section 2-5.1.

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

22 (Source: P.A. 94-70, eff. 6-22-05.)

23 (30 ILCS 740/2-15) (from Ch. 111 2/3, par. 675.1)

24 Sec. 2-15. Except as otherwise provided in this Section,
25 all funds which remain in the Downstate Public Transportation

1 Fund or the Metro-East Public Transportation Fund after the
2 payment of the fourth quarterly payment to participants other
3 than Metro-East Transit District participants and the last
4 monthly payment to Metro-East Transit participants in each
5 fiscal year shall be transferred (i) to the General Revenue
6 Fund through fiscal year 2008 and (ii) to the Downstate Transit
7 Improvement Fund for fiscal year 2009 and each fiscal year
8 thereafter. Transfers shall be made no later than 90 days
9 following the end of such fiscal year. Beginning fiscal year
10 2010, all moneys each year in the Downstate Transit Improvement
11 Fund, held solely for the benefit of the participants in the
12 Downstate Public Transportation Fund and the Metro-East
13 Transit Fund, shall be appropriated to the Department to make
14 competitive capital grants to the participants of the
15 respective funds. However, such amount as the Department
16 determines to be necessary for (1) allocation to participants
17 for the purposes of Section 2-7 for the first quarter of the
18 succeeding fiscal year and (2) an amount equal to 2% of the
19 total allocations to participants in the fiscal year just ended
20 to be used for the purpose of audit adjustments shall be
21 retained in such Funds to be used by the Department for such
22 purposes.

23 (Source: P.A. 86-590.)

24 Section 8. The Illinois Pension Code is amended by changing
25 Section 22-101 and by adding Section 22-101B as follows:

1 (40 ILCS 5/22-101) (from Ch. 108 1/2, par. 22-101)

2 Sec. 22-101. Retirement Plan for Chicago Transit Authority
3 Employees. Metropolitan Transit Authority (CTA) Pension Fund.

4 (a) There shall be established and maintained by the
5 Authority created by the "Metropolitan Transit Authority Act",
6 approved April 12, 1945, as amended, (referred to in this
7 Section as the "Authority") a financially sound pension and
8 retirement system adequate to provide for all payments when due
9 under such established system or as modified from time to time
10 by ordinance of the Chicago Transit Board or collective
11 bargaining agreement. For this purpose, the Board must make
12 contributions to the established system as required under this
13 Section and may make any additional contributions provided for
14 by Board ordinance or collective bargaining agreement. The
15 participating employees shall make such periodic payments to
16 the established system as required under this Section and may
17 make any additional contributions provided for ~~may be~~
18 ~~determined~~ by Board ordinance or collective bargaining
19 agreement. ~~The Board, in lieu of social security payments~~
20 ~~required to be paid by private corporations engaged in similar~~
21 ~~activity, shall make payments into such established system at~~
22 ~~least equal in amount to the amount so required to be paid by~~
23 ~~such private corporations.~~

24 Provisions shall be made by the Board for all ~~Board~~
25 ~~members,~~ officers and employees of the Authority appointed

1 pursuant to the "Metropolitan Transit Authority Act" to become,
2 subject to reasonable rules and regulations, participants
3 ~~members or beneficiaries~~ of the pension or retirement system
4 with uniform rights, privileges, obligations and status as to
5 the class in which such officers and employees belong. The
6 terms, conditions and provisions of any pension or retirement
7 system or of any amendment or modification thereof affecting
8 employees who are members of any labor organization may be
9 established, amended or modified by agreement with such labor
10 organization, provided the terms, conditions and provisions
11 must be consistent with this Act, the annual funding levels for
12 the retirement system established by law must be met and the
13 benefits paid to future participants in the system may not
14 exceed the benefit ceilings set for future participants under
15 this Act and the contribution levels required by the Authority
16 and its employees may not be less than the contribution levels
17 established under this Act ~~but must be consistent with the~~
18 ~~requirements of this Section.~~

19 (b) The Board of Trustees shall consist of 11 members
20 appointed as follows: (i) 5 trustees shall be appointed by the
21 Chicago Transit Board; (ii) 3 trustees shall be appointed by an
22 organization representing the highest number of Chicago
23 Transit Authority participants; (iii) one trustee shall be
24 appointed by an organization representing the second-highest
25 number of Chicago Transit Authority participants; (iv) one
26 trustee shall be appointed by the recognized coalition

1 representatives of participants who are not represented by an
2 organization with the highest or second-highest number of
3 Chicago Transit Authority participants; and (v) one trustee
4 shall be selected by the Regional Transportation Authority
5 Board of Directors, and the trustee shall be a professional
6 fiduciary who has experience in the area of collectively
7 bargained pension plans. Trustees shall serve until a successor
8 has been appointed and qualified, or until resignation, death,
9 incapacity, or disqualification.

10 Any person appointed as a trustee of the board shall
11 qualify by taking an oath of office that he or she will
12 diligently and honestly administer the affairs of the system
13 and will not knowingly violate or willfully permit the
14 violation of any of the provisions of law applicable to the
15 Plan, including Sections 1-109, 1-109.1, 1-109.2, 1-110,
16 1-111, 1-114, and 1-115 of the Illinois Pension Code.

17 Each trustee shall cast individual votes, and a majority
18 vote shall be final and binding upon all interested parties.
19 Each trustee shall have the rights, privileges, authority, and
20 obligations as are usual and customary for such fiduciaries.

21 The Board of Trustees may cause amounts on deposit in the
22 Retirement Plan to be invested in those investments that are
23 permitted investments for the investment of moneys held under
24 any one or more of the pension or retirement systems of the
25 State, any unit of local government or school district, or any
26 agency or instrumentality thereof. The Board, by a vote of at

1 least two-thirds of the trustees, may transfer investment
2 management to the Illinois State Board of Investment, which is
3 hereby authorized to manage these investments when so requested
4 by the Board of Trustees.

5 (c) All individuals who were previously participants in the
6 Retirement Plan for Chicago Transit Authority Employees shall
7 remain participants, and shall receive the same benefits
8 established by the Retirement Plan for Chicago Transit
9 Authority Employees, except as provided in this amendatory Act
10 or by subsequent legislative enactment or amendment to the
11 Retirement Plan. For Authority employees hired on or after
12 January 1, 2008, the Retirement Plan for Chicago Transit
13 Authority Employees shall be the exclusive retirement plan and
14 such employees shall not be eligible for any supplemental plan,
15 except for a deferred compensation plan funded only by employee
16 contributions.

17 For all Authority employees who are first hired on or after
18 January 1, 2008 and are participants in the Retirement Plan for
19 Chicago Transit Authority Employees, the following terms,
20 conditions and provisions with respect to retirement shall be
21 applicable:

22 (1) Such participant shall be eligible for an unreduced
23 retirement allowance for life upon the attainment of age 64
24 with 25 years of continuous service.

25 (2) Such participant shall be eligible for a reduced
26 retirement allowance for life upon the attainment of age 55

1 with 10 years of continuous service.

2 (3) For the purpose of determining the retirement
3 allowance to be paid to a retiring employee, the term
4 "Continuous Service" as used in the Retirement Plan for
5 Chicago Transit Authority Employees shall also be deemed to
6 include all pension credit for service with any retirement
7 system established under Article 8 or Article 11 of this
8 Code, provided that the employee forfeits and relinquishes
9 all pension credit under Article 8 or Article 11 of this
10 Code, and the contribution required under this subsection
11 is made by the employee. The Retirement Plan's actuary
12 shall determine the contribution paid by the employee as an
13 amount equal to the normal cost of the benefit accrued, had
14 the service been rendered as an employee, plus interest per
15 annum from the time such service was rendered until the
16 date the payment is made.

17 (d) From the effective date of this amendatory Act through
18 December 31, 2008, all participating employees shall
19 contribute to the Retirement Plan in an amount not less than 6%
20 of compensation, and the Authority shall contribute to the
21 Retirement Plan in an amount not less than 12% of compensation.

22 (e) (1) Beginning January 1, 2009 the Authority shall make
23 contributions to the Retirement Plan in an amount equal to
24 twelve percent (12%) of compensation and participating
25 employees shall make contributions to the Retirement Plan in an
26 amount equal to six percent (6%) of compensation. These

1 contributions may be paid by the Authority and participating
2 employees on a payroll or other periodic basis, but shall in
3 any case be paid to the Retirement Plan at least monthly.

4 (2) For the period ending December 31, 2039, the amount
5 paid by the Authority in any year with respect to debt service
6 on bonds issued for the purposes of funding a contribution to
7 the Retirement Plan under Section 12c of the Metropolitan
8 Transit Authority Act, other than debt service paid with the
9 proceeds of bonds or notes issued by the Authority for any year
10 after calendar year 2008, shall be treated as a credit against
11 the amount of required contribution to the Retirement Plan by
12 the Authority under subsection (e)(1) for the following year up
13 to an amount not to exceed 6% of compensation paid by the
14 Authority in that following year.

15 (3) By September 15 of each year beginning in 2009 and
16 ending on December 31, 2038, on the basis of a report prepared
17 by an enrolled actuary retained by the Plan, the Board of
18 Trustees of the Retirement Plan shall determine the estimated
19 funded ratio of the total assets of the Retirement Plan to its
20 total actuarially determined liabilities. A report containing
21 that determination and the actuarial assumptions on which it is
22 based shall be filed with the Authority, the representatives of
23 its participating employees, the Auditor General of the State
24 of Illinois, and the Regional Transportation Authority. If the
25 funded ratio is projected to decline below 60% in any year
26 before 2039, the Board of Trustees shall also determine the

1 increased contribution required each year as a level percentage
2 of payroll over the years remaining until 2039 using the
3 projected unit credit actuarial cost method so the funded ratio
4 does not decline below 60% and include that determination in
5 its report. If the actual funded ratio declines below 60% in
6 any year prior to 2039, the Board of Trustees shall also
7 determine the increased contribution required each year as a
8 level percentage of payroll during the years after the then
9 current year using the projected unit credit actuarial cost
10 method so the funded ratio is projected to reach at least 60%
11 no later than 10 years after the then current year and include
12 that determination in its report. Within 60 days after
13 receiving the report, the Auditor General shall review the
14 determination and the assumptions on which it is based, and if
15 he finds that the determination and the assumptions on which it
16 is based are unreasonable in the aggregate, he shall issue a
17 new determination of the funded ratio, the assumptions on which
18 it is based and the increased contribution required each year
19 as a level percentage of payroll over the years remaining until
20 2039 using the projected unit credit actuarial cost method so
21 the funded ratio does not decline below 60%, or, in the event
22 of an actual decline below 60%, so the funded ratio is
23 projected to reach 60% by no later than 10 years after the then
24 current year. If the Board of Trustees or the Auditor General
25 determine that an increased contribution is required to meet
26 the funded ratio required by the subsection, effective January

1 1 following the determination or 30 days after such
2 determination, whichever is later, one-third of the increased
3 contribution shall be paid by participating employees and
4 two-thirds by the Authority, in addition to the contributions
5 required by this subsection (1).

6 (4) For the period beginning 2039, the minimum contribution
7 to the Retirement Plan for each fiscal year shall be an amount
8 determined by the Board of Trustees of the Retirement Plan to
9 be sufficient to bring the total assets of the Retirement Plan
10 up to 90% of its total actuarial liabilities by the end of
11 2058. Participating employees shall be responsible for
12 one-third of the required contribution and the Authority shall
13 be responsible for two-thirds of the required contribution. In
14 making these determinations, the Board of Trustees shall
15 calculate the required contribution each year as a level
16 percentage of payroll over the years remaining to and including
17 fiscal year 2058 using the projected unit credit actuarial cost
18 method. A report containing that determination and the
19 actuarial assumptions on which it is based shall be filed by
20 September 15 of each year with the Authority, the
21 representatives of its participating employees, the Auditor
22 General of the State of Illinois and the Regional
23 Transportation Authority. If the funded ratio is projected to
24 fail to reach 90% by December 31, 2058, the Board of Trustees
25 shall also determine the increased contribution required each
26 year as a level percentage of payroll over the years remaining

1 until December 31, 2058 using the projected unit credit
2 actuarial cost method so the funded ratio will meet 90% by
3 December 31, 2058 and include that determination in its report.
4 Within 60 days after receiving the report, the Auditor General
5 shall review the determination and the assumptions on which it
6 is based and if he finds that the determination and the
7 assumptions on which it is based are unreasonable in the
8 aggregate, he shall issue a new determination of the funded
9 ratio, the assumptions on which it is based and the increased
10 contribution required each year as a level percentage of
11 payroll over the years remaining until December 31, 2058 using
12 the projected unit credit actuarial cost method so the funded
13 ratio reaches no less than 90% by December 31, 2058. If the
14 Board of Trustees or the Auditor General determine that an
15 increased contribution is required to meet the funded ratio
16 required by this subsection, effective January 1 following the
17 determination or 30 days after such determination, whichever is
18 later, one-third of the increased contribution shall be paid by
19 participating employees and two-thirds by the Authority, in
20 addition to the contributions required by subsection (e) (1).

21 (5) Beginning in 2059, the minimum contribution for each
22 year shall be the amount needed to maintain the total assets of
23 the Retirement Plan at 90% of the total actuarial liabilities
24 of the Plan, and the contribution shall be funded two-thirds by
25 the Authority and one-third by the participating employees in
26 accordance with this subsection.

1 (f) The Authority shall take the steps necessary to comply
2 with Section 414(h) (2) of the Internal Revenue Code of 1986, as
3 amended, to permit the pick-up of employee contributions under
4 subsections (d) and (e) on a tax-deferred basis.

5 (g) The Board of Trustees shall certify to the Governor,
6 the General Assembly, the Auditor General, the Board of the
7 Regional Transportation Authority, and the Authority at least
8 90 days prior to the end of each fiscal year the amount of the
9 required contributions to the retirement system for the next
10 retirement system fiscal year under this Section. The
11 certification shall include a copy of the actuarial
12 recommendations upon which it is based. In addition, copies of
13 the certification shall be sent to the Commission on Government
14 Forecasting and Accountability and the Mayor of Chicago.

15 (h) (1) As to an employee who first becomes entitled to a
16 retirement allowance commencing on or after November 30, 1989,
17 the retirement allowance shall be the amount determined in
18 accordance with the following formula:

19 (A) One percent (1%) of his "Average Annual
20 Compensation in the highest four (4) completed Plan Years"
21 for each full year of continuous service from the date of
22 original employment to the effective date of the Plan; plus

23 (B) One and seventy-five hundredths percent (1.75%) of
24 his "Average Annual Compensation in the highest four (4)
25 completed Plan Years" for each year (including fractions
26 thereof to completed calendar months) of continuous

1 service as provided for in the Retirement Plan for Chicago
2 Transit Authority Employees.

3 Provided, however that:

4 (2) As to an employee who first becomes entitled to a
5 retirement allowance commencing on or after January 1, 1993,
6 the retirement allowance shall be the amount determined in
7 accordance with the following formula:

8 (A) One percent (1%) of his "Average Annual
9 Compensation in the highest four (4) completed Plan Years"
10 for each full year of continuous service from the date of
11 original employment to the effective date of the Plan; plus

12 (B) One and eighty hundredths percent (1.80%) of his
13 "Average Annual Compensation in the highest four (4)
14 completed Plan Years" for each year (including fractions
15 thereof to completed calendar months) of continuous
16 service as provided for in the Retirement Plan for Chicago
17 Transit Authority Employees.

18 Provided, however that:

19 (3) As to an employee who first becomes entitled to a
20 retirement allowance commencing on or after January 1, 1994,
21 the retirement allowance shall be the amount determined in
22 accordance with the following formula:

23 (A) One percent (1%) of his "Average Annual
24 Compensation in the highest four (4) completed Plan Years"
25 for each full year of continuous service from the date of
26 original employment to the effective date of the Plan; plus

1 (B) One and eighty-five hundredths percent (1.85%) of
2 his "Average Annual Compensation in the highest four (4)
3 completed Plan Years" for each year (including fractions
4 thereof to completed calendar months) of continuous
5 service as provided for in the Retirement Plan for Chicago
6 Transit Authority Employees.

7 Provided, however that:

8 (4) As to an employee who first becomes entitled to a
9 retirement allowance commencing on or after January 1, 2000,
10 the retirement allowance shall be the amount determined in
11 accordance with the following formula:

12 (A) One percent (1%) of his "Average Annual
13 Compensation in the highest four (4) completed Plan Years"
14 for each full year of continuous service from the date of
15 original employment to the effective date of the Plan; plus

16 (B) Two percent (2%) of his "Average Annual
17 Compensation in the highest four (4) completed Plan Years"
18 for each year (including fractions thereof to completed
19 calendar months) of continuous service as provided for in
20 the Retirement Plan for Chicago Transit Authority
21 Employees.

22 Provided, however that:

23 (5) As to an employee who first becomes entitled to a
24 retirement allowance commencing on or after January 1, 2001,
25 the retirement allowance shall be the amount determined in
26 accordance with the following formula:

1 (A) One percent (1%) of his "Average Annual
2 Compensation in the highest four (4) completed Plan Years"
3 for each full year of continuous service from the date of
4 original employment to the effective date of the Plan; plus

5 (B) Two and fifteen hundredths percent (2.15%) of his
6 "Average Annual Compensation in the highest four (4)
7 completed Plan Years" for each year (including fractions
8 thereof to completed calendar months) of continuous
9 service as provided for in the Retirement Plan for Chicago
10 Transit Authority Employees.

11 The changes made by this amendatory Act of the 95th General
12 Assembly, to the extent that they affect the rights or
13 privileges of Authority employees that are currently the
14 subject of collective bargaining, have been agreed to between
15 the authorized representatives of these employees and of the
16 Authority prior to enactment of this amendatory Act, as
17 evidenced by a Memorandum of Understanding between these
18 representatives that will be filed with the Secretary of State
19 Index Department and designated as "95-GA-C05". The General
20 Assembly finds and declares that those changes are consistent
21 with 49 U.S.C. 5333(b) (also known as Section 13(c) of the
22 Federal Transit Act) because of this agreement between
23 authorized representatives of these employees and of the
24 Authority, and that any future amendments to the provisions of
25 this amendatory Act of the 95th General Assembly, to the extent
26 those amendments would affect the rights and privileges of

1 Authority employees that are currently the subject of
2 collective bargaining, would be consistent with 49 U.S.C.
3 5333(b) if and only if those amendments were agreed to between
4 these authorized representatives prior to enactment.

5 (i) Early retirement incentive plan; funded ratio.

6 (1) Beginning on the effective date of this Section, no
7 early retirement incentive shall be offered to
8 participants of the Plan unless the Funded Ratio of the
9 Plan is at least 80% or more.

10 (2) For the purposes of this Section, the Funded Ratio
11 shall be the Adjusted Assets divided by the Actuarial
12 Accrued Liability developed in accordance with Statement
13 #25 promulgated by the Government Accounting Standards
14 Board and the actuarial assumptions described in the Plan.
15 The Adjusted Assets shall be calculated based on the
16 methodology described in the Plan.

17 (j) Nothing in this amendatory Act of the 95th General
18 Assembly shall impair the rights or privileges of Authority
19 employees under any other law.

20 ~~(b) Beginning January 1, 2009, the Authority shall make~~
21 ~~contributions to the retirement system in an amount which,~~
22 ~~together with the contributions of participants, interest~~
23 ~~earned on investments, and other income, will meet the cost of~~
24 ~~maintaining and administering the retirement plan in~~
25 ~~accordance with applicable actuarial recommendations and~~
26 ~~assumptions and the requirements of this Section. These~~

1 ~~contributions may be paid on a payroll or other periodic basis,~~
2 ~~but shall in any case be paid at least monthly.~~

3 ~~For retirement system fiscal years 2009 through 2058, the~~
4 ~~minimum contribution to the retirement system to be made by the~~
5 ~~Authority for each fiscal year shall be an amount determined~~
6 ~~jointly by the Authority and the trustee of the retirement~~
7 ~~system to be sufficient to bring the total assets of the~~
8 ~~retirement system up to 90% of its total actuarial liabilities~~
9 ~~by the end of fiscal year 2058. In making these determinations,~~
10 ~~the required Authority contribution shall be calculated each~~
11 ~~year as a level percentage of payroll over the years remaining~~
12 ~~to and including fiscal year 2058 and shall be determined under~~
13 ~~the projected unit credit actuarial cost method. Beginning in~~
14 ~~retirement system fiscal year 2059, the minimum Authority~~
15 ~~contribution for each fiscal year shall be the amount needed to~~
16 ~~maintain the total assets of the retirement system at 90% of~~
17 ~~the total actuarial liabilities of the system.~~

18 ~~For purposes of determining employer contributions and~~
19 ~~actuarial liabilities under this subsection, contributions and~~
20 ~~liabilities relating to health care benefits shall not be~~
21 ~~included. As used in this Section, "retirement system fiscal~~
22 ~~year" means the calendar year, or such other plan year as may~~
23 ~~be defined from time to time in the agreement known as the~~
24 ~~Retirement Plan for Chicago Transit Authority Employees, or its~~
25 ~~successor agreement.~~

26 ~~(c) The Authority and the trustee shall jointly certify to~~

1 ~~the Governor, the General Assembly, and the Board of the~~
2 ~~Regional Transportation Authority on or before November 15 of~~
3 ~~2008 and of each year thereafter the amount of the required~~
4 ~~Authority contributions to the retirement system for the next~~
5 ~~retirement system fiscal year under subsection (b). The~~
6 ~~certification shall include a copy of the actuarial~~
7 ~~recommendations upon which it is based. In addition, copies of~~
8 ~~the certification shall be sent to the Commission on Government~~
9 ~~Forecasting and Accountability, the Mayor of Chicago, the~~
10 ~~Chicago City Council, and the Cook County Board.~~

11 ~~(d) The Authority shall take all actions lawfully available~~
12 ~~to it to separate the funding of health care benefits for~~
13 ~~retirees and their dependents and survivors from the funding~~
14 ~~for its retirement system. The Authority shall endeavor to~~
15 ~~achieve this separation as soon as possible, and in any event~~
16 ~~no later than January 1, 2009.~~

17 ~~(e) This amendatory Act of the 94th General Assembly does~~
18 ~~not affect or impair the right of either the Authority or its~~
19 ~~employees to collectively bargain the amount or level of~~
20 ~~employee contributions to the retirement system.~~

21 (Source: P.A. 94-839, eff. 6-6-06.)

22 (40 ILCS 5/22-101B new)

23 Sec. 22-101B. Health Care Benefits.

24 (a) The Chicago Transit Authority (hereinafter referred to
25 in this Section as the "Authority") shall take all actions

1 lawfully available to it to separate the funding of health care
2 benefits for retirees and their dependents and survivors from
3 the funding for its retirement system. The Authority shall
4 endeavor to achieve this separation as soon as possible, and in
5 any event no later than January 1, 2009.

6 (b) Effective January 1, 2008, a Retiree Health Care Trust
7 is established for the purpose of providing health care
8 benefits to eligible retirees and their dependents and
9 survivors in accordance with the terms and conditions set forth
10 in this Section 22-101B. The Retiree Health Care Trust shall be
11 solely responsible for providing health care benefits to
12 eligible retirees and their dependents and survivors by no
13 later than January 1, 2009, but no earlier than July 1, 2008.

14 (1) The Board of Trustees shall consist of 7 members
15 appointed as follows: (i) 3 trustees shall be appointed by
16 the Chicago Transit Board; (ii) one trustee shall be
17 appointed by an organization representing the highest
18 number of Chicago Transit Authority participants; (iii)
19 one trustee shall be appointed by an organization
20 representing the second-highest number of Chicago Transit
21 Authority participants; (iv) one trustee shall be
22 appointed by the recognized coalition representatives of
23 participants who are not represented by an organization
24 with the highest or second-highest number of Chicago
25 Transit Authority participants; and (v) one trustee shall
26 be selected by the Regional Transportation Authority Board

1 of Directors, and the trustee shall be a professional
2 fiduciary who has experience in the area of collectively
3 bargained retiree health plans. Trustees shall serve until
4 a successor has been appointed and qualified, or until
5 resignation, death, incapacity, or disqualification.

6 Any person appointed as a trustee of the board shall
7 qualify by taking an oath of office that he or she will
8 diligently and honestly administer the affairs of the
9 system, and will not knowingly violate or willfully permit
10 the violation of any of the provisions of law applicable to
11 the Plan, including Sections 1-109, 1-109.1, 1-109.2,
12 1-110, 1-111, 1-114, and 1-115 of Article 1 of the Illinois
13 Pension Code.

14 Each trustee shall cast individual votes, and a
15 majority vote shall be final and binding upon all
16 interested parties. Each trustee shall have the rights,
17 privileges, authority and obligations as are usual and
18 customary for such fiduciaries.

19 (2) The Board of Trustees shall establish and
20 administer a health care benefit program for eligible
21 retirees and their dependents and survivors. The health
22 care benefit program for eligible retirees and their
23 dependents and survivors shall not contain any plan which
24 provides for more than 90% coverage for in-network services
25 or 70% coverage for out-of-network services after any
26 deductible has been paid.

1 (3) The Retiree Health Care Trust shall be administered
2 by the Board of Trustees according to the following
3 requirements:

4 (i) The Board of Trustees may cause amounts on
5 deposit in the Retiree Health Care Trust to be invested
6 in those investments that are permitted investments
7 for the investment of moneys held under any one or more
8 of the pension or retirement systems of the State, any
9 unit of local government or school district, or any
10 agency or instrumentality thereof. The Board, by a vote
11 of at least two-thirds of the trustees, may transfer
12 investment management to the Illinois State Board of
13 Investment, which is hereby authorized to manage these
14 investments when so requested by the Board of Trustees.

15 (ii) The Board of Trustees shall establish and
16 maintain an appropriate funding reserve level which
17 shall not be less than the amount of incurred and
18 unreported claims plus 12 months of expected claims and
19 administrative expenses.

20 (iii) The Board of Trustees shall make an annual
21 assessment of the funding levels of the Retiree Health
22 Care Trust and shall submit a report to the Auditor
23 General at least 90 days prior to the end of the fiscal
24 year. The report shall provide the following:

25 (A) the actuarial present value of projected
26 benefits expected to be paid to current and future

1 retirees and their dependents and survivors;

2 (B) the actuarial present value of projected
3 contributions and trust income plus assets;

4 (C) the reserve required by subsection
5 (b) (3) (ii); and

6 (D) an assessment of whether the actuarial
7 present value of projected benefits expected to be
8 paid to current and future retirees and their
9 dependents and survivors exceeds or is less than
10 the actuarial present value of projected
11 contributions and trust income plus assets in
12 excess of the reserve required by subsection
13 (b) (3) (ii).

14 If the actuarial present value of projected
15 benefits expected to be paid to current and future
16 retirees and their dependents and survivors exceeds
17 the actuarial present value of projected contributions
18 and trust income plus assets in excess of the reserve
19 required by subsection (b) (3) (ii), then the report
20 shall provide a plan of increases in employee, retiree,
21 dependent, or survivor contribution levels, decreases
22 in benefit levels, or both, which is projected to cure
23 the shortfall over a period of not more than 10 years.
24 If the actuarial present value of projected benefits
25 expected to be paid to current and future retirees and
26 their dependents and survivors is less than the

1 actuarial present value of projected contributions and
2 trust income plus assets in excess of the reserve
3 required by subsection (b)(3)(ii), then the report may
4 provide a plan of decreases in employee, retiree,
5 dependent, or survivor contribution levels, increases
6 in benefit levels, or both, to the extent of the
7 surplus.

8 (iv) The Auditor General shall review the report
9 and plan provided in subsection (b)(3)(iii) and issue a
10 determination within 90 days after receiving the
11 report and plan, with a copy of such determination
12 provided to the General Assembly and the Regional
13 Transportation Authority, as follows:

14 (A) In the event of a projected shortfall, if
15 the Auditor General determines that the
16 assumptions stated in the report are not
17 unreasonable in the aggregate and that the plan of
18 increases in employee, retiree, dependent, or
19 survivor contribution levels, decreases in benefit
20 levels, or both, is reasonably projected to cure
21 the shortfall over a period of not more than 10
22 years, then the Board of Trustees shall implement
23 the plan. If the Auditor General determines that
24 the assumptions stated in the report are
25 unreasonable in the aggregate, or that the plan of
26 increases in employee, retiree, dependent, or

1 survivor contribution levels, decreases in benefit
2 levels, or both, is not reasonably projected to
3 cure the shortfall over a period of not more than
4 10 years, then the Board of Trustees shall not
5 implement the plan, the Auditor General shall
6 explain the basis for such determination to the
7 Board of Trustees, and the Auditor General may make
8 recommendations as to an alternative report and
9 plan.

10 (B) In the event of a projected surplus, if the
11 Auditor General determines that the assumptions
12 stated in the report are not unreasonable in the
13 aggregate and that the plan of decreases in
14 employee, retiree, dependent, or survivor
15 contribution levels, increases in benefit levels,
16 or both, is not unreasonable in the aggregate, then
17 the Board of Trustees shall implement the plan. If
18 the Auditor General determines that the
19 assumptions stated in the report are unreasonable
20 in the aggregate, or that the plan of decreases in
21 employee, retiree, dependent, or survivor
22 contribution levels, increases in benefit levels,
23 or both, is unreasonable in the aggregate, then the
24 Board of Trustees shall not implement the plan, the
25 Auditor General shall explain the basis for such
26 determination to the Board of Trustees, and the

1 Auditor General may make recommendations as to an
2 alternative report and plan.

3 (C) The Board of Trustees shall submit an
4 alternative report and plan within 45 days after
5 receiving a rejection determination by the Auditor
6 General. A determination by the Auditor General on
7 any alternative report and plan submitted by the
8 Board of Trustees shall be made within 90 days
9 after receiving the alternative report and plan,
10 and shall be accepted or rejected according to the
11 requirements of this subsection (b)(3)(iv). The
12 Board of Trustees shall continue to submit
13 alternative reports and plans to the Auditor
14 General, as necessary, until a favorable
15 determination is made by the Auditor General.

16 (4) For any retiree who first retires effective January
17 1, 2008 or thereafter, to be eligible for retiree health
18 care benefits upon retirement, the retiree must be at least
19 55 years of age, retire with 10 or more years of continuous
20 service and satisfy the preconditions established by this
21 amendatory Act in addition to any rules or regulations
22 promulgated by the Board of Trustees. This paragraph (4)
23 shall not apply to a disability allowance.

24 (5) Effective July 1, 2008, the aggregate amount of
25 retiree, dependent and survivor contributions to the cost
26 of their health care benefits shall not exceed more than

1 45% of the total cost of such benefits. The Board of
2 Trustees shall have the discretion to provide different
3 contribution levels for retirees, dependents and survivors
4 based on their years of service, level of coverage or
5 Medicare eligibility, provided that the total contribution
6 from all retirees, dependents, and survivors shall be not
7 more than 45% of the total cost of such benefits. The term
8 "total cost of such benefits" for purposes of this
9 subsection shall be the total amount expended by the
10 retiree health benefit program in the prior plan year, as
11 calculated and certified in writing by the Retiree Health
12 Care Trust's enrolled actuary to be appointed and paid for
13 by the Board of Trustees.

14 (6) Effective January 1, 2008, all employees of the
15 Authority shall contribute to the Retiree Health Care Trust
16 in an amount not less than 3% of compensation.

17 (7) No earlier than July 1, 2008 and no later than
18 January 1, 2009 as the Retiree Health Care Trust becomes
19 solely responsible for providing health care benefits to
20 eligible retirees and their dependents and survivors in
21 accordance with subsection (b) of this Section 22-101B, the
22 Authority shall not have any obligation to provide health
23 care to current or future retirees and their dependents or
24 survivors. The Authority, its employees, and the retirees,
25 dependents and survivors who are required to make
26 contributions to the Retiree Health Care Trust shall make

1 contributions at the level set by the Board of Trustees
2 pursuant to the requirements of this Section 22-101B.

3 Section 10. The Illinois Municipal Code is amended by
4 changing Section 8-3-19 as follows:

5 (65 ILCS 5/8-3-19)

6 Sec. 8-3-19. Home rule real estate transfer taxes.

7 (a) After the effective date of this amendatory Act of the
8 93rd General Assembly and subject to this Section, a home rule
9 municipality may impose or increase a tax or other fee on the
10 privilege of transferring title to real estate, on the
11 privilege of transferring a beneficial interest in real
12 property, and on the privilege of transferring a controlling
13 interest in a real estate entity, as the terms "beneficial
14 interest", "controlling interest", and "real estate entity"
15 are defined in Article 31 of the Property Tax Code. Such a tax
16 or other fee shall hereafter be referred to as a real estate
17 transfer tax.

18 (b) Before adopting a resolution to submit the question of
19 imposing or increasing a real estate transfer tax to
20 referendum, the corporate authorities shall give public notice
21 of and hold a public hearing on the intent to submit the
22 question to referendum. This hearing may be part of a regularly
23 scheduled meeting of the corporate authorities. The notice
24 shall be published not more than 30 nor less than 10 days prior

1 to the hearing in a newspaper of general circulation within the
2 municipality. The notice shall be published in the following
3 form:

4 Notice of Proposed (Increased) Real Estate Transfer
5 Tax for (commonly known name of municipality).

6 A public hearing on a resolution to submit to
7 referendum the question of a proposed (increased) real
8 estate transfer tax for (legal name of the municipality) in
9 an amount of (rate) to be paid by the buyer (seller) of the
10 real estate transferred will be held on (date) at (time) at
11 (location). The current rate of real estate transfer tax
12 imposed by (name of municipality) is (rate).

13 Any person desiring to appear at the public hearing and
14 present testimony to the taxing district may do so.

15 (c) A notice that includes any information not specified
16 and required by this Section is an invalid notice. All hearings
17 shall be open to the public. At the public hearing, the
18 corporate authorities of the municipality shall explain the
19 reasons for the proposed or increased real estate transfer tax
20 and shall permit persons desiring to be heard an opportunity to
21 present testimony within reasonable time limits determined by
22 the corporate authorities. A copy of the proposed ordinance
23 shall be made available to the general public for inspection
24 before the public hearing.

25 (d) Except as provided in subsection (i), no ~~no~~ home rule
26 municipality shall impose a new real estate transfer tax after

1 the effective date of this amendatory Act of 1996 without prior
2 approval by referendum. Except as provided in subsection (i),
3 no ~~no~~ home rule municipality shall impose an increase of the
4 rate of a current real estate transfer tax without prior
5 approval by referendum. A home rule municipality may impose a
6 new real estate transfer tax or may increase an existing real
7 estate transfer tax with prior referendum approval. The
8 referendum shall be conducted as provided in subsection (e). An
9 existing ordinance or resolution imposing a real estate
10 transfer tax may be amended without approval by referendum if
11 the amendment does not increase the rate of the tax or add
12 transactions on which the tax is imposed.

13 (e) The home rule municipality shall, by resolution,
14 provide for submission of the proposition to the voters. The
15 home rule municipality shall certify the resolution and the
16 proposition to the proper election officials in accordance with
17 the general election law. If the proposition is to impose a new
18 real estate transfer tax, it shall be in substantially the
19 following form: "Shall (name of municipality) impose a real
20 estate transfer tax at a rate of (rate) to be paid by the buyer
21 (seller) of the real estate transferred, with the revenue of
22 the proposed transfer tax to be used for (purpose)?" If the
23 proposition is to increase an existing real estate transfer
24 tax, it shall be in the following form: "Shall (name of
25 municipality) impose a real estate transfer tax increase of
26 (percent increase) to establish a new transfer tax rate of

1 (rate) to be paid by the buyer (seller) of the real estate
2 transferred? The current rate of the real estate transfer tax
3 is (rate), and the revenue is used for (purpose). The revenue
4 from the increase is to be used for (purpose).".

5 If a majority of the electors voting on the proposition
6 vote in favor of it, the municipality may impose or increase
7 the municipal real estate transfer tax or fee.

8 (f) Nothing in this amendatory Act of 1996 shall limit the
9 purposes for which real estate transfer tax revenues may be
10 collected or expended.

11 (g) A home rule municipality may not impose real estate
12 transfer taxes other than as authorized by this Section. This
13 Section is a denial and limitation of home rule powers and
14 functions under subsection (g) of Section 6 of Article VII of
15 the Illinois Constitution.

16 (h) Notwithstanding subsection (g) of this Section, any
17 real estate transfer taxes adopted by a municipality at any
18 time prior to January 17, 1997 (the effective date of Public
19 Act 89-701) and any amendments to any existing real estate
20 transfer tax ordinance adopted after that date, in accordance
21 with the law in effect at the time of the adoption of the
22 amendments, are not preempted by this amendatory Act of the
23 93rd General Assembly.

24 (i) Within 6 months after the effective date of this
25 amendatory Act of the 95th General Assembly, by ordinance
26 adopted without a referendum, a home rule municipality with a

1 population in excess of 1,000,000 may increase the rate of an
2 existing real estate transfer tax by a rate of up to \$1.50 for
3 each \$500 of value or fraction thereof, or in the alternative
4 may impose a real estate transfer tax at a rate of up to \$1.50
5 for each \$500 of value or fraction thereof, which may be on the
6 buyer or seller of real estate, or jointly and severally on
7 both, for the sole purpose of providing financial assistance to
8 the Chicago Transit Authority. All amounts collected under such
9 supplemental tax shall be provided to the Chicago Transit
10 Authority pursuant to an intergovernmental agreement as
11 promptly as practicable upon their receipt. Such municipality
12 shall file a copy of any ordinance imposing or increasing such
13 tax with the Illinois Department of Revenue and shall file a
14 report with the Department each month certifying the amount
15 paid to the Chicago Transit Authority in the previous month
16 from the proceeds of such tax.

17 (Source: P.A. 93-657, eff. 6-1-04.)

18 Section 15. The Metropolitan Transit Authority Act is
19 amended by changing Sections 15, 28a, 34, and 46 and by adding
20 Sections 12c and 50 as follows:

21 (70 ILCS 3605/12c new)

22 Sec. 12c. Retiree Benefits Bonds and Notes.

23 (a) In addition to all other bonds or notes that it is
24 authorized to issue, the Authority is authorized to issue its

1 bonds or notes for the purposes of providing funds for the
2 Authority to make the deposits described in Section 12c(b)(1)
3 and (2), for refunding any bonds authorized to be issued under
4 this Section, as well as for the purposes of paying costs of
5 issuance, obtaining bond insurance or other credit enhancement
6 or liquidity facilities, paying costs of obtaining related
7 swaps as authorized in the Bond Authorization Act ("Swaps"),
8 providing a debt service reserve fund, paying Debt Service (as
9 defined in paragraph (i) of this Section 12c), and paying all
10 other costs related to any such bonds or notes.

11 (b)(1) After its receipt of a certified copy of a report of
12 the Auditor General of the State of Illinois meeting the
13 requirements of Section 3-2.3 of the Illinois State Auditing
14 Act, the Authority may issue \$1,227,000,000 aggregate original
15 principal amount of bonds and notes. After payment of the costs
16 of issuance and necessary deposits to funds and accounts
17 established with respect to debt service, the net proceeds of
18 such bonds or notes shall be deposited only in the Retirement
19 Plan for Chicago Transit Authority Employees and used only for
20 the purposes required by Section 22-101 of the Illinois Pension
21 Code. Provided that no less than \$1,000,000,000 has been
22 deposited in the Retirement Plan, remaining proceeds of bonds
23 issued under this subparagraph (b)(1) may be used to pay costs
24 of issuance and make necessary deposits to funds and accounts
25 with respect to debt service for bonds and notes issued under
26 this subparagraph or subparagraph (b)(2).

1 (2) After its receipt of a certified copy of a report of
2 the Auditor General of the State of Illinois meeting the
3 requirements of Section 3-2.3 of the Illinois State Auditing
4 Act, the Authority may issue \$553,000,000 aggregate original
5 principal amount of bonds and notes. After payment of the costs
6 of issuance and necessary deposits to funds and accounts
7 established with respect to debt service, the net proceeds of
8 such bonds or notes shall be deposited only in the Retiree
9 Health Care Trust and used only for the purposes required by
10 Section 22-101B of the Illinois Pension Code. Provided that no
11 less than \$450,000,000 has been deposited in the Retiree Health
12 Care Trust, remaining proceeds of bonds issued under this
13 subparagraph (b) (2) may be used to pay costs of issuance and
14 make necessary deposits to funds and accounts with respect to
15 debt service for bonds and notes issued under this subparagraph
16 or subparagraph (b) (1).

17 (3) In addition, refunding bonds are authorized to be
18 issued for the purpose of refunding outstanding bonds or notes
19 issued under this Section 12c.

20 (4) The bonds or notes issued under 12c(b) (1) shall be
21 issued as soon as practicable after the Auditor General issues
22 the report provided in Section 3-2.3(b) of the Illinois State
23 Auditing Act. The bonds or notes issued under 12c(b) (2) shall
24 be issued as soon as practicable after the Auditor General
25 issues the report provided in Section 3-2.3(c) of the Illinois
26 State Auditing Act.

1 (5) With respect to bonds and notes issued under
2 subparagraph (b), scheduled aggregate annual payments of
3 interest or deposits into funds and accounts established for
4 the purpose of such payment shall commence within one year
5 after the bonds and notes are issued. With respect to principal
6 and interest, scheduled aggregate annual payments of principal
7 and interest or deposits into funds and accounts established
8 for the purpose of such payment shall be not less than 70% in
9 2009, 80% in 2010, and 90% in 2011, respectively, of scheduled
10 payments or deposits of principal and interest in 2012 and
11 shall be substantially equal beginning in 2012 and each year
12 thereafter. For purposes of this subparagraph (b),
13 "substantially equal" means that debt service in any full year
14 after calendar year 2011 is not more than 115% of debt service
15 in any other full year after calendar year 2011 during the term
16 of the bonds or notes. For the purposes of this subsection (b),
17 with respect to bonds and notes that bear interest at a
18 variable rate, interest shall be assumed at a rate equal to the
19 rate for United States Treasury Securities - State and Local
20 Government Series for the same maturity, plus 75 basis points.
21 If the Authority enters into a Swap with a counterparty
22 requiring the Authority to pay a fixed interest rate on a
23 notional amount, and the Authority has made a determination
24 that such Swap was entered into for the purpose of providing
25 substitute interest payments for variable interest rate bonds
26 or notes of a particular maturity or maturities in a principal

1 amount equal to the notional amount of the Swap, then during
2 the term of the Swap for purposes of any calculation of
3 interest payable on such bonds or notes, the interest rate on
4 the bonds or notes of such maturity or maturities shall be
5 determined as if such bonds or notes bore interest at the fixed
6 interest rate payable by the Authority under such Swap.

7 (6) No bond or note issued under this Section 12c shall
8 mature later than December 31, 2039.

9 (c) The Chicago Transit Board shall provide for the
10 issuance of bonds or notes as authorized in this Section 12c by
11 the adoption of an ordinance. The ordinance, together with the
12 bonds or notes, shall constitute a contract among the
13 Authority, the owners from time to time of the bonds or notes,
14 any bond trustee with respect to the bonds or notes, any
15 related credit enhancer and any provider of any related Swaps.

16 (d) The Authority is authorized to cause the proceeds of
17 the bonds or notes, and any interest or investment earnings on
18 the bonds or notes, and of any Swaps, to be invested until the
19 proceeds and any interest or investment earnings have been
20 deposited with the Retirement Plan or the Retiree Health Care
21 Trust.

22 (e) Bonds or notes issued pursuant to this Section 12c may
23 be general obligations of the Authority, to which shall be
24 pledged the full faith and credit of the Authority, or may be
25 obligations payable solely from particular sources of funds all
26 as may be provided in the authorizing ordinance. The

1 authorizing ordinance for the bonds and notes, whether or not
2 general obligations of the Authority, may provide for the Debt
3 Service (as defined in paragraph (i) of this Section 12c) to
4 have a claim for payment from particular sources of funds,
5 including, without limitation, amounts to be paid to the
6 Authority or a bond trustee. The authorizing ordinance may
7 provide for the means by which the bonds or notes (and any
8 related Swaps) may be secured, which may include, a pledge of
9 any revenues or funds of the Authority from whatever source
10 which may by law be utilized for paying Debt Service. In
11 addition to any other security, upon the written approval of
12 the Regional Transportation Authority by the affirmative vote
13 of 12 of its then Directors, the ordinance shall provide a
14 specific pledge or assignment of and lien on or security
15 interest in amounts to be paid to the Authority by the Regional
16 Transportation Authority from the proceeds of any tax levied by
17 the Regional Transportation Authority under Section 4.03 of the
18 Regional Transportation Authority Act and allocated to the
19 Authority under the provisions of Section 4.03.3 of that Act
20 and direct payment thereof to the bond trustee for payment of
21 Debt Service with respect to the bonds or notes, subject to the
22 provisions of existing lease agreements of the Authority with
23 any public building commission. The authorizing ordinance may
24 also provide a specific pledge or assignment of and lien on or
25 security interest in and direct payment to the trustee of all
26 or a portion of the moneys otherwise payable to the Authority

1 from the City of Chicago pursuant to an intergovernmental
2 agreement with the Authority to provide financial assistance to
3 the Authority. Any such pledge, assignment, lien or security
4 interest for the benefit of owners of bonds or notes shall be
5 valid and binding from the time the bonds or notes are issued,
6 without any physical delivery or further act, and shall be
7 valid and binding as against and prior to the claims of all
8 other parties having claims of any kind against the Authority
9 or any other person, irrespective of whether such other parties
10 have notice of such pledge, assignment, lien or security
11 interest, all as provided in the Local Government Debt Reform
12 Act, as it may be amended from time to time. The bonds or notes
13 of the Authority issued pursuant to this Section 12c shall have
14 such priority of payment and as to their claim for payment from
15 particular sources of funds, including their priority with
16 respect to obligations of the Authority issued under other
17 Sections of this Act, all as shall be provided in the
18 ordinances authorizing the issuance of the bonds or notes. The
19 ordinance authorizing the issuance of any bonds or notes under
20 this Section may provide for the creation of, deposits in, and
21 regulation and disposition of sinking fund or reserve accounts
22 relating to those bonds or notes and related agreements. The
23 ordinance authorizing the issuance of any such bonds or notes
24 authorized under this Section 12c may contain provisions for
25 the creation of a separate fund to provide for the payment of
26 principal of and interest on those bonds or notes and related

1 agreements. The ordinance may also provide limitations on the
2 issuance of additional bonds or notes of the Authority.

3 (f) Bonds or notes issued under this Section 12c shall not
4 constitute an indebtedness of the Regional Transportation
5 Authority, the State of Illinois, or of any other political
6 subdivision of or municipality within the State, except the
7 Authority.

8 (g) The ordinance of the Chicago Transit Board authorizing
9 the issuance of bonds or notes pursuant to this Section 12c may
10 provide for the appointment of a corporate trustee (which may
11 be any trust company or bank having the powers of a trust
12 company within Illinois) with respect to bonds or notes issued
13 pursuant to this Section 12c. The ordinance shall prescribe the
14 rights, duties, and powers of the trustee to be exercised for
15 the benefit of the Authority and the protection of the owners
16 of bonds or notes issued pursuant to this Section 12c. The
17 ordinance may provide for the trustee to hold in trust, invest
18 and use amounts in funds and accounts created as provided by
19 the ordinance with respect to the bonds or notes in accordance
20 with this Section 12c. The Authority may apply, as it shall
21 determine, any amounts received upon the sale of the bonds or
22 notes to pay any Debt Service on the bonds or notes. The
23 ordinance may provide for a trust indenture to set forth terms
24 of, sources of payment for and security for the bonds and
25 notes.

26 (h) The State of Illinois pledges to and agrees with the

1 owners of the bonds or notes issued pursuant to Section 12c
2 that the State of Illinois will not limit the powers vested in
3 the Authority by this Act to pledge and assign its revenues and
4 funds as security for the payment of the bonds or notes, or
5 vested in the Regional Transportation Authority by the Regional
6 Transportation Authority Act or this Act, so as to materially
7 impair the payment obligations of the Authority under the terms
8 of any contract made by the Authority with those owners or to
9 materially impair the rights and remedies of those owners until
10 those bonds or notes, together with interest and any redemption
11 premium, and all costs and expenses in connection with any
12 action or proceedings by or on behalf of such owners are fully
13 met and discharged. The Authority is authorized to include
14 these pledges and agreements of the State of Illinois in any
15 contract with owners of bonds or notes issued pursuant to this
16 Section 12c.

17 (i) For purposes of this Section, "Debt Service" with
18 respect to bonds or notes includes, without limitation,
19 principal (at maturity or upon mandatory redemption),
20 redemption premium, interest, periodic, upfront, and
21 termination payments on Swaps, fees for bond insurance or other
22 credit enhancement, liquidity facilities, the funding of bond
23 or note reserves, bond trustee fees, and all other costs of
24 providing for the security or payment of the bonds or notes.

25 (j) The Authority shall adopt a procurement program with
26 respect to contracts relating to the following service

1 providers in connection with the issuance of debt for the
2 benefit of the Retirement Plan for Chicago Transit Authority
3 Employees: underwriters, bond counsel, financial advisors, and
4 accountants. The program shall include goals for the payment of
5 not less than 30% of the total dollar value of the fees from
6 these contracts to minority owned businesses and female owned
7 businesses as defined in the Business Enterprise for
8 Minorities, Females, and Persons with Disabilities Act. The
9 Authority shall conduct outreach to minority owned businesses
10 and female owned businesses. Outreach shall include, but is not
11 limited to, advertisements in periodicals and newspapers,
12 mailings, and other appropriate media. The Authority shall
13 submit to the General Assembly a comprehensive report that
14 shall include, at a minimum, the details of the procurement
15 plan, outreach efforts, and the results of the efforts to
16 achieve goals for the payment of fees. The service providers
17 selected by the Authority pursuant to such program shall not be
18 subject to approval by the Regional Transportation Authority,
19 and the Regional Transportation Authority's approval pursuant
20 to subsection (e) of this Section 12c related to the issuance
21 of debt shall not be based in any way on the service providers
22 selected by the Authority pursuant to this Section.

23 (k) No person holding an elective office in this State,
24 holding a seat in the General Assembly, serving as a director,
25 trustee, officer, or employee of the Regional Transportation
26 Authority or the Chicago Transit Authority, including the

1 spouse or minor child of that person, may receive a legal,
2 banking, consulting, or other fee related to the issuance of
3 any bond issued by the Chicago Transit Authority pursuant to
4 this Section.

5 (70 ILCS 3605/15) (from Ch. 111 2/3, par. 315)

6 Sec. 15. The Authority shall have power to apply for and
7 accept grants and loans from the Federal Government or any
8 agency or instrumentality thereof, from the State, or from any
9 county, municipal corporation or other political subdivision
10 of the State to be used for any of the purposes of the
11 Authority, including, but not by way of limitation, grants and
12 loans in aid of mass transportation and for studies in mass
13 transportation, and may provide matching funds when necessary
14 to qualify for such grants or loans. The Authority may enter
15 into any agreement with the Federal Government, the State, and
16 any county, municipal corporation or other political
17 subdivision of the State in relation to such grants or loans;
18 provided that such agreement does not conflict with any of the
19 provisions of any trust agreement securing the payment of bonds
20 or certificates of the Authority.

21 The Authority may also accept from the state, or from any
22 county or other political subdivision, or from any municipal
23 corporation, or school district, or school authorities, grants
24 or other funds authorized by law to be paid to the Authority
25 for any of the purposes of this Act.

1 (Source: Laws 1961, p. 3135.)

2 (70 ILCS 3605/28a) (from Ch. 111 2/3, par. 328a)

3 Sec. 28a. (a) The Board may deal with and enter into
4 written contracts with the employees of the Authority through
5 accredited representatives of such employees or
6 representatives of any labor organization authorized to act for
7 such employees, concerning wages, salaries, hours, working
8 conditions and pension or retirement provisions; provided,
9 nothing herein shall be construed to permit hours of labor in
10 excess of those provided by law or to permit working conditions
11 prohibited by law. In case of dispute over wages, salaries,
12 hours, working conditions, or pension or retirement provisions
13 the Board may arbitrate any question or questions and may agree
14 with such accredited representatives or labor organization
15 that the decision of a majority of any arbitration board shall
16 be final, provided each party shall agree in advance to pay
17 half of the expense of such arbitration.

18 No contract or agreement shall be made with any labor
19 organization, association, group or individual for the
20 employment of members of such organization, association, group
21 or individual for the construction, improvement, maintenance,
22 operation or administration of any property, plant or
23 facilities under the jurisdiction of the Authority, where such
24 organization, association, group or individual denies on the
25 ground of race, creed, color, sex, religion, physical or mental

1 handicap unrelated to ability, or national origin membership
2 and equal opportunities for employment to any citizen of
3 Illinois.

4 (b)(1) The provisions of this paragraph (b) apply to
5 collective bargaining agreements (including extensions and
6 amendments of existing agreements) entered into on or after
7 January 1, 1984.

8 (2) The Board shall deal with and enter into written
9 contracts with their employees, through accredited
10 representatives of such employees authorized to act for such
11 employees concerning wages, salaries, hours, working
12 conditions, and pension or retirement provisions about which a
13 collective bargaining agreement has been entered prior to the
14 effective date of this amendatory Act of 1983. Any such
15 agreement of the Authority shall provide that the agreement may
16 be reopened if the amended budget submitted pursuant to Section
17 2.18a of the Regional Transportation Authority Act is not
18 approved by the Board of the Regional Transportation Authority.
19 The agreement may not include a provision requiring the payment
20 of wage increases based on changes in the Consumer Price Index.
21 The Board shall not have the authority to enter into collective
22 bargaining agreements with respect to inherent management
23 rights, which include such areas of discretion or policy as the
24 functions of the employer, standards of services, its overall
25 budget, the organizational structure and selection of new
26 employees and direction of personnel. Employers, however,

1 shall be required to bargain collectively with regard to policy
2 matters directly affecting wages, hours and terms and
3 conditions of employment, as well as the impact thereon upon
4 request by employee representatives. To preserve the rights of
5 employers and exclusive representatives which have established
6 collective bargaining relationships or negotiated collective
7 bargaining agreements prior to the effective date of this
8 amendatory Act of 1983, employers shall be required to bargain
9 collectively with regard to any matter concerning wages, hours
10 or conditions of employment about which they have bargained
11 prior to the effective date of this amendatory Act of 1983.

12 (3) The collective bargaining agreement may not include a
13 prohibition on the use of part-time operators on any service
14 operated by or funded by the Board, except where prohibited by
15 federal law.

16 (4) Within 30 days of the signing of any such collective
17 bargaining agreement, the Board shall determine the costs of
18 each provision of the agreement, prepare an amended budget
19 incorporating the costs of the agreement, and present the
20 amended budget to the Board of the Regional Transportation
21 Authority for its approval under Section 4.11 of the Regional
22 Transportation Act. The Board of the Regional Transportation
23 Authority may approve the amended budget by an affirmative vote
24 of 12 ~~two-thirds~~ of its then Directors. If the budget is not
25 approved by the Board of the Regional Transportation Authority,
26 the agreement may be reopened and its terms may be

1 renegotiated. Any amended budget which may be prepared
2 following renegotiation shall be presented to the Board of the
3 Regional Transportation Authority for its approval in like
4 manner.

5 (Source: P.A. 83-886.)

6 (70 ILCS 3605/34) (from Ch. 111 2/3, par. 334)

7 Sec. 34. Budget and Program. The Authority, subject to the
8 powers of the Regional Transportation Authority in Section 4.11
9 of the Regional Transportation Authority Act, shall control the
10 finances of the Authority. It shall by ordinance appropriate
11 money to perform the Authority's purposes and provide for
12 payment of debts and expenses of the Authority. Each year the
13 Authority shall prepare and publish a comprehensive annual
14 budget and five-year capital program document, and a financial
15 plan for the 2 years thereafter describing the state of the
16 Authority and presenting for the forthcoming fiscal year and
17 the two following years the Authority's plans for such
18 operations and capital expenditures as it intends to undertake
19 and the means by which it intends to finance them. The proposed
20 budget, ~~and~~ financial plan, and five-year capital program shall
21 be based on the Regional Transportation Authority's estimate of
22 funds to be made available to the Authority by or through the
23 Regional Transportation Authority and shall conform in all
24 respects to the requirements established by the Regional
25 Transportation Authority. The proposed ~~program and~~ budget,

1 financial plan, and five-year capital program shall contain a
2 statement of the funds estimated to be on hand at the beginning
3 of the fiscal year, the funds estimated to be received from all
4 sources for such year and the funds estimated to be on hand at
5 the end of such year. ~~After adoption of the Regional~~
6 ~~Transportation Authority's first Five Year Program, as~~
7 ~~provided in Section 2.01 of the Regional Transportation~~
8 ~~Authority Act, the proposed program and budget shall~~
9 ~~specifically identify any respect in which the recommended~~
10 ~~program deviates from the Regional Transportation Authority's~~
11 ~~then existing Five Year Program, giving the reasons for such~~
12 ~~deviation.~~ The proposed program and budget, financial plan, and
13 five-year capital program shall be available at no cost for
14 public inspection at the Authority's main office and at the
15 Regional Transportation Authority's main office at least 3
16 weeks prior to any public hearing. Before the proposed budget,
17 ~~and program and~~ financial plan, and five-year capital program
18 are submitted to the Regional Transportation Authority, the
19 Authority shall hold at least one public hearing thereon in
20 each of the counties in which the Authority provides service.
21 All Board members of the Authority shall attend a majority of
22 the public hearings unless reasonable cause is given for their
23 absence. After the public hearings, the Board of the Authority
24 shall hold at least one meeting for consideration of the
25 proposed program and budget with the Cook County Board. After
26 conducting such hearings and holding such meetings and after

1 making such changes in the proposed ~~program and~~ budget, financial plan, and five-year capital program as the Board
2 financial plan, and five-year capital program as the Board
3 deems appropriate, it shall adopt an annual budget ordinance at
4 least by November 15th preceding the beginning of each fiscal
5 year. The budget, ~~and program, and~~ financial plan, and
6 five-year capital program shall then be submitted to the
7 Regional Transportation Authority as provided in Section 4.11
8 of the Regional Transportation Authority Act. In the event that
9 the Board of the Regional Transportation Authority determines
10 that the budget, ~~and program, and~~ financial plan, and five-year
11 capital program do not meet the standards of said Section 4.11,
12 the Board of the Authority shall make such changes as are
13 necessary to meet such requirements and adopt an amended budget
14 ordinance. The amended budget ordinance shall be resubmitted to
15 the Regional Transportation Authority pursuant to said Section
16 4.11. The ordinance shall appropriate such sums of money as are
17 deemed necessary to defray all necessary expenses and
18 obligations of the Authority, specifying purposes and the
19 objects or programs for which appropriations are made and the
20 amount appropriated for each object or program. Additional
21 appropriations, transfers between items and other changes in
22 such ordinance which do not alter the basis upon which the
23 balanced budget determination was made by the Regional
24 Transportation Authority may be made from time to time by the
25 Board.

26 The budget shall:

1 (i) show a balance between (A) anticipated revenues
2 from all sources including operating subsidies and (B) the
3 costs of providing the services specified and of funding
4 any operating deficits or encumbrances incurred in prior
5 periods, including provision for payment when due of
6 principal and interest on outstanding indebtedness;

7 (ii) show cash balances including the proceeds of any
8 anticipated cash flow borrowing sufficient to pay with
9 reasonable promptness all costs and expenses as incurred;

10 (iii) provide for a level of fares or charges and
11 operating or administrative costs for the public
12 transportation provided by or subject to the jurisdiction
13 of the Board sufficient to allow the Board to meet its
14 required system generated revenue recovery ratio as
15 determined in accordance with subsection (a) of Section
16 4.11 of the Regional Transportation Authority Act;

17 (iv) be based upon and employ assumptions and
18 projections which are reasonable and prudent;

19 (v) have been prepared in accordance with sound
20 financial practices as determined by the Board of the
21 Regional Transportation Authority; ~~and~~

22 (vi) meet such other financial, budgetary, or fiscal
23 requirements that the Board of the Regional Transportation
24 Authority may by rule or regulation establish; and ~~and~~

25 (vii) be consistent with the goals and objectives
26 adopted by the Regional Transportation Authority in the

1 Strategic Plan.

2 The Board shall establish a fiscal operating year. At least
3 thirty days prior to the beginning of the first full fiscal
4 year after the creation of the Authority, and annually
5 thereafter, the Board shall cause to be prepared a tentative
6 budget which shall include all operation and maintenance
7 expense for the ensuing fiscal year. The tentative budget shall
8 be considered by the Board and, subject to any revision and
9 amendments as may be determined, shall be adopted prior to the
10 first day of the ensuing fiscal year as the budget for that
11 year. No expenditures for operations and maintenance in excess
12 of the budget shall be made during any fiscal year except by
13 the affirmative vote of at least five members of the Board. It
14 shall not be necessary to include in the annual budget any
15 statement of necessary expenditures for pensions or retirement
16 annuities, or for interest or principal payments on bonds or
17 certificates, or for capital outlays, but it shall be the duty
18 of the Board to make provision for payment of same from
19 appropriate funds. The Board may not alter its fiscal year
20 without the prior approval of the Board of the Regional
21 Transportation Authority.

22 (Source: P.A. 87-1249.)

23 (70 ILCS 3605/46) (from Ch. 111 2/3, par. 346)

24 Sec. 46. Citizens Advisory Board. The Board shall establish
25 a citizens advisory board composed of 11 residents of those

1 portions of the metropolitan region in which the Authority
2 provides service who have an interest in public transportation,
3 one of whom shall be at least 65 years of age. The members of
4 the advisory board shall be named for 2 year terms, shall
5 select one of their members to serve as chairman and shall
6 serve without compensation. The citizens advisory board shall
7 meet with Board at least quarterly and advise the Board of the
8 impact of its policies and programs on the communities it
9 serves. Appointments to the citizens advisory board should, to
10 the greatest extent possible, reflect the ethnic, cultural, and
11 geographic diversity of all persons residing within the
12 metropolitan region in which the Authority provides service.

13 (Source: P.A. 87-226.)

14 (70 ILCS 3605/50 new)

15 Sec. 50. Disadvantaged Business Enterprise Contracting and
16 Equal Employment Opportunity Programs. The Authority shall, as
17 soon as is practicable but in no event later than two years
18 after the effective date of this amendatory Act of the 95th
19 General Assembly, establish and maintain a disadvantaged
20 business enterprise contracting program designed to ensure
21 non-discrimination in the award and administration of
22 contracts not covered under a federally mandated disadvantaged
23 business enterprise program. The program shall establish
24 narrowly tailored goals for the participation of disadvantaged
25 business enterprises as the Authority determines appropriate.

1 The goals shall be based on demonstrable evidence of the
2 availability of ready, willing, and able disadvantaged
3 business enterprises relative to all businesses ready,
4 willing, and able to participate on the program's contracts.
5 The program shall require the Authority to monitor the progress
6 of the contractors' obligations with respect to the program's
7 goals. Nothing in this program shall conflict with or interfere
8 with the maintenance or operation of, or compliance with, any
9 federally mandated disadvantaged business enterprise program.

10 The Authority shall establish and maintain a program
11 designed to promote equal employment opportunity. Each year, no
12 later than October 1, the Authority shall report to the General
13 Assembly on the number of employees of the Authority and the
14 number of employees who have designated themselves as members
15 of a minority group and gender.

16 Each year no later than October 1, and starting no later
17 than the October 1 after the establishment of the disadvantaged
18 business enterprise contracting program, the Authority shall
19 submit a report with respect to such program to the General
20 Assembly. In addition, no later than October 1 of each year,
21 the Authority shall submit a copy of its federally mandated
22 semi-annual Uniform Report of Disadvantaged Business
23 Enterprises Awards or Commitments and Payments to the General
24 Assembly.

25 Section 17. The Local Mass Transit District Act is amended

1 by changing Section 3.1 as follows:

2 (70 ILCS 3610/3.1) (from Ch. 111 2/3, par. 353.1)

3 Sec. 3.1. Also in the manner provided in this Act as
4 amended, a "Local Mass Transit District" may be created with
5 boundary to enclose a unit area of contiguous land, to be known
6 as the "participating area". Such a "participating area" may be
7 organized as a district under this Act without regard to
8 boundaries of counties or other political subdivisions or
9 municipal corporations.

10 (a) Any 500 or more legal voters who are residents within
11 such "participating area" may file a petition in the circuit
12 court of the county where the proposed district or a major part
13 thereof is located, asking that the question of creating such
14 district be submitted under this Act by referendum to the
15 voters residing within the proposed district. By their power of
16 attorney signed by them and filed in the cause the petitioners
17 may authorize a committee of their number named by the
18 petitioners, to conduct and pursue the cause for them to a
19 conclusion. Such petition shall define the boundaries of the
20 proposed district, shall indicate distances to nearest mass
21 transportation lines in each direction, naming them, shall have
22 attached a fair map of the proposed district, and shall suggest
23 a name for the proposed district.

24 (b) The circuit clerk shall present to the circuit judge
25 any petition so filed in the court. The judge shall enter an

1 order of record to set a date, hour and place for judicial
2 hearing on the petition. That order shall include instructions
3 to the circuit clerk to give notice by newspaper publication to
4 be made and completed at least 20 days before the hearing is to
5 be held, in 2 or more newspapers published or circulating
6 generally among the people residing within the proposed
7 district. The circuit clerk shall prepare that notice and cause
8 such publication notice to be given as directed.

9 (c) After proof of such newspaper publication of notice has
10 been made and filed in the cause and shown to the court in full
11 accord with the prior order, the circuit judge shall hear all
12 persons who attend and so request, as to location and boundary
13 and name for the proposed district. After the hearing on such
14 petition is completed, the circuit court by an order of record,
15 shall determine and establish the location, name and boundary
16 for such proposed district, and shall order the proposition
17 submitted at an election in accordance with the general
18 election law to the voters resident within such proposed
19 district. The circuit clerk shall certify the proposition to
20 the proper election officials who shall submit the proposition
21 in accordance with the general election law.

22 (d) The county clerk shall canvass the ballots and other
23 returns from such referendum, and prepare a full certification
24 of the result and shall file same in the cause pending in the
25 circuit court. When the vote is in favor of the creation of
26 such district as determined by the court order, a true map of

1 such district shall be filed with such report in the circuit
2 court.

3 (e) When the vote is in favor of creation of such district,
4 the circuit court by an order of record shall confirm the
5 result of election. If the district is wholly contained within
6 a single county the presiding officer of the county board with
7 the advice and consent of the county board shall appoint 5
8 trustees, not more than 3 of whom shall be affiliated with the
9 same political party, to govern the district and serve one each
10 for 1, 2, 3, 4 and 5 years respectively; upon the expiration of
11 the term of a trustee who is in office on the effective date of
12 this amendatory Act of 1989, the successor shall, at the time
13 of the appointment, and thereafter at all times while serving
14 as trustee, be a resident of the Mass Transit District for
15 which such person is appointed as trustee. If a trustee removes
16 his residence to a place outside of the District, a trustee
17 shall be appointed in the same manner as herein provided to
18 take the place of the trustee who so removed his residence. If
19 however the district is located in more than one county, the
20 number of trustees who are residents of a county shall be in
21 proportion, as nearly as practicable, to the number of
22 residents of the district who reside in that county in relation
23 to the total population of the district.

24 Upon the expiration of the term of a trustee who is in
25 office on the effective date of this amendatory Act of 1975,
26 the successor shall be a resident of whichever county is

1 entitled to such representation in order to bring about the
2 proportional representation required herein, and he shall be
3 appointed by the county board of that county, or in the case of
4 a home rule county as defined by Article VII, Section 6 of the
5 Constitution of 1970, the chief executive officer of that
6 county, with the advice and consent of the county board in
7 accordance with the provisions previously enumerated.
8 Successors shall serve 5 year overlapping terms.

9 Thereafter, each trustee shall be succeeded by a resident
10 of the same county who shall be appointed by the same
11 appointing authority; however, the provisions of the preceding
12 paragraph shall apply to the appointment of the successor to
13 each trustee who is in office at the time of the publication of
14 each decennial Federal census of population.

15 (f) Upon the creation of such district, the circuit clerk
16 shall prepare and certify a copy of the final court order
17 confirming the referendum creating the district, and a
18 duplicate of the map of such district, from the record of the
19 circuit court, and shall file the same with the county clerk
20 for recording in his office as "Certificate of Incorporation"
21 for the district. The county clerk shall cause a duplicate of
22 such "Certificate of Incorporation" to be filed in the office
23 of the Secretary of State of Illinois.

24 (g) The Board of Trustees of such "Local Mass Transit
25 District" shall have and exercise all the powers and shall
26 perform all the duties of any Board of Trustees of any district

1 created under this Act, as now or hereafter amended.

2 (h) The circuit court shall require the petitioners to post
3 a surety bond for the payment of all costs and expenses of such
4 proceeding and such referendum. When a district is created, the
5 circuit court shall order the district to pay or reimburse
6 others for all such costs and expenses. The surety bond shall
7 not be released until complete receipts for all such costs and
8 expenses have been filed in the cause and fully audited by the
9 circuit and county clerks.

10 (i) If the District is wholly contained within a single
11 county, the County Board of such county may, by resolution,
12 provide that, effective upon the next appointment of a Trustee,
13 after the effective date of this amendatory Act of 1989, that
14 the Board of Trustees of such Mass Transit District shall be
15 comprised of 7 Trustees, with no more than 4 members of the
16 same political party. This Subsection shall not apply to any
17 Mass Transit District in the State which receives funding in
18 whole or in part from the Regional Transportation Authority or
19 any of its service boards.

20 (j) The Board of a district that is in existence on the
21 effective date of this amendatory Act of the 95th General
22 Assembly and whose participating area: (i) is entirely within a
23 single county; and (ii) when created, was defined by township
24 boundaries may, by an ordinance adopted by the affirmative vote
25 of a majority of the members of the Board and approved by
26 referendum, provide that the participating area of the district

1 be coterminous and expand with the boundaries of the townships
2 that originally established the district's participating area.
3 The ordinance shall not be effective until it has been
4 submitted by referendum to, and approved by, the legal voters
5 of the district and the area within the township that is not
6 within the district. The Board shall certify its ordinance and
7 the proposition to the proper election officials, who shall
8 submit the question to the voters at the next election in
9 accordance with the general election law. The proposition shall
10 be in substantially the following form:

11 "Shall the boundaries of (local mass transit district)
12 be coterminous and expand with the boundaries of
13 (townships)?"

14 Votes shall be recorded as "Yes" or "No". If a majority of
15 the electors voting on the question vote in the affirmative,
16 then the district shall be entitled to make its boundaries
17 coterminous with the boundaries of the townships regardless of
18 when the district was formed. The district's boundaries shall
19 encompass all areas located within the townships at the time
20 the ordinance becomes effective and all areas that become part
21 of the townships at a future date. Nothing in this subsection
22 shall allow expansion of a district into an area that is
23 already a part of another local mass transit district.

24 (Source: P.A. 86-472.)

25 Section 20. The Regional Transportation Authority Act is

1 amended by changing Sections 1.02, 2.01, 2.04, 2.05, 2.09,
2 2.12, 2.14, 2.18a, 2.30, 3.01, 3.03, 3A.10, 3A.11, 3A.14,
3 3B.02, 3B.03, 3B.05, 3B.07, 3B.09, 3B.10, 3B.11, 3B.12, 3B.13,
4 4.01, 4.02, 4.02a, 4.02b, 4.03, 4.04, 4.09, 4.11, 4.13, 4.14,
5 and 5.01 and by adding Section 2.01a, 2.01b, 2.01c, 2.01d,
6 2.01e, 2.12b, 2.31, and 4.03.3 as follows:

7 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

8 Sec. 1.02. Findings and Purpose. (a) The General Assembly
9 finds;

10 (i) Public transportation is, as provided in Section 7 of
11 Article XIII of the Illinois Constitution, an essential public
12 purpose for which public funds may be expended and that Section
13 authorizes the State to provide financial assistance to units
14 of local government for distribution to providers of public
15 transportation. There is an urgent need to reform and continue
16 a unit of local government to assure the proper management of
17 public transportation and to receive and distribute State or
18 federal operating assistance and to raise and distribute
19 revenues for local operating assistance. System generated
20 revenues are not adequate for such service and a public need
21 exists to provide for, aid and assist public transportation in
22 the northeastern area of the State, consisting of Cook, DuPage,
23 Kane, Lake, McHenry and Will Counties.

24 (ii) Comprehensive and coordinated regional public
25 transportation is essential to the public health, safety and

1 welfare. It is essential to economic well-being, maintenance of
2 full employment, conservation of sources of energy and land for
3 open space and reduction of traffic congestion and for
4 providing and maintaining a healthful environment for the
5 benefit of present and future generations in the metropolitan
6 region. Public transportation improves the mobility of the
7 public and improves access to jobs, commercial facilities,
8 schools and cultural attractions. Public transportation
9 decreases air pollution and other environmental hazards
10 resulting from excessive use of automobiles and allows for more
11 efficient land use and planning.

12 (iii) Because system generated receipts are not presently
13 adequate, public transportation facilities and services in the
14 northeastern area are in grave financial condition. With
15 existing methods of financing, coordination and management,
16 and relative convenience of automobiles, such public
17 transportation facilities are not providing adequate public
18 transportation to insure the public health, safety and welfare.

19 (iv) Additional commitments to the ~~special~~ public
20 transportation needs ~~problems~~ of the disabled ~~handicapped~~, the
21 economically disadvantaged, and the elderly are necessary.

22 (v) To solve these problems, it is necessary to provide for
23 the creation of a regional transportation authority with the
24 powers necessary to insure adequate public transportation.

25 (b) The General Assembly further finds, in connection with
26 this amendatory Act of 1983:

1 (i) Substantial, recurring deficits in the operations of
2 public transportation services subject to the jurisdiction of
3 the Regional Transportation Authority and periodic cash
4 shortages have occurred either of which could bring about a
5 loss of public transportation services throughout the
6 metropolitan region at any time;

7 (ii) A substantial or total loss of public transportation
8 services or any segment thereof would create an emergency
9 threatening the safety and well-being of the people in the
10 northeastern area of the State; and

11 (iii) To meet the urgent needs of the people of the
12 metropolitan region that such an emergency be averted and to
13 provide financially sound methods of managing the provision of
14 public transportation services in the northeastern area of the
15 State, it is necessary, while maintaining and continuing the
16 existing Authority, to modify the powers and responsibilities
17 of the Authority, to reallocate responsibility for operating
18 decisions, to change the composition and appointment of the
19 Board of Directors thereof, and to immediately establish a new
20 Board of Directors.

21 (c) The General Assembly further finds in connection with
22 this amendatory Act of the 95th General Assembly:

23 (i) The economic vitality of northeastern Illinois
24 requires regionwide and systemwide efforts to increase
25 ridership on the transit systems, constrain road congestion
26 within the metropolitan region, and allocate resources for

1 transportation so as to assist in the development of an
2 adequate, efficient, and coordinated regional transportation
3 system that is in a state of good repair.

4 (ii) To achieve the purposes of this amendatory Act of the
5 95th General Assembly, the powers and duties of the Authority
6 must be enhanced to improve overall planning and coordination,
7 to achieve an integrated and efficient regional transit system,
8 to advance the mobility of transit users, and to increase
9 financial transparency of the Authority and the Service Boards.

10 (d) ~~(e)~~ It is the purpose of this Act to provide for, aid
11 and assist public transportation in the northeastern area of
12 the State without impairing the overall quality of existing
13 public transportation by providing for the creation of a single
14 authority responsive to the people and elected officials of the
15 area and with the power and competence to develop, implement,
16 and enforce plans that promote adequate, efficient, and
17 coordinated public transportation, provide financial review of
18 the providers of public transportation in the metropolitan
19 region and facilitate public transportation provided by
20 Service Boards which is attractive and economical to users,
21 comprehensive, coordinated among its various elements,
22 economical, safe, efficient and coordinated with area and State
23 plans.

24 (Source: P.A. 83-885; 83-886.)

1 Sec. 2.01. General Allocation of Responsibility for Public
2 Transportation. Provision of Public Transportation — Review
3 and Program.

4 (a) In order to accomplish the its purposes as set forth in
5 this Act, the responsibility for planning, operating, and
6 funding public transportation in the metropolitan region shall
7 be allocated as described in this Act. The Authority shall:

8 (i) adopt plans that implement the public policy of the
9 State to provide adequate, efficient, and coordinated
10 public transportation throughout the metropolitan region;

11 (ii) set goals, objectives, and standards for the
12 Authority, the Service Boards, and transportation
13 agencies;

14 (iii) develop performance measures to inform the
15 public about the extent to which the provision of public
16 transportation in the metropolitan region meets those
17 goals, objectives, and standards;

18 (iv) allocate operating and capital funds made
19 available to support public transportation in the
20 metropolitan region;

21 (v) provide financial oversight of the Service Boards;
22 and

23 (vi) coordinate the provision of public transportation
24 and the investment in public transportation facilities to
25 enhance the integration of public transportation
26 throughout the metropolitan region, all as provided in this

1 Act.

2 The ~~the~~ Service Boards shall, on a continuing basis
3 determine the level, nature and kind of public transportation
4 which should be provided for the metropolitan region in order
5 to meet the plans, goals, objectives, and standards adopted by
6 the Authority. The Service Boards may provide public
7 transportation by purchasing such service from transportation
8 agencies through purchase of service agreements, by grants to
9 such agencies or by operating such service, all pursuant to
10 this Act and the "Metropolitan Transit Authority Act", as now
11 or hereafter amended. Certain of its actions to implement the
12 responsibilities allocated to the Authority in this subsection
13 (a) shall be taken in 3 public documents adopted by the
14 affirmative vote of at least 12 of its then Directors: A
15 Strategic Plan; a Five-Year Capital Program; and an Annual
16 Budget and Two-Year Financial Plan. ~~The Authority shall~~
17 ~~establish a policy to provide adequate public transportation~~
18 ~~throughout the metropolitan region.~~

19 (b) The Authority shall subject the operating and capital
20 plans and expenditures of the Service Boards in the
21 metropolitan region with regard to public transportation to
22 continuing review so that the Authority may budget and expend
23 its funds with maximum effectiveness and efficiency. The
24 Authority shall conduct audits of each of the Service Boards no
25 less than every 5 years. Such audits may include management,
26 performance, financial, and infrastructure condition audits.

1 The Authority may conduct management, performance, financial,
2 and infrastructure condition audits of transportation agencies
3 that receive funds from the Authority. The Authority may direct
4 a Service Board to conduct any such audit of a transportation
5 agency that receives funds from such Service Board, and the
6 Service Board shall comply with such request to the extent it
7 has the right to do so. These audits of the Service Boards or
8 transportation agencies may be project or service specific
9 audits to evaluate their achievement of the goals and
10 objectives of that project or service and their compliance with
11 any applicable requirements. ~~Certain of its recommendations in~~
12 this regard shall be set forth in 2 public documents, the
13 Five-Year Program provided for in this Section and an Annual
14 Budget and Program provided for in Section 4.01.

15 ~~(c) The Authority shall, in consultation with the Service~~
16 ~~Boards, each year prepare and, by ordinance, adopt, after~~
17 ~~public hearings held in each county in the metropolitan region,~~
18 ~~a Five Year Program to inform the public and government~~
19 ~~officials of the Authority's objectives and program for~~
20 ~~operations and capital development during the forthcoming~~
21 ~~five year period. The Five-Year Program shall set forth the~~
22 ~~standards of service which the public may expect; each Service~~
23 ~~Board's plans for coordinating routes and service of the~~
24 ~~various transportation agencies; the anticipated expense of~~
25 ~~providing public transportation at standards of service then~~
26 ~~existing and under alternative operating programs; the nature,~~

1 ~~location and expense of anticipated capital improvements~~
2 ~~exceeding \$250,000, by specific item and by fiscal year; and~~
3 ~~such demographic and other data developed by planning and other~~
4 ~~related agencies, as the Authority shall consider pertinent to~~
5 ~~the Service Boards' decisions as to levels and nature of~~
6 ~~service, including without limitation the patterns of~~
7 ~~population density and growth, projected commercial and~~
8 ~~residential development, environmental factors and the~~
9 ~~availability of alternative modes of transportation. The~~
10 ~~Five-Year Program shall be adopted on the affirmative votes of~~
11 ~~9 of the then Directors.~~

12 (Source: P.A. 83-886.)

13 (70 ILCS 3615/2.01a new)

14 Sec. 2.01a. Strategic Plan.

15 (a) By the affirmative vote of at least 12 of its then
16 Directors, the Authority shall adopt a Strategic Plan, no less
17 than every 5 years, after consultation with the Service Boards
18 and after holding a minimum of 3 public hearings in Cook County
19 and one public hearing in each of the other counties in the
20 region. The Executive Director of the Authority shall review
21 the Strategic Plan on an ongoing basis and make recommendations
22 to the Board of the Authority with respect to any update or
23 amendment of the Strategic Plan. The Strategic Plan shall
24 describe the specific actions to be taken by the Authority and
25 the Service Boards to provide adequate, efficient, and

1 coordinated public transportation.

2 (b) The Strategic Plan shall identify goals and objectives
3 with respect to:

4 (i) increasing ridership and passenger miles on public
5 transportation funded by the Authority;

6 (ii) coordination of public transportation services
7 and the investment in public transportation facilities to
8 enhance the integration of public transportation
9 throughout the metropolitan region;

10 (iii) coordination of fare and transfer policies to
11 promote transfers by riders among Service Boards,
12 transportation agencies, and public transportation modes,
13 which may include goals and objectives for development of a
14 universal fare instrument that riders may use
15 interchangeably on all public transportation funded by the
16 Authority, and methods to be used to allocate revenues from
17 transfers;

18 (iv) improvements in public transportation facilities
19 to bring those facilities into a state of good repair,
20 enhancements that attract ridership and improve customer
21 service, and expansions needed to serve areas with
22 sufficient demand for public transportation;

23 (v) access for transit-dependent populations,
24 including access by low-income communities to places of
25 employment, utilizing analyses provided by the Chicago
26 Metropolitan Agency for Planning regarding employment and

1 transportation availability, and giving consideration to
2 the location of employment centers in each county and the
3 availability of public transportation at off-peak hours
4 and on weekends;

5 (vi) the financial viability of the public
6 transportation system, including both operating and
7 capital programs;

8 (vii) limiting road congestion within the metropolitan
9 region and enhancing transit options to improve mobility;
10 and

11 (viii) such other goals and objectives that advance the
12 policy of the State to provide adequate, efficient, and
13 coordinated public transportation in the metropolitan
14 region.

15 (c) The Strategic Plan shall establish the process and
16 criteria by which proposals for capital improvements by a
17 Service Board or a transportation agency will be evaluated by
18 the Authority for inclusion in the Five-Year Capital Program,
19 which may include criteria for:

20 (i) allocating funds among maintenance, enhancement,
21 and expansion improvements;

22 (ii) projects to be funded from the Innovation,
23 Coordination, and Enhancement Fund;

24 (iii) projects intended to improve or enhance
25 ridership or customer service;

26 (iv) design and location of station or transit

1 improvements intended to promote transfers, increase
2 ridership, and support transit-oriented land development;

3 (v) assessing the impact of projects on the ability to
4 operate and maintain the existing transit system; and

5 (vi) other criteria that advance the goals and
6 objectives of the Strategic Plan.

7 (d) The Strategic Plan shall establish performance
8 standards and measurements regarding the adequacy, efficiency,
9 and coordination of public transportation services in the
10 region and the implementation of the goals and objectives in
11 the Strategic Plan. At a minimum, such standards and measures
12 shall include customer-related performance data measured by
13 line, route, or sub-region, as determined by the Authority, on
14 the following:

15 (i) travel times and on-time performance;

16 (ii) ridership data;

17 (iii) equipment failure rates;

18 (iv) employee and customer safety; and

19 (v) customer satisfaction.

20 The Service Boards and transportation agencies that
21 receive funding from the Authority or Service Boards shall
22 prepare, publish, and submit to the Authority such reports with
23 regard to these standards and measurements in the frequency and
24 form required by the Authority; however, the frequency of such
25 reporting shall be no less than annual. The Service Boards
26 shall publish such reports on their respective websites. The

1 Authority shall compile and publish such reports on its
2 website. Such performance standards and measures shall not be
3 used as the basis for disciplinary action against any employee
4 of the Authority or Service Boards, except to the extent the
5 employment and disciplinary practices of the Authority or
6 Service Board provide for such action.

7 (e) The Strategic Plan shall identify innovations to
8 improve the delivery of public transportation and the
9 construction of public transportation facilities.

10 (f) The Strategic Plan shall describe the expected
11 financial condition of public transportation in the
12 metropolitan region prospectively over a 10-year period, which
13 may include information about the cash position and all known
14 obligations of the Authority and the Service Boards including
15 operating expenditures, debt service, contributions for
16 payment of pension and other post-employment benefits, the
17 expected revenues from fares, tax receipts, grants from the
18 federal, State, and local governments for operating and capital
19 purposes and issuance of debt, the availability of working
20 capital, and the resources needed to achieve the goals and
21 objectives described in the Strategic Plan.

22 (g) In developing the Strategic Plan, the Authority shall
23 rely on such demographic and other data, forecasts, and
24 assumptions developed by the Chicago Metropolitan Agency for
25 Planning with respect to the patterns of population density and
26 growth, projected commercial and residential development, and

1 environmental factors, within the metropolitan region and in
2 areas outside the metropolitan region that may impact public
3 transportation utilization in the metropolitan region. Before
4 adopting or amending any Strategic Plan, the Authority shall
5 consult with the Chicago Metropolitan Agency for Planning
6 regarding the consistency of the Strategic Plan with the
7 Regional Comprehensive Plan adopted pursuant to the Regional
8 Planning Act.

9 (h) The Authority may adopt, by the affirmative vote of at
10 least 12 of its then Directors, sub-regional or corridor plans
11 for specific geographic areas of the metropolitan region in
12 order to improve the adequacy, efficiency, and coordination of
13 existing, or the delivery of new, public transportation. Such
14 plans may also address areas outside the metropolitan region
15 that may impact public transportation utilization in the
16 metropolitan region. In preparing a sub-regional or corridor
17 plan, the Authority may identify changes in operating practices
18 or capital investment in the sub-region or corridor that could
19 increase ridership, reduce costs, improve coordination, or
20 enhance transit-oriented development. The Authority shall
21 consult with any affected Service Boards in the preparation of
22 any sub-regional or corridor plans.

23 (i) If the Authority determines, by the affirmative vote of
24 at least 12 of its then Directors, that, with respect to any
25 proposed new public transportation service or facility, (i)
26 multiple Service Boards or transportation agencies are

1 potential service providers and (ii) the public transportation
2 facilities to be constructed or purchased to provide that
3 service have an expected construction cost of more than
4 \$25,000,000, the Authority shall have sole responsibility for
5 conducting any alternatives analysis and preliminary
6 environmental assessment required by federal or State law.
7 Nothing in this subparagraph (i) shall prohibit a Service Board
8 from undertaking alternatives analysis and preliminary
9 environmental assessment for any public transportation service
10 or facility identified in items (i) and (ii) above that is
11 included in the Five-Year Capital Program as of the effective
12 date of this amendatory Act of the 95th General Assembly;
13 however, any expenditure related to any such public
14 transportation service or facility must be included in a
15 Five-Year Capital Program under the requirements of Sections
16 2.01b and 4.02 of this Act.

17 (70 ILCS 3615/2.01b new)

18 Sec. 2.01b. The Five-Year Capital Program. By the
19 affirmative vote of at least 12 of its then Directors, the
20 Authority, after consultation with the Service Boards and after
21 holding a minimum of 3 public hearings in Cook County and one
22 public hearing in each of the other counties in the
23 metropolitan region, shall each year adopt a Five-Year Capital
24 Program that shall include each capital improvement to be
25 undertaken by or on behalf of a Service Board provided that the

1 Authority finds that the improvement meets any criteria for
2 capital improvements contained in the Strategic Plan, is not
3 inconsistent with any sub-regional or corridor plan adopted by
4 the Authority, and can be funded within amounts available with
5 respect to the capital and operating costs of such improvement.
6 In reviewing proposals for improvements to be included in a
7 Five-Year Capital Program, the Authority may give priority to
8 improvements that are intended to bring public transportation
9 facilities into a state of good repair. The Five-Year Capital
10 Program shall also identify capital improvements to be
11 undertaken by a Service Board, a transportation agency, or a
12 unit of local government and funded by the Authority from
13 amounts in the Innovation, Coordination, and Enhancement Fund,
14 provided that no improvement that is included in the Five-Year
15 Capital Program as of the effective date of this amendatory Act
16 of the 95th General Assembly may receive funding from the
17 Innovation, Coordination, and Enhancement Fund. Before
18 adopting a Five-Year Capital Program, the Authority shall
19 consult with the Chicago Metropolitan Agency for Planning
20 regarding the consistency of the Five-Year Capital Program with
21 the Regional Comprehensive Plan adopted pursuant to the
22 Regional Planning Act.

23 (70 ILCS 3615/2.01c new)

24 Sec. 2.01c. Innovation, Coordination, and Enhancement
25 Fund.

1 (a) The Authority shall establish an Innovation,
2 Coordination, and Enhancement Fund and each year deposit into
3 the Fund the amounts directed by Section 4.03.3 of this Act.
4 Amounts on deposit in such Fund and interest and other earnings
5 on those amounts may be used by the Authority, upon the
6 affirmative vote of 12 of its then Directors, and after a
7 public participation process, for operating or capital grants
8 or loans to Service Boards, transportation agencies, or units
9 of local government that advance the goals and objectives
10 identified by the Authority in its Strategic Plan, provided
11 that no improvement that has been included in a Five-Year
12 Capital Program as of the effective date of this amendatory Act
13 of the 95th General Assembly may receive any funding from the
14 Innovation, Coordination, and Enhancement Fund. Unless the
15 Board has determined by a vote of 12 of its then Directors that
16 an emergency exists requiring the use of some or all of the
17 funds then in the Innovation, Coordination, and Enhancement
18 Fund, such funds may only be used to enhance the coordination
19 and integration of public transportation and develop and
20 implement innovations to improve the quality and delivery of
21 public transportation.

22 (b) Any grantee that receives funds from the Innovation,
23 Coordination, and Enhancement Fund for the operation of
24 eligible programs must (i) implement such programs within one
25 year of receipt of such funds and (ii) within 2 years following
26 commencement of any program utilizing such funds, determine

1 whether it is desirable to continue the program, and upon such
2 a determination, either incorporate such program into its
3 annual operating budget and capital program or discontinue such
4 program. No additional funds from the Innovation,
5 Coordination, and Enhancement Fund may be distributed to a
6 grantee for any individual program beyond 2 years unless the
7 Authority by the affirmative vote of at least 12 of its then
8 Directors waives this limitation. Any such waiver will be with
9 regard to an individual program and with regard to a one
10 year-period, and any further waivers for such individual
11 program require a subsequent vote of the Board.

12 (70 ILCS 3615/2.01d new)

13 Sec. 2.01d. ADA Paratransit Fund. The Authority shall
14 establish an ADA Paratransit Fund and, each year, deposit into
15 that Fund the amounts directed by Section 4.03.3 of this Act.
16 The amounts on deposit in the Fund and interest and other
17 earnings on those amounts shall be used by the Authority to
18 make grants to the Suburban Bus Board for ADA paratransit
19 services provided pursuant to plans approved by the Authority
20 under Section 2.30 of this Act. Funds received by the Suburban
21 Bus Board from the Authority's ADA Paratransit Fund shall be
22 used only to provide ADA paratransit services to individuals
23 who are determined to be eligible for such services by the
24 Authority under the Americans with Disabilities Act of 1990 and
25 its implementing regulations. Revenues from and costs of

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

14 (70 ILCS 3615/2.01e new)

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 the amounts directed by
18 Section 4.03.3 of this Act. The amounts on deposit in the Fund
19 and interest and other earnings on those amounts shall be used
20 by the Authority to make grants to the Suburban Bus Board for
21 the purpose of operating transit services, other than
22 traditional fixed-route services, that enhance suburban
23 mobility, including, but not limited to, demand-responsive
24 transit services, ride sharing, van pooling, service
25 coordination, centralized dispatching and call taking, reverse

1 commuting, service restructuring, and bus rapid transit.
2 Revenues from and costs of services provided by the Suburban
3 Bus Board with moneys from the Suburban Community Mobility Fund
4 shall be included in the Annual Budget and Two-Year Financial
5 Program of the Suburban Bus Board and shall be subject to all
6 budgetary and financial requirements under this Act.

7 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

8 Sec. 2.04. Fares and Nature of Service.

9 (a) Whenever a Service Board provides any public
10 transportation by operating public transportation facilities,
11 the Service Board shall provide for the level and nature of
12 fares or charges to be made for such services, and the nature
13 and standards of public transportation to be so provided that
14 meet the goals and objectives adopted by the Authority in the
15 Strategic Plan. Provided, however that if the Board adopts a
16 budget and financial plan for a Service Board in accordance
17 with the provisions in Section 4.11(b)(5), the Board may
18 consistent with the terms of any purchase of service contract
19 provide for the level and nature of fares to be made for such
20 services under the jurisdiction of that Service Board, and the
21 nature and standards of public transportation to be so
22 provided.

23 (b) Whenever a Service Board provides any public
24 transportation pursuant to grants made after June 30, 1975, to
25 transportation agencies for operating expenses (other than

1 with regard to experimental programs) or pursuant to any
2 purchase of service agreement, the purchase of service
3 agreement or grant contract shall provide for the level and
4 nature of fares or charges to be made for such services, and
5 the nature and standards of public transportation to be so
6 provided. A Service Board shall require all transportation
7 agencies with which it contracts, or from which it purchases
8 transportation services or to which it makes grants to provide
9 half fare transportation for their student riders if any of
10 such agencies provide for half fare transportation to their
11 student riders.

12 (c) In so providing for the fares or charges and the nature
13 and standards of public transportation, any purchase of service
14 agreements or grant contracts shall provide, among other
15 matters, for the terms or cost of transfers or interconnections
16 between different modes of transportation and different public
17 transportation agencies, schedules or routes of such service,
18 changes which may be made in such service, the nature and
19 condition of the facilities used in providing service, the
20 manner of collection and disposition of fares or charges, the
21 records and reports to be kept and made concerning such
22 service, ~~and~~ for interchangeable tickets or other coordinated
23 or uniform methods of collection of charges, and shall further
24 require that the transportation agency comply with any
25 determination made by the Board of the Authority under and
26 subject to the provisions of Section 2.12b of this Act. In

1 regard to any such service, the Authority and the Service
2 Boards shall give attention to and may undertake programs to
3 promote use of public transportation and to provide coordinated
4 ticket sales and passenger information. In the case of a grant
5 to a transportation agency which remains subject to Illinois
6 Commerce Commission supervision and regulation, the Service
7 Boards shall exercise the powers set forth in this Section in a
8 manner consistent with such supervision and regulation by the
9 Illinois Commerce Commission.

10 (Source: P.A. 83-886.)

11 (70 ILCS 3615/2.05) (from Ch. 111 2/3, par. 702.05)

12 Sec. 2.05. Centralized Services; Acquisition and
13 Construction.

14 (a) The Authority may at the request of two or more Service
15 Boards, serve, or designate a Service Board to serve, as a
16 centralized purchasing agent for the Service Boards so
17 requesting.

18 (b) The Authority may at the request of two or more Service
19 Boards perform other centralized services such as ridership
20 information and transfers between services under the
21 jurisdiction of the Service Boards where such centralized
22 services financially benefit the region as a whole. Provided,
23 however, that the Board may require transfers only upon an
24 affirmative vote of 12 9 of its then Directors.

25 (c) A Service Board or the Authority may for the benefit of

1 a Service Board, to meet its purposes, construct or acquire any
2 public transportation facility for use by a Service Board or
3 for use by any transportation agency and may acquire any such
4 facilities from any transportation agency, including also
5 without limitation any reserve funds, employees' pension or
6 retirement funds, special funds, franchises, licenses,
7 patents, permits and papers, documents and records of the
8 agency. In connection with any such acquisition from a
9 transportation agency the Authority may assume obligations of
10 the transportation agency with regard to such facilities or
11 property or public transportation operations of such agency.

12 In connection with any construction or acquisition, the
13 Authority shall make relocation payments as may be required by
14 federal law or by the requirements of any federal agency
15 authorized to administer any federal program of aid.

16 (d) The Authority shall, after consulting with the Service
17 Boards, develop regionally coordinated and consolidated sales,
18 marketing, advertising, and public information programs that
19 promote the use and coordination of, and transfers among,
20 public transportation services in the metropolitan region. The
21 Authority shall develop and adopt, with the affirmative vote of
22 at least 12 of its then Directors, rules and regulations for
23 the Authority and the Service Boards regarding such programs to
24 ensure that the Service Boards' independent programs conform
25 with the Authority's regional programs.

26 (Source: P.A. 83-886.)

1 (70 ILCS 3615/2.09) (from Ch. 111 2/3, par. 702.09)

2 Sec. 2.09. Research and Development.

3 (a) The Authority and the Service Boards shall study public
4 transportation problems and developments; encourage
5 experimentation in developing new public transportation
6 technology, financing methods, and management procedures;
7 conduct, in cooperation with other public and private agencies,
8 studies and demonstration and development projects to test and
9 develop methods for improving public transportation, for
10 reducing its costs to users or for increasing public use; and
11 conduct, sponsor, and participate in other studies and
12 experiments, which may include fare demonstration programs,
13 useful to achieving the purposes of this Act. The cost for any
14 such item authorized by this Section may be exempted by the
15 Board in a budget ordinance from the "costs" included in
16 determining that the Authority and its service boards meet the
17 farebox recovery ratio or system generated revenues recovery
18 ratio requirements of Sections 3A.10, 3B.10, 4.01(b), 4.09 and
19 4.11 of this Act and Section 34 of the Metropolitan Transit
20 Authority Act during the Authority's fiscal year which begins
21 January 1, 1986 and ends December 31, 1986, provided that the
22 cost of any item authorized herein must be specifically
23 approved within the budget adopted pursuant to Sections 4.01
24 and 4.11 of this Act for that fiscal year.

25 (b) To improve public transportation service in areas of

1 the metropolitan region with limited access to commuter rail
2 service, the Authority and the Suburban Bus Division shall
3 evaluate the feasibility of implementing new bus rapid transit
4 services using the expressway and tollway systems in the
5 metropolitan region. The Illinois Department of Transportation
6 and the Illinois Toll Highway Authority shall work
7 cooperatively with the Authority and the Suburban Bus Division
8 in that evaluation and in the implementation of bus rapid
9 transit services. The Authority and the Suburban Bus Division,
10 in cooperation with the Illinois Department of Transportation,
11 shall develop a bus rapid transit demonstration project on
12 Interstate 55 located in Will, DuPage, and Cook counties. This
13 demonstration project shall test and refine approaches to bus
14 rapid transit operations in the expressway or tollway shoulder
15 or regular travel lanes and shall investigate technology
16 options that facilitate the shared use of the transit lane and
17 provide revenue for financing construction and operation of
18 public transportation facilities.

19 (c) The Suburban Bus Division and the Authority shall
20 cooperate in the development, funding, and operation of
21 programs to enhance access to job markets for residents in
22 south suburban Cook County. Beginning in 2008, the Authority
23 shall allocate to the Suburban Bus Division an amount not less
24 than \$7,500,000 annually for the costs of such programs.

25 (Source: P.A. 84-939.)

1 (70 ILCS 3615/2.12) (from Ch. 111 2/3, par. 702.12)

2 Sec. 2.12. Coordination with Planning Agencies. The
3 Authority and the Service Boards shall cooperate with the
4 various public agencies charged with responsibility for
5 long-range or comprehensive planning for the metropolitan
6 region. The Authority shall utilize the official forecasts and
7 plans of the Chicago Metropolitan Agency for Planning in
8 developing the Strategic Plan and the Five-Year Capital
9 Program. The Authority and the Service Boards shall, prior to
10 the adoption of any Strategic Plan, as provided in Section
11 2.01a of this Act, or the adoption of any Five-Year Capital
12 Program, as provided in ~~paragraph (b) of Section 2.01b~~ 2.01 of
13 this Act, submit its proposals to such agencies for review and
14 comment. The Authority and the Service Boards may make use of
15 existing studies, surveys, plans, data and other materials in
16 the possession of any State agency or department, any planning
17 agency or any unit of local government.

18 (Source: P.A. 83-886.)

19 (70 ILCS 3615/2.12b new)

20 Sec. 2.12b. Coordination of Fares and Service. Upon the
21 request of a Service Board, the Executive Director of the
22 Authority may, upon the affirmative vote of 9 of the then
23 Directors of the Authority, intervene in any matter involving
24 (i) a dispute between Service Boards or a Service Board and a
25 transportation agency providing service on behalf of a Service

1 Board with respect to the terms of transfer between, and the
2 allocation of revenues from fares and charges for,
3 transportation services provided by the parties or (ii) a
4 dispute between 2 Service Boards with respect to coordination
5 of service, route duplication, or a change in service. Any
6 Service Board or transportation agency involved in such dispute
7 shall meet with the Executive Director, cooperate in good faith
8 to attempt to resolve the dispute, and provide any books,
9 records, and other information requested by the Executive
10 Director. If the Executive Director is unable to mediate a
11 resolution of any dispute, he or she may provide a written
12 determination recommending a change in the fares or charges or
13 the allocation of revenues for such service or directing a
14 change in the nature or provider of service that is the subject
15 of the dispute. The Executive Director shall base such
16 determination upon the goals and objectives of the Strategic
17 Plan established pursuant to Section 2.01a(b). Such
18 determination shall be presented to the Board of the Authority
19 and, if approved by the affirmative vote of at least 9 of the
20 then Directors of the Authority, shall be final and shall be
21 implemented by any affected Service Board and transportation
22 agency within the time frame required by the determination.

23 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)

24 Sec. 2.14. Appointment of Officers and Employees. The
25 Authority may appoint, retain and employ officers, attorneys,

1 agents, engineers and employees. The officers shall include an
2 Executive Director, who shall be the chief executive officer of
3 the Authority, appointed by the Chairman with the concurrence
4 of 11 ~~9~~ of the other then Directors of the Board. The Executive
5 Director shall organize the staff of the Authority, shall
6 allocate their functions and duties, shall transfer such staff
7 to the Suburban Bus Division and the Commuter Rail Division as
8 is sufficient to meet their purposes, shall fix compensation
9 and conditions of employment of the staff of the Authority, and
10 consistent with the policies of and direction from the Board,
11 take all actions necessary to achieve its purposes, fulfill its
12 responsibilities and carry out its powers, and shall have such
13 other powers and responsibilities as the Board shall determine.
14 The Executive Director must be an individual of proven
15 transportation and management skills and may not be a member of
16 the Board. The Authority may employ its own professional
17 management personnel to provide professional and technical
18 expertise concerning its purposes and powers and to assist it
19 in assessing the performance of the Service Boards in the
20 metropolitan region.

21 No unlawful discrimination, as defined and prohibited in
22 the Illinois Human Rights Act, shall be made in any term or
23 aspect of employment nor shall there be discrimination based
24 upon political reasons or factors. The Authority shall
25 establish regulations to insure that its discharges shall not
26 be arbitrary and that hiring and promotion are based on merit.

1 The Authority shall be subject to the "Illinois Human
2 Rights Act", as now or hereafter amended, and the remedies and
3 procedure established thereunder. The Authority shall file an
4 affirmative action program for employment by it with the
5 Department of Human Rights to ensure that applicants are
6 employed and that employees are treated during employment,
7 without regard to unlawful discrimination. Such affirmative
8 action program shall include provisions relating to hiring,
9 upgrading, demotion, transfer, recruitment, recruitment
10 advertising, selection for training and rates of pay or other
11 forms of compensation.

12 (Source: P.A. 83-886.)

13 (70 ILCS 3615/2.18a) (from Ch. 111 2/3, par. 702.18a)

14 Sec. 2.18a. (a) The provisions of this Section apply to
15 collective bargaining agreements (including extensions and
16 amendments to existing agreements) between Service Boards or
17 transportation agencies subject to the jurisdiction of Service
18 Boards and their employees, which are entered into after
19 January 1, 1984.

20 (b) The Authority shall approve amended budgets prepared by
21 Service Boards which incorporate the costs of collective
22 bargaining agreements between Service Boards and their
23 employees. The Authority shall approve such an amended budget
24 provided that it determines by the affirmative vote of 12 9 of
25 its then members that the amended budget meets the standards

1 established in Section 4.11.

2 (Source: P.A. 83-886.)

3 (70 ILCS 3615/2.30)

4 Sec. 2.30. Paratransit services.

5 (a) For purposes of this Act, "ADA paratransit services"
6 shall mean those comparable or specialized transportation
7 services provided by, or under grant or purchase of service
8 contracts of, the Service Boards to individuals with
9 disabilities who are unable to use fixed route transportation
10 systems and who are determined to be eligible, for some or all
11 of their trips, for such services under the Americans with
12 Disabilities Act of 1990 and its implementing regulations.

13 (b) Beginning July 1, 2005, the Authority is responsible
14 for the funding, from amounts on deposit in the ADA Paratransit
15 Fund established under Section 2.01d of this Act, financial
16 review and oversight of all ADA paratransit services that are
17 provided by the Authority or by any of the Service Boards. The
18 Suburban Bus Board shall operate or provide for the operation
19 of all ADA paratransit services by no later than July 1, 2006,
20 except that this date may be extended to the extent necessary
21 to obtain approval from the Federal Transit Administration of
22 the plan prepared pursuant to subsection (c).

23 (c) No later than January 1, 2006, the Authority, in
24 collaboration with the Suburban Bus Board and the Chicago
25 Transit Authority, shall develop a plan for the provision of

1 ADA paratransit services and submit such plan to the Federal
2 Transit Administration for approval. Approval of such plan by
3 the Authority shall require the affirmative votes of 12 ~~9~~ of
4 the then Directors. The Suburban Bus Board, the Chicago Transit
5 Authority and the Authority shall comply with the requirements
6 of the Americans with Disabilities Act of 1990 and its
7 implementing regulations in developing and approving such plan
8 including, without limitation, consulting with individuals
9 with disabilities and groups representing them in the
10 community, and providing adequate opportunity for public
11 comment and public hearings. The plan shall include the
12 contents required for a paratransit plan pursuant to the
13 Americans with Disabilities Act of 1990 and its implementing
14 regulations. The plan shall also include, without limitation,
15 provisions to:

16 (1) maintain, at a minimum, the levels of ADA
17 paratransit service that are required to be provided by the
18 Service Boards pursuant to the Americans with Disabilities
19 Act of 1990 and its implementing regulations;

20 (2) transfer the appropriate ADA paratransit services,
21 management, personnel, service contracts and assets from
22 the Chicago Transit Authority to the Authority or the
23 Suburban Bus Board, as necessary, by no later than July 1,
24 2006, except that this date may be extended to the extent
25 necessary to obtain approval from the Federal Transit
26 Administration of the plan prepared pursuant to this

1 subsection (c);

2 (3) provide for consistent policies throughout the
3 metropolitan region for scheduling of ADA paratransit
4 service trips to and from destinations, with consideration
5 of scheduling of return trips on a "will-call" open-ended
6 basis upon request of the rider, if practicable, and with
7 consideration of an increased number of trips available by
8 subscription service than are available as of the effective
9 date of this amendatory Act;

10 (4) provide that service contracts and rates, entered
11 into or set after the approval by the Federal Transit
12 Administration of the plan prepared pursuant to subsection
13 (c) of this Section, with private carriers and taxicabs for
14 ADA paratransit service are procured by means of an open
15 procurement process;

16 (5) provide for fares, fare collection and billing
17 procedures for ADA paratransit services throughout the
18 metropolitan region;

19 (6) provide for performance standards for all ADA
20 paratransit service transportation carriers, with
21 consideration of door-to-door service;

22 (7) provide, in cooperation with the Illinois
23 Department of Transportation, the Illinois Department of
24 Public Aid and other appropriate public agencies and
25 private entities, for the application and receipt of
26 grants, including, without limitation, reimbursement from

1 Medicaid or other programs for ADA paratransit services;

2 (8) provide for a system of dispatch of ADA paratransit
3 services transportation carriers throughout the
4 metropolitan region, with consideration of county-based
5 dispatch systems already in place as of the effective date
6 of this amendatory Act;

7 (9) provide for a process of determining eligibility
8 for ADA paratransit services that complies with the
9 Americans with Disabilities Act of 1990 and its
10 implementing regulations;

11 (10) provide for consideration of innovative methods
12 to provide and fund ADA paratransit services; and

13 (11) provide for the creation of one or more ADA
14 advisory boards, or the reconstitution of the existing ADA
15 advisory boards for the Service Boards, to represent the
16 diversity of individuals with disabilities in the
17 metropolitan region and to provide appropriate ongoing
18 input from individuals with disabilities into the
19 operation of ADA paratransit services.

20 (d) All revisions and annual updates to the ADA paratransit
21 services plan developed pursuant to subsection (c) of this
22 Section, or certifications of continued compliance in lieu of
23 plan updates, that are required to be provided to the Federal
24 Transit Administration shall be developed by the Authority, in
25 collaboration with the Suburban Bus Board and the Chicago
26 Transit Authority, and the Authority shall submit such

1 revision, update or certification to the Federal Transit
2 Administration for approval. Approval of such revisions,
3 updates or certifications by the Authority shall require the
4 affirmative votes of 12 ~~9~~ of the then Directors.

5 (e) The Illinois Department of Transportation, the
6 Illinois Department of Public Aid, the Authority, the Suburban
7 Bus Board and the Chicago Transit Authority shall enter into
8 intergovernmental agreements as may be necessary to provide
9 funding and accountability for, and implementation of, the
10 requirements of this Section.

11 (f) By no later than April 1, 2007, the Authority shall
12 develop and submit to the General Assembly and the Governor a
13 funding plan for ADA paratransit services. Approval of such
14 plan by the Authority shall require the affirmative votes of 12
15 ~~9~~ of the then Directors. The funding plan shall, at a minimum,
16 contain an analysis of the current costs of providing ADA
17 paratransit services, projections of the long-term costs of
18 providing ADA paratransit services, identification of and
19 recommendations for possible cost efficiencies in providing
20 ADA paratransit services, and identification of and
21 recommendations for possible funding sources for providing ADA
22 paratransit services. The Illinois Department of
23 Transportation, the Illinois Department of Public Aid, the
24 Suburban Bus Board, the Chicago Transit Authority and other
25 State and local public agencies as appropriate shall cooperate
26 with the Authority in the preparation of such funding plan.

1 (g) Any funds derived from the federal Medicaid program for
2 reimbursement of the costs of providing ADA paratransit
3 services within the metropolitan region shall be directed to
4 the Authority and shall be used to pay for or reimburse the
5 costs of providing such services.

6 (h) Nothing in this amendatory Act shall be construed to
7 conflict with the requirements of the Americans with
8 Disabilities Act of 1990 and its implementing regulations.

9 (Source: P.A. 94-370, eff. 7-29-05.)

10 (70 ILCS 3615/2.31 new)

11 Sec. 2.31. Disadvantaged Business Enterprise Contracting
12 and Equal Employment Opportunity Programs. The Authority and
13 each Service Board shall, as soon as is practicable but in no
14 event later than two years after the effective date of this
15 amendatory Act of the 95th General Assembly, establish and
16 maintain a disadvantaged business enterprise contracting
17 program designed to ensure non-discrimination in the award and
18 administration of contracts not covered under a federally
19 mandated disadvantaged business enterprise program. The
20 program shall establish narrowly tailored goals for the
21 participation of disadvantaged business enterprises as the
22 Authority and each Service Board determines appropriate. The
23 goals shall be based on demonstrable evidence of the
24 availability of ready, willing, and able disadvantaged
25 business enterprises relative to all businesses ready,

1 willing, and able to participate on the program's contracts.
2 The program shall require the Authority and each Service Board
3 to monitor the progress of the contractors' obligations with
4 respect to the program's goals. Nothing in this program shall
5 conflict with or interfere with the maintenance or operation
6 of, or compliance with, any federally mandated disadvantaged
7 business enterprise program.

8 The Authority and each Service Board shall establish and
9 maintain a program designed to promote equal employment
10 opportunity. Each year, no later than October 1, the Authority
11 and each Service Board shall report to the General Assembly on
12 the number of their respective employees and the number of
13 their respective employees who have designated themselves as
14 members of a minority group and gender.

15 Each year no later than October 1, and starting no later
16 than the October 1 after the establishment of their
17 disadvantaged business enterprise contracting programs, the
18 Authority and each Service Board shall submit a report with
19 respect to such program to the General Assembly. In addition,
20 each year no later than October 1, the Authority and each
21 Service Board shall submit a copy of its federally mandated
22 semi-annual Uniform Report of Disadvantaged Business
23 Enterprises Awards or Commitments and Payments to the General
24 Assembly.

1 Sec. 3.01. Board of Directors. ~~The~~ ~~Upon expiration of the~~
2 ~~term of the members of the Transition Board as provided for in~~
3 ~~Section 3.09,~~ the corporate authorities and governing body of
4 the Authority shall be a Board consisting of 13 Directors until
5 January 1, 2008, and 16 Directors thereafter, appointed as
6 follows:

7 (a) Four Directors appointed by the Mayor of the City of
8 Chicago, with the advice and consent of the City Council of the
9 City of Chicago, and, only until January 1, 2008, a fifth
10 director who shall be the Chairman of the Chicago Transit
11 Authority. After January 1, 2008, the Mayor of the City of
12 Chicago, with the advice and consent of the City Council of the
13 City of Chicago, shall appoint a fifth Director. The Directors
14 appointed by the Mayor of the City of Chicago shall not be the
15 chairman or a director of the Chicago Transit Authority. Each
16 such Director shall reside in the City of Chicago ~~except the~~
17 ~~Chairman of the Chicago Transit Authority who shall reside~~
18 ~~within the metropolitan area as defined in the Metropolitan~~
19 ~~Transit Authority Act.~~

20 (b) Four Directors appointed by the votes of a majority of
21 the members of the Cook County Board elected from ~~that part of~~
22 ~~Cook County outside of Chicago, or, in the event such Board of~~
23 ~~Commissioners becomes elected from single member districts, by~~
24 ~~those Commissioners elected from~~ districts, a majority of the
25 electors of which reside outside Chicago. After January 1,
26 2008, a fifth Director appointed by the President of the Cook

1 County Board with the advice and consent of a majority of the
2 members of the Cook County Board elected from districts, a
3 majority of the electors of which reside outside Chicago. In
4 ~~either case, such appointment shall be with the concurrence of~~
5 ~~four such Commissioners.~~ Each ~~such~~ Director appointed under
6 this subparagraph shall reside in that part of Cook County
7 outside Chicago.

8 (c) Until January 1, 2008, 3 Directors appointed by the
9 Chairmen of the county boards of DuPage, Kane, Lake, McHenry,
10 and Will Counties, as follows:

11 (i) Two Directors appointed by the Chairmen of the
12 county boards of Kane, Lake, McHenry and Will Counties,
13 with the concurrence of not less than a majority of the
14 Chairmen from such counties, from nominees by the Chairmen.
15 Each such Chairman may nominate not more than 2 persons for
16 each position. Each such Director shall reside in a county
17 in the metropolitan region other than Cook or DuPage
18 Counties.

19 (ii) ~~(d)~~ One Director ~~shall be~~ appointed by the
20 Chairman of the ~~Board of~~ DuPage County Board with the
21 advice and consent of the ~~County Board of~~ DuPage County
22 Board. Such Director ~~and~~ shall reside in DuPage County.

23 (d) After January 1, 2008, 5 Directors appointed by the
24 Chairman of the county boards of DuPage, Kane, Lake and McHenry
25 Counties and the County Executive of Will County, as follows:

26 (i) One Director appointed jointly by the Chairmen of

1 the Kane County Board and the McHenry County Board. Such
2 Director shall reside in Kane County or McHenry County.
3 Such Director shall be appointed by a weighted vote of the
4 Chairmen of the Kane and McHenry County Boards, with such
5 weighting based on the population of Kane and McHenry
6 Counties in the most recent decennial census.

7 (ii) One Director appointed by the County Executive of
8 Will County with the advice and consent of the Will County
9 Board. Such Director shall reside in Will County.

10 (iii) One Director appointed by the Chairman of the
11 DuPage County Board with the advice and consent of the
12 DuPage County Board. Such Director shall reside in DuPage
13 County.

14 (iv) One Director appointed by the Chairman of the Lake
15 County Board with the advice and consent of the Lake County
16 Board. Such Director shall reside in Lake County.

17 (v) One Director appointed jointly, for a term of 3
18 years, by the Chairman of the DuPage County Board, the
19 Chairman of the Lake County Board, and the County Executive
20 of the Will County Board. Such Director shall reside in
21 DuPage County, Lake County, or Will County.

22 (vi) To implement the changes in appointing authority
23 under this subparagraph (d) the three Directors appointed
24 under subparagraph (c) and residing in Lake County, DuPage
25 County, and Kane County respectively shall each continue to
26 serve as Director until the expiration of their respective

1 term of office and until his or her successor is appointed
2 and qualified or a vacancy occurs in the office. Thereupon,
3 the appointment shall be made by the officials given
4 appointing authority with respect to the Director whose
5 term has expired or office has become vacant.

6 (e) The Chairman serving on the effective date of this
7 amendatory Act of the 95th General Assembly shall continue to
8 serve as Chairman until the expiration of his or her term of
9 office and until his or her successor is appointed and
10 qualified or a vacancy occurs in the office ~~Before January 1,~~
11 ~~1987, for the term expiring July 1, 1989, the Chairman shall be~~
12 ~~appointed by the Governor. Thereafter the Chairman shall be~~
13 ~~appointed by the other 12 Directors with the concurrence of~~
14 ~~three fourths of such Directors.~~ Upon the expiration or vacancy
15 of the term of the Chairman then serving upon the effective
16 date of this amendatory Act of the 95th General Assembly, the
17 Chairman shall be appointed by the other Directors, by the
18 affirmative vote of at least 11 of the then Directors. The
19 chairman shall not be appointed from among the other Directors.
20 The chairman shall be a resident of the metropolitan region.

21 (f) Except as otherwise provided by this Act no Director
22 shall, while serving as such, be an officer, a member of the
23 Board of Directors or Trustees or an employee of any Service
24 Board or transportation agency, or be an employee of the State
25 of Illinois or any department or agency thereof, or of any unit
26 of local government or receive any compensation from any

1 elected or appointed office under the Constitution and laws of
2 Illinois; except that a Director may be a member of a school
3 board.

4 (g) Each appointment made under this Section and under
5 Section 3.03 shall be certified by the appointing authority to
6 the Board, which shall maintain the certifications as part of
7 the official records of the Authority, ~~provided that the~~
8 ~~initial appointments shall be certified to the Secretary of~~
9 ~~State, who shall transmit the certifications to the Board~~
10 ~~following its organization. All appointments made by the~~
11 ~~Governor shall be made with the advice and consent of the~~
12 ~~Senate.~~

13 (h) (Blank). ~~The Board of Directors shall be so appointed~~
14 ~~as to represent the City of Chicago, that part of Cook County~~
15 ~~outside the City of Chicago, and that part of the metropolitan~~
16 ~~region outside Cook County on the one man one vote basis. After~~
17 ~~each Federal decennial census the General Assembly shall review~~
18 ~~the composition of the Board and, if a change is needed to~~
19 ~~comply with this requirement, shall provide for the necessary~~
20 ~~revision by July 1 of the third year after such census.~~
21 ~~Provided, however, that the Chairman of the Chicago Transit~~
22 ~~Authority shall be a Director of the Authority and shall be~~
23 ~~considered as representing the City of Chicago for purposes of~~
24 ~~this paragraph.~~

25 ~~Insofar as may be practicable, the changes in Board~~
26 ~~membership necessary to achieve this purpose shall take effect~~

1 ~~as appropriate members terms expire, no member's term being~~
2 ~~reduced by reason of such revision of the composition of the~~
3 ~~Board.~~

4 (Source: P.A. 83-1417.)

5 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

6 Sec. 3.03. Terms, vacancies. Each Director, ~~including the~~
7 ~~Chairman, shall be appointed for an initial term as provided~~
8 ~~for in Section 3.10 of this Act. Thereafter, each Director~~
9 shall hold office for a term of 5 years, and until his
10 successor has been appointed and has qualified. A vacancy shall
11 occur upon resignation, death, conviction of a felony, or
12 removal from office of a Director. Any Director may be removed
13 from office upon concurrence of not less than 9 Directors, on a
14 formal finding of incompetence, neglect of duty, or malfeasance
15 in office. Within 30 days after the office of any member
16 becomes vacant for any reason, the appointing authorities of
17 such member shall make an appointment to fill the vacancy. A
18 vacancy shall be filled for the unexpired term.

19 Whenever ~~After October 1, 1984, whenever~~ a vacancy for a
20 Director, except as to the Chairman or those Directors
21 appointed by ~~the Governor or~~ the Mayor of the City of Chicago,
22 exists for longer than 4 months, the new Director shall be
23 chosen by election by all legislative members in the General
24 Assembly representing the affected area. In order to qualify as
25 a voting legislative member in this matter, the affected area

1 must be more than 50% of the geographic area of the legislative
2 district.

3 (Source: P.A. 86-1475.)

4 (70 ILCS 3615/3A.10) (from Ch. 111 2/3, par. 703A.10)

5 Sec. 3A.10. Budget and Program. The Suburban Bus Board,
6 subject to the powers of the Authority in Section 4.11, shall
7 control the finances of the Division. It shall by ordinance
8 appropriate money to perform the Division's purposes and
9 provide for payment of debts and expenses of the Division. Each
10 year the Suburban Bus Board shall prepare and publish a
11 comprehensive annual budget and proposed five-year capital
12 program document, and a financial plan for the 2 years
13 thereafter describing the state of the Division and presenting
14 for the forthcoming fiscal year and the 2 following years the
15 Suburban Bus Board's plans for such operations and capital
16 expenditures as it intends to undertake and the means by which
17 it intends to finance them. The proposed budget, ~~and~~ financial
18 plan, and five-year capital program shall be based on the
19 Authority's estimate of funds to be made available to the
20 Suburban Bus Board by or through the Authority and shall
21 conform in all respects to the requirements established by the
22 Authority. The proposed ~~program and~~ budget, financial plan, and
23 five-year capital program shall contain a statement of the
24 funds estimated to be on hand at the beginning of the fiscal
25 year, the funds estimated to be received from all sources for

1 such year and the funds estimated to be on hand at the end of
2 such year. ~~After adoption of the Authority's first Five Year~~
3 ~~Program, as provided in Section 2.01 of this Act, the proposed~~
4 ~~program and budget shall specifically identify any respect in~~
5 ~~which the recommended program deviates from the Authority's~~
6 ~~then existing Five Year Program, giving the reasons for such~~
7 ~~deviation.~~ The fiscal year of the Division shall be the same as
8 the fiscal year of the Authority. Before the proposed budget,
9 ~~and program and~~ financial plan, and five-year capital program
10 are submitted to the Authority, the Suburban Bus Board shall
11 hold at least one public hearing thereon in each of the
12 counties in the metropolitan region in which the Division
13 provides service. The Suburban Bus Board shall hold at least
14 one meeting for consideration of the proposed ~~program and~~
15 ~~budget,~~ financial plan, and five-year capital program with the
16 county board of each of the several counties in the
17 metropolitan region in which the Division provides service.
18 After conducting such hearings and holding such meetings and
19 after making such changes in the proposed ~~program and~~ budget,
20 financial plan, and five-year capital program as the Suburban
21 Bus Board deems appropriate, it shall adopt an annual budget
22 ordinance at least by November 15 next preceding the beginning
23 of each fiscal year. The budget, ~~and program, and~~ financial
24 ~~plan,~~ and five-year capital program shall then be submitted to
25 the Authority as provided in Section 4.11. In the event that
26 the Board of the Authority determines that the budget ~~and~~

1 ~~program,~~ and financial plan do not meet the standards of
2 Section 4.11, the Suburban Bus Board shall make such changes as
3 are necessary to meet such requirements and adopt an amended
4 budget ordinance. The amended budget ordinance shall be
5 resubmitted to the Authority pursuant to Section 4.11. The
6 ordinance shall appropriate such sums of money as are deemed
7 necessary to defray all necessary expenses and obligations of
8 the Division, specifying purposes and the objects or programs
9 for which appropriations are made and the amount appropriated
10 for each object or program. Additional appropriations,
11 transfers between items and other changes in such ordinance
12 which do not alter the basis upon which the balanced budget
13 determination was made by the Board of the Authority may be
14 made from time to time by the Suburban Bus Board.

15 The budget shall:

16 (i) show a balance between (A) anticipated revenues
17 from all sources including operating subsidies and (B) the
18 costs of providing the services specified and of funding
19 any operating deficits or encumbrances incurred in prior
20 periods, including provision for payment when due of
21 principal and interest on outstanding indebtedness;

22 (ii) show cash balances including the proceeds of any
23 anticipated cash flow borrowing sufficient to pay with
24 reasonable promptness all costs and expenses as incurred;

25 (iii) provide for a level of fares or charges and
26 operating or administrative costs for the public

1 transportation provided by or subject to the jurisdiction
2 of the Suburban Bus Board sufficient to allow the Suburban
3 Bus Board to meet its required system generated revenues
4 recovery ratio and, beginning with the 2007 fiscal year,
5 its system generated ADA paratransit services revenue
6 recovery ratio;

7 (iv) be based upon and employ assumptions and
8 projections which are reasonable and prudent;

9 (v) have been prepared in accordance with sound
10 financial practices as determined by the Board of the
11 Authority; ~~and~~

12 (vi) meet such other uniform financial, budgetary, or
13 fiscal requirements that the Board of the Authority may by
14 rule or regulation establish; and -

15 (vii) be consistent with the goals and objectives
16 adopted by the Regional Transportation Authority in the
17 Strategic Plan.

18 (Source: P.A. 94-370, eff. 7-29-05.)

19 (70 ILCS 3615/3A.11) (from Ch. 111 2/3, par. 703A.11)

20 Sec. 3A.11. Citizens Advisory Board. The Suburban Bus Board
21 shall establish a citizens advisory board composed of 10
22 residents of those portions of the metropolitan region in which
23 the Suburban Bus Board provides service who have an interest in
24 public transportation. The members of the advisory board shall
25 be named for 2 year terms, shall select one of their members to

1 serve as chairman and shall serve without compensation. The
2 citizens advisory board shall meet with the Suburban Bus Board
3 at least quarterly and advise the Suburban Bus Board of the
4 impact of its policies and programs on the communities it
5 serves. Appointments to the citizens advisory board should, to
6 the greatest extent possible, reflect the ethnic, cultural, and
7 geographic diversity of all persons residing within the
8 Suburban Bus Board's jurisdiction.

9 (Source: P.A. 83-886.)

10 (70 ILCS 3615/3A.14) (from Ch. 111 2/3, par. 703A.14)

11 Sec. 3A.14. Labor. (a) The provisions of this Section apply
12 to collective bargaining agreements (including extensions and
13 amendments of existing agreements) entered into on or after
14 January 1, 1984.

15 (b) The Suburban Bus Board shall deal with and enter into
16 written contracts with their employees, through accredited
17 representatives of such employees authorized to act for such
18 employees concerning wages, salaries, hours, working
19 conditions, and pension or retirement provisions about which a
20 collective bargaining agreement has been entered prior to the
21 effective date of this amendatory Act of 1983. Any such
22 agreement of the Suburban Bus Board shall provide that the
23 agreement may be reopened if the amended budget submitted
24 pursuant to Section 2.18a of this Act is not approved by the
25 Board of the Authority. The agreement may not include a

1 provision requiring the payment of wage increases based on
2 changes in the Consumer Price Index. The Suburban Bus Board
3 shall not have the authority to enter collective bargaining
4 agreements with respect to inherent management rights, which
5 include such areas of discretion or policy as the functions of
6 the employer, standards of services, its overall budget, the
7 organizational structure and selection of new employees and
8 direction of personnel. Employers, however, shall be required
9 to bargain collectively with regard to policy matters directly
10 affecting wages, hours and terms and conditions of employment,
11 as well as the impact thereon, upon request by employee
12 representatives. To preserve the rights of employers and
13 exclusive representatives which have established collective
14 bargaining relationships or negotiated collective bargaining
15 agreements prior to the effective date of this amendatory Act
16 of 1983, employers shall be required to bargain collectively
17 with regard to any matter concerning wages, hours or conditions
18 of employment about which they have bargained prior to the
19 effective date of this amendatory Act of 1983.

20 (c) The collective bargaining agreement may not include a
21 prohibition on the use of part-time operators on any service
22 operated by the Suburban Bus Board except where prohibited by
23 federal law.

24 (d) Within 30 days of the signing of any such collective
25 bargaining agreement, the Suburban Bus Board shall determine
26 the costs of each provision of the agreement, prepare an

1 amended budget incorporating the costs of the agreement, and
2 present the amended budget to the Board of the Authority for
3 its approval under Section 4.11. The Board may approve the
4 amended budget by an affirmative vote of 12 ~~9~~ of its then
5 Directors. If the budget is not approved by the Board of the
6 Authority, the agreement may be reopened and its terms may be
7 renegotiated. Any amended budget which may be prepared
8 following renegotiation shall be presented to the Board of the
9 Authority for its approval in like manner.

10 (Source: P.A. 83-886.)

11 (70 ILCS 3615/3B.02) (from Ch. 111 2/3, par. 703B.02)

12 Sec. 3B.02. Commuter Rail Board.

13 (a) Until January 1, 2008, the ~~The~~ governing body of the
14 Commuter Rail Division shall be a board consisting of 7
15 directors appointed pursuant to Sections 3B.03 and 3B.04, as
16 follows:

17 (1) ~~(a)~~ One director shall be appointed by the Chairman
18 of the Board of DuPage County with the advice and consent
19 of the County Board of DuPage County and shall reside in
20 DuPage County. ~~†~~

21 (2) ~~(b)~~ Two directors appointed by the Chairmen of the
22 County Boards of Kane, Lake, McHenry and Will Counties with
23 the concurrence of not less than a majority of the chairmen
24 from such counties, from nominees by the Chairmen. Each
25 such chairman may nominate not more than two persons for

1 each position. Each such director shall reside in a county
2 in the metropolitan region other than Cook or DuPage
3 County.

4 (3) ~~(e)~~ Three directors appointed by the members of the
5 Cook County Board elected from that part of Cook County
6 outside of Chicago, or, in the event such Board of
7 Commissioners becomes elected from single member
8 districts, by those Commissioners elected from districts,
9 a majority of the residents of which reside outside
10 Chicago. In either case, such appointment shall be with the
11 concurrence of four such Commissioners. Each such director
12 shall reside in that part of Cook County outside Chicago.

13 (4) ~~(d)~~ One director appointed by the Mayor of the City
14 of Chicago, with the advice and consent of the City Council
15 of the City of Chicago. Such director shall reside in the
16 City of Chicago.

17 (5) The chairman shall be appointed by the directors,
18 from the members of the board, with the concurrence of 5 of
19 such directors.

20 (b) After January 1, 2008 the governing body of the
21 Commuter Rail Division shall be a board consisting of 11
22 directors appointed, pursuant to Sections 3B.03 and 3B.04, as
23 follows:

24 (1) One Director shall be appointed by the Chairman of
25 the DuPage County Board with the advice and consent of the
26 DuPage County Board and shall reside in DuPage County. To

1 implement the changes in appointing authority under this
2 Section, upon the expiration of the term of or vacancy in
3 office of the Director appointed under item (1) of
4 subsection (a) of this Section who resides in DuPage
5 County, a Director shall be appointed under this
6 subparagraph.

7 (2) One Director shall be appointed by the Chairman of
8 the McHenry County Board with the advice and consent of the
9 McHenry County Board and shall reside in McHenry County. To
10 implement the change in appointing authority under this
11 Section, upon the expiration of the term of or vacancy in
12 office of the Director appointed under item (2) of
13 subsection (a) of this Section who resides in McHenry
14 County, a Director shall be appointed under this
15 subparagraph.

16 (3) One Director shall be appointed by the Will County
17 Executive with the advice and consent of the Will County
18 Board and shall reside in Will County. To implement the
19 change in appointing authority under this Section, upon the
20 expiration of the term of or vacancy in office of the
21 Director appointed under item (2) of subsection (a) of this
22 Section who resides in Will County, a Director shall be
23 appointed under this subparagraph.

24 (4) One Director shall be appointed by the Chairman of
25 the Lake County Board with the advice and consent of the
26 Lake County Board and shall reside in Lake County.

1 (5) One Director shall be appointed by the Chairman of
2 the Kane County Board with the advice and consent of the
3 Kane County Board and shall reside in Kane County.

4 (6) One Director shall be appointed by the Mayor of the
5 City of Chicago with the advice and consent of the City
6 Council of the City of Chicago and shall reside in the City
7 of Chicago. To implement the changes in appointing
8 authority under this Section, upon the expiration of the
9 term of or vacancy in office of the Director appointed
10 under item (4) of subsection (a) of this Section who
11 resides in the City of Chicago, a Director shall be
12 appointed under this subparagraph.

13 (7) Five Directors residing in Cook County outside of
14 the City of Chicago, as follows:

15 (i) One Director who resides in Cook County outside
16 of the City of Chicago, appointed by the President of
17 the Cook County Board with the advice and consent of a
18 majority of the members of the Cook County Board
19 elected from districts, a majority of the electors of
20 which reside outside Chicago.

21 (ii) One Director who resides in Cook County,
22 outside of the City of Chicago and north of Devon
23 Avenue. To implement the changes in appointing
24 authority under this Section, upon the expiration of
25 the term of or vacancy in office of the Director
26 appointed under paragraph (3) of subsection (a) of this

1 Section who resides in the geographic area described in
2 this subparagraph, a Director shall be appointed under
3 this subparagraph.

4 (iii) One Director who resides in Cook County,
5 outside of the City of Chicago, south of Devon Avenue,
6 and north of Interstate 55, and in addition the Village
7 of Summit.

8 (iv) One Director who resides in Cook County,
9 outside of the City of Chicago, south of Interstate 55,
10 and west of Interstate 57, excluding the communities of
11 Summit, Dixmoor, Posen, Robbins, Midlothian, and Oak
12 Forest. To implement the changes in appointing
13 authority under this Section, upon the expiration of
14 the term of or vacancy in office of the Director
15 appointed under paragraph (3) of subsection (a) of this
16 Section who resides in the geographic area described in
17 this subparagraph and whose term of office had not
18 expired as of August 1, 2007, a Director shall be
19 appointed under this subparagraph.

20 (v) One Director who resides in Cook County,
21 outside of the City of Chicago, east of Interstate 57,
22 and, in addition, the communities of Dixmoor, Posen,
23 Robbins, Midlothian and Oak Forest. To implement the
24 changes in appointing authority under this Section,
25 upon the expiration of the term of or vacancy in office
26 of the Director appointed under paragraph (3) of

1 subsection (a) of this Section who resides in the
2 geographic area described in this subparagraph and
3 whose term of office had expired as of August 1, 2007,
4 a Director shall be appointed under this subparagraph.

5 (vi) The Directors identified under the provisions
6 of subparagraphs (ii) through (v) of this paragraph (7)
7 shall be appointed by the members of the Cook County
8 Board elected from districts, the majority of the
9 electors of which are located in Cook County outside of
10 the City of Chicago. Each individual Director shall be
11 appointed by those members of the Cook County Board
12 described in the preceding sentence whose Board
13 districts overlap in whole or in part with the
14 geographic territory described in the relevant
15 subparagraph. The vote of County Board members
16 eligible to appoint directors under the provisions of
17 this paragraph (7) shall be weighted by the number of
18 electors residing in those portions of their Board
19 districts within the geographic territory described in
20 the relevant subparagraph (ii) through (v) of this
21 paragraph (7). In the event that the geographic
22 territory of an election precinct overlaps with more
23 than one of the geographic territories described in
24 subparagraphs (ii) through (v) of this paragraph (7),
25 then for purposes of establishing the weighted vote in
26 this subparagraph (vi) the electors for such precinct

1 shall be allocated to the geographic territory in which
2 the majority of the electors in that precinct reside.

3 (8) The chairman shall be appointed by the directors,
4 from the members of the board, with the concurrence of 7 of
5 such directors. To implement the changes in appointing
6 authority under this Section, upon the expiration of the
7 term of or vacancy in office of the Chairman appointed
8 under item (5) of subsection (a) of this Section, a
9 Chairman shall be appointed under this subparagraph.

10 (c) No director, while serving as such, shall be an
11 officer, a member of the board of directors or trustee or an
12 employee of any transportation agency, or be an employee of the
13 State of Illinois or any department or agency thereof, or of
14 any unit of local government or receive any compensation from
15 any elected or appointed office under the Constitution and laws
16 of Illinois.

17 (d) Each appointment made under subsections (a) and (b) of
18 this Section paragraphs (a) through (d) and under Section 3B.03
19 shall be certified by the appointing authority to the Commuter
20 Rail Board which shall maintain the certifications as part of
21 the official records of the Commuter Rail Board; ~~provided that~~
22 ~~the initial appointments shall be certified to the Secretary of~~
23 ~~State, who shall transmit the certifications to the Commuter~~
24 ~~Rail Board following its organization.~~

25 ~~Appointments to the Commuter Rail Board shall be~~
26 ~~apportioned so as to represent the City of Chicago, that part~~

1 ~~of Cook County outside of the City of Chicago, and DuPage~~
2 ~~County and that part of the metropolitan region other than Cook~~
3 ~~and DuPage Counties based on morning boardings of the services~~
4 ~~provided by the Commuter Rail Division as certified to the~~
5 ~~Board of the Authority by the Commuter Rail Board, provided~~
6 ~~however that the Mayor of the City of Chicago shall appoint no~~
7 ~~fewer than 1 member of the Commuter Rail Board. Within two~~
8 ~~years after each federal decennial census, the Board of the~~
9 ~~Authority shall review the composition of the Commuter Rail~~
10 ~~Board and, if change is needed to comply with this requirement,~~
11 ~~shall provide for the necessary reapportionment by July 1 of~~
12 ~~the second year after such census. Insofar as may be~~
13 ~~practicable, the changes in board membership necessary to~~
14 ~~achieve this purpose shall take effect as appropriate members~~
15 ~~terms expire, no member's term being reduced by reason of such~~
16 ~~revision of the composition of the Commuter Rail Board.~~

17 (Source: P.A. 83-886.)

18 (70 ILCS 3615/3B.03) (from Ch. 111 2/3, par. 703B.03)

19 Sec. 3B.03. Terms, Vacancies. Each ~~The initial term of the~~
20 ~~director appointed pursuant to subdivision (a) of Section 3B.02~~
21 ~~and the initial term of one of the directors appointed pursuant~~
22 ~~to subdivision (b) of Section 3B.02 shall expire on June 30,~~
23 ~~1985; the initial term of one of the directors appointed~~
24 ~~pursuant to subdivision (b) of Section 3B.02 and the initial~~
25 ~~term of one of the directors appointed pursuant to subdivision~~

1 ~~(c) of Section 3B.02 shall expire on June 30, 1986; the initial~~
2 ~~terms of two of the directors appointed pursuant to subdivision~~
3 ~~(c) of Section 3B.02 shall expire on June 30, 1987; the initial~~
4 ~~term of the director appointed pursuant to subdivision (d) of~~
5 ~~Section 3B.02 shall expire on June 30, 1988. Thereafter, each~~
6 director shall be appointed for a term of 4 years, and until
7 his successor has been appointed and qualified. A vacancy shall
8 occur upon the resignation, death, conviction of a felony, or
9 removal from office of a director. Any director may be removed
10 from office upon the concurrence of not less than 6 directors,
11 on a formal finding of incompetence, neglect of duty, or
12 malfeasance in office. Within 30 days after the office of any
13 director becomes vacant for any reason, the appropriate
14 appointing authorities of such director, as provided in Section
15 3B.02, shall make an appointment to fill the vacancy. A vacancy
16 shall be filled for the unexpired term.

17 (Source: P.A. 84-939.)

18 (70 ILCS 3615/3B.05) (from Ch. 111 2/3, par. 703B.05)

19 Sec. 3B.05. Appointment of officers and employees. The
20 Commuter Rail Board shall appoint an Executive Director who
21 shall be the chief executive officer of the Division,
22 appointed, retained or dismissed with the concurrence of 7 ~~6~~ of
23 the directors of the Commuter Rail Board. The Executive
24 Director shall appoint, retain and employ officers, attorneys,
25 agents, engineers, employees and shall organize the staff,

1 shall allocate their functions and duties, fix compensation and
2 conditions of employment, and consistent with the policies of
3 and direction from the Commuter Rail Board take all actions
4 necessary to achieve its purposes, fulfill its
5 responsibilities and carry out its powers, and shall have such
6 other powers and responsibilities as the Commuter Rail Board
7 shall determine. The Executive Director shall be an individual
8 of proven transportation and management skills and may not be a
9 member of the Commuter Rail Board. The Division may employ its
10 own professional management personnel to provide professional
11 and technical expertise concerning its purposes and powers and
12 to assist it in assessing the performance of transportation
13 agencies in the metropolitan region.

14 No unlawful discrimination, as defined and prohibited in
15 the Illinois Human Rights Act, shall be made in any term or
16 aspect of employment nor shall there be discrimination based
17 upon political reasons or factors. The Commuter Rail Board
18 shall establish regulations to insure that its discharges shall
19 not be arbitrary and that hiring and promotion are based on
20 merit.

21 The Division shall be subject to the "Illinois Human Rights
22 Act", as now or hereafter amended, and the remedies and
23 procedure established thereunder. The Commuter Rail Board
24 shall file an affirmative action program for employment by it
25 with the Department of Human Rights to ensure that applicants
26 are employed and that employees are treated during employment,

1 without regard to unlawful discrimination. Such affirmative
2 action program shall include provisions relating to hiring,
3 upgrading, demotion, transfer, recruitment, recruitment
4 advertising, selection for training and rates of pay or other
5 forms of compensation.

6 (Source: P.A. 83-885; 83-886.)

7 (70 ILCS 3615/3B.07) (from Ch. 111 2/3, par. 703B.07)

8 Sec. 3B.07. Meetings. The Commuter Rail Board shall
9 prescribe the times and places for meetings and the manner in
10 which special meetings may be called. The Commuter Rail Board
11 shall comply in all respects with the "Open Meetings Act", as
12 now or hereafter amended. All records, documents and papers of
13 the Commuter Rail Division, other than those relating to
14 matters concerning which closed sessions of the Commuter Rail
15 Board may be held, shall be available for public examination,
16 subject to such reasonable regulations as the board may adopt.

17 A majority of the members shall constitute a quorum for the
18 conduct of business. The affirmative votes of at least 5 4
19 members shall be necessary for any action required by this Act
20 to be taken by ordinance.

21 (Source: P.A. 83-886.)

22 (70 ILCS 3615/3B.09) (from Ch. 111 2/3, par. 703B.09)

23 Sec. 3B.09. General Powers. In addition to any powers
24 elsewhere provided to the Commuter Rail Board, it shall have

1 all of the powers specified in Section 2.20 of this Act except
2 for the powers specified in Section 2.20(a)(v). The Board shall
3 also have the power:

4 (a) to cooperate with the Regional Transportation
5 Authority in the exercise by the Regional Transportation
6 Authority of all the powers granted it by such Act;

7 (b) to receive funds from the Regional Transportation
8 Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and 4.10
9 of the "Regional Transportation Authority Act", all as provided
10 in the "Regional Transportation Authority Act"; ~~and~~

11 (c) to receive financial grants from the Regional
12 Transportation Authority or a Service Board, as defined in the
13 "Regional Transportation Authority Act", upon such terms and
14 conditions as shall be set forth in a grant contract between
15 either the Division and the Regional Transportation Authority
16 or the Division and another Service Board, which contract or
17 agreement may be for such number of years or duration as the
18 parties may agree, all as provided in the "Regional
19 Transportation Authority Act"; ~~and~~.

20 (d) to borrow money for the purpose of acquiring,
21 constructing, reconstructing, extending, or improving any
22 Public Transportation Facilities (as defined in Section 1.03 of
23 the Regional Transportation Authority Act) operated by or to be
24 operated by or on behalf of the Commuter Rail Division. For the
25 purpose of evidencing the obligation of the Commuter Rail Board
26 to repay any money borrowed as provided in this subsection, the

1 Commuter Rail Board may issue revenue bonds from time to time
2 pursuant to ordinance adopted by the Commuter Rail Board,
3 subject to the approval of the Regional Transportation
4 Authority of each such issuance by the affirmative vote of 12
5 of its then Directors; provided that the Commuter Rail Board
6 may not issue bonds for the purpose of financing the
7 acquisition, construction, or improvement of a corporate
8 headquarters building. All such bonds shall be payable solely
9 from the revenues or income or any other funds that the
10 Commuter Rail Board may receive, provided that the Commuter
11 Rail Board may not pledge as security for such bonds the
12 moneys, if any, that the Commuter Rail Board receives from the
13 Regional Transportation Authority pursuant to Section
14 4.03.3(f) of the Regional Transportation Authority Act. The
15 bonds shall bear interest at a rate not to exceed the maximum
16 rate authorized by the Bond Authorization Act and shall mature
17 at such time or times not exceeding 30 years from their
18 respective dates, provided that the bonds shall have
19 approximately equal debt service payments in each year, with
20 the first principal or mandatory redemption payment being no
21 later than the fiscal year after their initial issuance. The
22 maximum principal amount of the bonds that may be issued and
23 outstanding at any time may not exceed \$1,000,000,000. The
24 bonds shall have all the qualities of negotiable instruments
25 under the laws of this State. To secure the payment of any or
26 all of such bonds and for the purpose of setting forth the

1 covenants and undertakings of the Commuter Rail Board in
2 connection with the issuance thereof and the issuance of any
3 additional bonds payable from such revenue or income as well as
4 the use and application of the revenue or income received by
5 the Commuter Rail Board, the Commuter Rail Board may execute
6 and deliver a trust agreement or agreements; provided that no
7 lien upon any physical property of the Commuter Rail Board
8 shall be created thereby. A remedy for any breach or default of
9 the terms of any such trust agreement by the Commuter Rail
10 Board may be by mandamus proceedings in any court of competent
11 jurisdiction to compel performance and compliance therewith,
12 but the trust agreement may prescribe by whom or on whose
13 behalf such action may be instituted. Under no circumstances
14 shall any bonds issued by the Commuter Rail Board or any other
15 obligation of the Commuter Rail Board in connection with the
16 issuance of such bonds be or become an indebtedness or
17 obligation of the State of Illinois, the Regional
18 Transportation Authority, or any other political subdivision
19 of or municipality within the State, nor shall any such bonds
20 or obligations be or become an indebtedness of the Commuter
21 Rail Board within the purview of any constitutional limitation
22 or provision, and it shall be plainly stated on the face of
23 each bond that it does not constitute such an indebtedness or
24 obligation but is payable solely from the revenues or income as
25 aforesaid.

26 (Source: P.A. 83-885; 83-886.)

1 (70 ILCS 3615/3B.10) (from Ch. 111 2/3, par. 703B.10)

2 Sec. 3B.10. Budget and Program. The Commuter Rail Board,
3 subject to the powers of the Authority in Section 4.11, shall
4 control the finances of the Division. It shall by ordinance
5 appropriate money to perform the Division's purposes and
6 provide for payment of debts and expenses of the Division. Each
7 year the Commuter Rail Board shall prepare and publish a
8 comprehensive annual budget and proposed five-year capital
9 program document, and a financial plan for the two years
10 thereafter describing the state of the Division and presenting
11 for the forthcoming fiscal year and the two following years the
12 Commuter Rail Board's plans for such operations and capital
13 expenditures as the Commuter Rail Board intends to undertake
14 and the means by which it intends to finance them. The proposed
15 budget, ~~and financial plan,~~ and five-year capital program shall
16 be based on the Authority's estimate of funds to be made
17 available to the Commuter Rail Board by or through the
18 Authority and shall conform in all respects to the requirements
19 established by the Authority. The proposed ~~program and budget,~~
20 financial plan, and five-year capital program shall contain a
21 statement of the funds estimated to be on hand at the beginning
22 of the fiscal year, the funds estimated to be received from all
23 sources for such year and the funds estimated to be on hand at
24 the end of such year. ~~After adoption of the Authority's first~~
25 ~~Five Year Program, as provided in Section 2.01 of this Act, the~~

1 ~~proposed program and budget shall specifically identify any~~
2 ~~respect in which the recommended program deviates from the~~
3 ~~Authority's then existing Five-Year Program, giving the~~
4 ~~reasons for such deviation.~~ The fiscal year of the Division
5 shall be the same as the fiscal year of the Authority. Before
6 the proposed budget, ~~and program and financial plan, and~~
7 five-year capital program are submitted to the Authority, the
8 Commuter Rail Board shall hold at least one public hearing
9 thereon in each of the counties in the metropolitan region in
10 which the Division provides service. The Commuter Rail Board
11 shall hold at least one meeting for consideration of the
12 proposed ~~program and budget,~~ financial plan, and five-year
13 capital plan with the county board of each of the several
14 counties in the metropolitan region in which the Division
15 provides service. After conducting such hearings and holding
16 such meetings and after making such changes in the proposed
17 ~~program and budget,~~ financial plan, and five-year capital plan
18 as the Commuter Rail Board deems appropriate, the board shall
19 adopt its annual budget ordinance at least by November 15 next
20 preceding the beginning of each fiscal year. The budget, ~~and~~
21 ~~program, and financial plan,~~ and five-year capital program
22 shall then be submitted to the Authority as provided in Section
23 4.11. In the event that the Board of the Authority determines
24 that the budget and program, and financial plan do not meet the
25 standards of Section 4.11, the Commuter Rail Board shall make
26 such changes as are necessary to meet such requirements and

1 adopt an amended budget ordinance. The amended budget ordinance
2 shall be resubmitted to the Authority pursuant to Section 4.11.
3 The ordinance shall appropriate such sums of money as are
4 deemed necessary to defray all necessary expenses and
5 obligations of the Division, specifying purposes and the
6 objects or programs for which appropriations are made and the
7 amount appropriated for each object or program. Additional
8 appropriations, transfers between items and other changes in
9 such ordinance which do not alter the basis upon which the
10 balanced budget determination was made by the Board of the
11 Authority may be made from time to time by the Commuter Rail
12 Board.

13 The budget shall:

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

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

23 (iii) provide for a level of fares or charges for the
24 public transportation provided by or subject to the
25 jurisdiction of such Commuter Rail Board sufficient to allow
26 the Commuter Rail Board to meet its required system generated

1 revenue recovery ratio;

2 (iv) be based upon and employ assumptions and projections
3 which the Board of the Authority finds to be reasonable and
4 prudent;

5 (v) have been prepared in accordance with sound financial
6 practices as determined by the Board of the Authority; ~~and~~

7 (vi) meet such other uniform financial, budgetary, or
8 fiscal requirements that the Board of the Authority may by rule
9 or regulation establish; and -

10 (vii) be consistent with the goals and objectives adopted
11 by the Regional Transportation Authority in the Strategic Plan.

12 (Source: P.A. 83-885; 83-886.)

13 (70 ILCS 3615/3B.11) (from Ch. 111 2/3, par. 703B.11)

14 Sec. 3B.11. Citizens Advisory Board. The Commuter Rail
15 Board shall establish a citizens advisory board composed of ten
16 residents of those portions of the metropolitan region in which
17 the Commuter Rail Board provides service who have an interest
18 in public transportation. The members of the advisory board
19 shall be named for two year terms, shall select one of their
20 members to serve as chairman and shall serve without
21 compensation. The citizens advisory board shall meet with the
22 Commuter Rail Board at least quarterly and advise the Commuter
23 Rail Board of the impact of its policies and programs on the
24 communities it serves. Appointments to the citizens advisory
25 board should, to the greatest extent possible, reflect the

1 ethnic, cultural, and geographic diversity of all persons
2 residing within the Commuter Rail Division's jurisdiction.

3 (Source: P.A. 83-886.)

4 (70 ILCS 3615/3B.12) (from Ch. 111 2/3, par. 703B.12)

5 Sec. 3B.12. Working Cash Borrowing. The Commuter Rail Board
6 with the affirmative vote of 7 ~~5~~ of its Directors may demand
7 and direct the Board of the Authority to issue Working Cash
8 Notes at such time and in such amounts and having such
9 maturities as the Commuter Rail Board deems proper, provided
10 however any such borrowing shall have been specifically
11 identified in the budget of the Commuter Rail Board as approved
12 by the Board of the Authority. Provided further, that the
13 Commuter Rail Board may not demand and direct the Board of the
14 Authority to have issued and have outstanding at any time in
15 excess of \$20,000,000 in Working Cash Notes.

16 (Source: P.A. 83-886.)

17 (70 ILCS 3615/3B.13) (from Ch. 111 2/3, par. 703B.13)

18 Sec. 3B.13. Labor.

19 (a) The provisions of this Section apply to collective
20 bargaining agreements (including extensions and amendments of
21 existing agreements) entered into on or after January 1, 1984.
22 This Section does not apply to collective bargaining agreements
23 that are subject to the provisions of the Railway Labor Act, as
24 now or hereafter amended.

1 (b) The Commuter Rail Board shall deal with and enter into
2 written contracts with their employees, through accredited
3 representatives of such employees authorized to act for such
4 employees concerning wages, salaries, hours, working
5 conditions, and pension or retirement provisions about which a
6 collective bargaining agreement has been entered prior to the
7 effective date of this amendatory Act of 1983. Any such
8 agreement of the Commuter Rail Board shall provide that the
9 agreement may be reopened if the amended budget submitted
10 pursuant to Section 2.18a of this Act is not approved by the
11 Board of the Authority. The agreement may not include a
12 provision requiring the payment of wage increases based on
13 changes in the Consumer Price Index. The Commuter Rail Board
14 shall not have the authority to enter collective bargaining
15 agreements with respect to inherent management rights which
16 include such areas of discretion or policy as the functions of
17 the employer, standards of services, its overall budget, the
18 organizational structure and selection of new employees and
19 direction of personnel. Employers, however, shall be required
20 to bargain collectively with regard to policy matters directly
21 affecting wages, hours and terms and conditions of employment,
22 as well as the impact thereon, upon request by employee
23 representatives. To preserve the rights of the Commuter Rail
24 Board and exclusive representatives which have established
25 collective bargaining relationships or negotiated collective
26 bargaining agreements prior to the effective date of this

1 amendatory Act of 1983, the Commuter Rail Board shall be
2 required to bargain collectively with regard to any matter
3 concerning wages, hours or conditions of employment about which
4 they have bargained prior to the effective date of this
5 amendatory Act of 1983.

6 (c) The collective bargaining agreement may not include a
7 prohibition on the use of part-time operators on any service
8 operated by the Commuter Rail Board except where prohibited by
9 federal law.

10 (d) Within 30 days of the signing of any such collective
11 bargaining agreement, the Commuter Rail Board shall determine
12 the costs of each provision of the agreement, prepare an
13 amended budget incorporating the costs of the agreement, and
14 present the amended budget to the Board of the Authority for
15 its approval under Section 4.11. The Board may approve the
16 amended budget by an affirmative vote of 12 ~~9~~ of its then
17 Directors. If the budget is not approved by the Board of the
18 Authority, the agreement may be reopened and its terms may be
19 renegotiated. Any amended budget which may be prepared
20 following renegotiation shall be presented to the Board of the
21 Authority for its approval in like manner.

22 (Source: P.A. 84-1308.)

23 (70 ILCS 3615/4.01) (from Ch. 111 2/3, par. 704.01)

24 Sec. 4.01. Budget and Program.

25 (a) The Board shall control the finances of the Authority.

1 It shall by ordinance adopted by the affirmative vote of at
2 least 12 of its then Directors (i) appropriate money to perform
3 the Authority's purposes and provide for payment of debts and
4 expenses of the Authority, (ii) take action with respect to the
5 budget and two-year financial plan of each Service Board, as
6 provided in Section 4.11, and (iii) adopt an Annual Budget and
7 Two-Year Financial Plan for the Authority that includes the
8 annual budget and two-year financial plan of each Service Board
9 that has been approved by the Authority. ~~Each year the~~
10 Authority shall prepare and publish a comprehensive annual
11 budget and program document describing the state of the
12 Authority and presenting for the forthcoming fiscal year the
13 Authority's plans for such operations and capital expenditures
14 as the Authority intends to undertake and the means by which it
15 intends to finance them. The Annual Budget and Two-Year
16 Financial Plan ~~proposed program and budget~~ shall contain a
17 statement of the funds estimated to be on hand for the
18 Authority and each Service Board at the beginning of the fiscal
19 year, the funds estimated to be received from all sources for
20 such year, the estimated expenses and obligations of the
21 Authority and each Service Board for all purposes, including
22 expenses for contributions to be made with respect to pension
23 and other employee benefits, and the funds estimated to be on
24 hand at the end of such year. ~~After adoption of the Authority's~~
25 ~~first Five Year Program, as provided in Section 2.01 of this~~
26 ~~Act, the proposed program and budget shall specifically~~

1 ~~identify any respect in which the recommended program deviates~~
2 ~~from the Authority's then existing Five Year Program, giving~~
3 ~~the reasons for such deviation.~~ The fiscal year of the
4 Authority and each Service Board shall begin on January 1st and
5 end on the succeeding December 31st ~~except that the fiscal year~~
6 ~~that began October 1, 1982, shall end December 31, 1983.~~ By
7 ~~July 1st 1981 and~~ July 1st of each year ~~thereafter~~ the Director
8 of the Illinois Governor's Office of Management and Budget
9 (formerly Bureau of the Budget) shall submit to the Authority
10 an estimate of revenues for the next fiscal year of the
11 Authority to be collected from the taxes imposed by the
12 Authority and the amounts to be available in the Public
13 Transportation Fund and the Regional Transportation Authority
14 Occupation and Use Tax Replacement Fund and the amounts
15 otherwise to be appropriated by the State to the Authority for
16 its purposes. The Authority shall file a copy of its Annual
17 Budget and Two-Year Financial Plan with ~~For the fiscal year~~
18 ~~ending on December 31, 1983, the Board shall report its results~~
19 ~~from operations and financial condition to the General Assembly~~
20 ~~and the Governor by January 31. For the fiscal year beginning~~
21 ~~January 1, 1984, and thereafter, the budget and program shall~~
22 ~~be presented to the General Assembly and the Governor~~ after its
23 adoption not later than the preceding December 31st. Before the
24 proposed Annual Budget and Two-Year Financial Plan ~~budget and~~
25 ~~program~~ is adopted, the Authority shall hold at least one
26 public hearing thereon in the metropolitan region, and shall

1 ~~meet~~ . ~~The Board shall hold at least one meeting for~~
2 ~~consideration of the proposed program and budget~~ with the
3 county board or its designee of each of the several counties in
4 the metropolitan region. After conducting such hearings and
5 holding such meetings and after making such changes in the
6 proposed Annual Budget and Two-Year Financial Plan ~~program and~~
7 ~~budget~~ as the Board deems appropriate, the Board shall adopt
8 its annual appropriation and Annual Budget and Two-Year
9 Financial Plan ~~budget~~ ordinance. The ordinance may be adopted
10 only upon the affirmative votes of 12 ~~9~~ of its then Directors.
11 The ordinance shall appropriate such sums of money as are
12 deemed necessary to defray all necessary expenses and
13 obligations of the Authority, specifying purposes and the
14 objects or programs for which appropriations are made and the
15 amount appropriated for each object or program. Additional
16 appropriations, transfers between items and other changes in
17 such ordinance may be made from time to time by the Board upon
18 the affirmative votes of 12 ~~9~~ of its then Directors.

19 (b) The Annual Budget and Two-Year Financial Plan ~~budget~~
20 shall show a balance between anticipated revenues from all
21 sources and anticipated expenses including funding of
22 operating deficits or the discharge of encumbrances incurred in
23 prior periods and payment of principal and interest when due,
24 and shall show cash balances sufficient to pay with reasonable
25 promptness all obligations and expenses as incurred.

26 The Annual Budget and Two-Year Financial Plan ~~annual budget~~

1 ~~and financial plan~~ must show:

2 (i) that the level of fares and charges for mass
3 transportation provided by, or under grant or purchase of
4 service contracts of, the Service Boards is sufficient to
5 cause the aggregate of all projected fare revenues from
6 such fares and charges received in each fiscal year to
7 equal at least 50% of the aggregate costs of providing such
8 public transportation in such fiscal year. "Fare revenues"
9 include the proceeds of all fares and charges for services
10 provided, contributions received in connection with public
11 transportation from units of local government other than
12 the Authority, except for contributions received by the
13 Chicago Transit Authority from a real estate transfer tax
14 imposed under subsection (i) of Section 8-3-19 of the
15 Illinois Municipal Code, and from the State pursuant to
16 subsection (i) of Section 2705-305 of the Department of
17 Transportation Law (20 ILCS 2705/2705-305), and all other
18 operating revenues properly included consistent with
19 generally accepted accounting principles but do not
20 include: the proceeds of any borrowings, and, beginning
21 with the 2007 fiscal year, all revenues and receipts,
22 including but not limited to fares and grants received from
23 the federal, State or any unit of local government or other
24 entity, derived from providing ADA paratransit service
25 pursuant to Section 2.30 of the Regional Transportation
26 Authority Act. "Costs" include all items properly included

1 as operating costs consistent with generally accepted
2 accounting principles, including administrative costs, but
3 do not include: depreciation; payment of principal and
4 interest on bonds, notes or other evidences of obligation
5 for borrowed money issued by the Authority; payments with
6 respect to public transportation facilities made pursuant
7 to subsection (b) of Section 2.20 of this Act; any payments
8 with respect to rate protection contracts, credit
9 enhancements or liquidity agreements made under Section
10 4.14; any other cost to which it is reasonably expected
11 that a cash expenditure will not be made; costs ~~up to~~
12 ~~\$5,000,000 annually~~ for passenger security including
13 grants, contracts, personnel, equipment and administrative
14 expenses, except in the case of the Chicago Transit
15 Authority, in which case the term does not include costs
16 spent annually by that entity for protection against crime
17 as required by Section 27a of the Metropolitan Transit
18 Authority Act; the payment by the Chicago Transit Authority
19 of Debt Service, as defined in Section 12c of the
20 Metropolitan Transit Authority Act, on bonds or notes
21 issued pursuant to that Section; the payment by the
22 Commuter Rail Division of debt service on bonds issued
23 pursuant to Section 3B.09; expenses incurred by the
24 Suburban Bus Division for the cost of new public
25 transportation services funded from grants pursuant to
26 Section 2.01e of this amendatory Act of the 95th General

1 Assembly for a period of 2 years from the date of
2 initiation of each such service; costs as exempted by the
3 Board for projects pursuant to Section 2.09 of this Act;
4 or, beginning with the 2007 fiscal year, expenses related
5 to providing ADA paratransit service pursuant to Section
6 2.30 of the Regional Transportation Authority Act; and in
7 fiscal years 2008 through 2017 inclusive, costs in the
8 amount of \$200,000,000 in fiscal year 2008, reducing by
9 \$20,000,000 in each fiscal year thereafter until this
10 exemption is eliminated; and

11 (ii) that the level of fares charged for ADA
12 paratransit services is sufficient to cause the aggregate
13 of all projected revenues from such fares charged and
14 received in each fiscal year to equal at least 10% of the
15 aggregate costs of providing such ADA paratransit services
16 in fiscal years 2007 and 2008 and at least 12% of the
17 aggregate costs of providing such ADA paratransit services
18 in fiscal years 2009 and thereafter; for purposes of this
19 Act, the percentages in this subsection (b)(ii) shall be
20 referred to as the "system generated ADA paratransit
21 services revenue recovery ratio".

22 (c) The actual administrative expenses of the Authority for
23 the fiscal year commencing January 1, 1985 may not exceed
24 \$5,000,000. The actual administrative expenses of the
25 Authority for the fiscal year commencing January 1, 1986, and
26 for each fiscal year thereafter shall not exceed the maximum

1 administrative expenses for the previous fiscal year plus 5%.
2 "Administrative expenses" are defined for purposes of this
3 Section as all expenses except: (1) capital expenses and
4 purchases of the Authority on behalf of the Service Boards; (2)
5 payments to Service Boards; and (3) payment of principal and
6 interest on bonds, notes or other evidence of obligation for
7 borrowed money issued by the Authority; (4) costs for passenger
8 security including grants, contracts, personnel, equipment and
9 administrative expenses; (5) payments with respect to public
10 transportation facilities made pursuant to subsection (b) of
11 Section 2.20 of this Act; and (6) any payments with respect to
12 rate protection contracts, credit enhancements or liquidity
13 agreements made pursuant to Section 4.14.

14 (d) This subsection applies only until the Department
15 begins administering and enforcing an increased tax under
16 Section 4.03(m) as authorized by this amendatory Act of the
17 95th General Assembly. After withholding 15% of the proceeds of
18 any tax imposed by the Authority and 15% of money received by
19 the Authority from the Regional Transportation Authority
20 Occupation and Use Tax Replacement Fund, the Board shall
21 allocate the proceeds and money remaining to the Service Boards
22 as follows: (1) an amount equal to 85% of the proceeds of those
23 taxes collected within the City of Chicago and 85% of the money
24 received by the Authority on account of transfers to the
25 Regional Transportation Authority Occupation and Use Tax
26 Replacement Fund from the County and Mass Transit District Fund

1 attributable to retail sales within the City of Chicago shall
2 be allocated to the Chicago Transit Authority; (2) an amount
3 equal to 85% of the proceeds of those taxes collected within
4 Cook County outside the City of Chicago and 85% of the money
5 received by the Authority on account of transfers to the
6 Regional Transportation Authority Occupation and Use Tax
7 Replacement Fund from the County and Mass Transit District Fund
8 attributable to retail sales within Cook County outside of the
9 city of Chicago shall be allocated 30% to the Chicago Transit
10 Authority, 55% to the Commuter Rail Board and 15% to the
11 Suburban Bus Board; and (3) an amount equal to 85% of the
12 proceeds of the taxes collected within the Counties of DuPage,
13 Kane, Lake, McHenry and Will shall be allocated 70% to the
14 Commuter Rail Board and 30% to the Suburban Bus Board.

15 (e) This subsection applies only until the Department
16 begins administering and enforcing an increased tax under
17 Section 4.03(m) as authorized by this amendatory Act of the
18 95th General Assembly. Moneys received by the Authority on
19 account of transfers to the Regional Transportation Authority
20 Occupation and Use Tax Replacement Fund from the State and
21 Local Sales Tax Reform Fund shall be allocated among the
22 Authority and the Service Boards as follows: 15% of such moneys
23 shall be retained by the Authority and the remaining 85% shall
24 be transferred to the Service Boards as soon as may be
25 practicable after the Authority receives payment. Moneys which
26 are distributable to the Service Boards pursuant to the

1 preceding sentence shall be allocated among the Service Boards
2 on the basis of each Service Board's distribution ratio. The
3 term "distribution ratio" means, for purposes of this
4 subsection (e) of this Section 4.01, the ratio of the total
5 amount distributed to a Service Board pursuant to subsection
6 (d) of Section 4.01 for the immediately preceding calendar year
7 to the total amount distributed to all of the Service Boards
8 pursuant to subsection (d) of Section 4.01 for the immediately
9 preceding calendar year.

10 (f) To carry out its duties and responsibilities under this
11 Act, further and accomplish the preparation of the annual
12 budget and program as well as the Five-Year Program provided
13 for in Section 2.01 of this Act and to make such interim
14 management decisions as may be necessary, the Board shall
15 employ staff which shall: (1) propose for adoption by the Board
16 of the Authority rules for the Service Boards that establish
17 (i) forms and schedules to be used and information required to
18 be provided with respect to a five-year capital program, annual
19 budgets, and two-year financial plans and regular reporting of
20 actual results against adopted budgets and financial plans,
21 (ii) financial practices to be followed in the budgeting and
22 expenditure of public funds, (iii) assumptions and projections
23 that must be followed in preparing and submitting its annual
24 budget and two-year financial plan or a five-year capital
25 program; (2) evaluate for the Board public transportation
26 programs operated or proposed by the Service Boards and

1 transportation agencies in terms of the goals and objectives
2 set out in the Strategic Plan , ~~costs and relative priorities;~~
3 (3) (2) keep the Board and the public informed of the extent to
4 which the Service Boards and transportation agencies are
5 meeting the goals and objectives adopted by the Authority in
6 the Strategic Plan ~~public transportation programs and~~
7 ~~accomplishments of such transportation agencies;~~ and (4)
8 assess the efficiency or adequacy of public transportation
9 services provided by a Service Board and make recommendations
10 for change in that service ~~(3) coordinate the development and~~
11 ~~implementation of public transportation programs~~ to the end
12 that the moneys ~~monies~~ available to the Authority may be
13 expended in the most economical manner possible with the least
14 possible duplication.

15 (g) All ~~Under such regulations as the Board may prescribe,~~
16 ~~all~~ Service Boards, transportation agencies, comprehensive
17 planning agencies, including the Chicago Metropolitan Agency
18 for Planning, or transportation planning agencies in the
19 metropolitan region shall furnish to the Authority ~~Board~~ such
20 information pertaining to public transportation or relevant
21 for plans therefor as it may from time to time require. The
22 Executive Director, or his or her designee, ~~upon payment to any~~
23 ~~such agency or Service Board of the reasonable additional cost~~
24 ~~of its so providing such information except as may otherwise be~~
25 ~~provided by agreement with the Authority,~~ and the Board or any
26 ~~duly authorized employee of the Board~~ shall, for the purpose of

1 securing any such information necessary or appropriate to carry
2 out any of the powers and responsibilities of the Authority
3 under this Act, have access to, and the right to examine, all
4 books, documents, papers or records of a Service Board or any
5 transportation such agency receiving funds from the Authority
6 or Service Board, and such Service Board or transportation
7 agency shall comply with any request by the Executive Director,
8 or his or her designee, within 30 days or an extended time
9 provided by the Executive Director pertaining to public
10 ~~transportation or relevant for plans therefor.~~

11 (h) No Service Board shall undertake any capital
12 improvement which is not identified in the Five-Year Capital
13 Program.

14 (Source: P.A. 94-370, eff. 7-29-05.)

15 (70 ILCS 3615/4.02) (from Ch. 111 2/3, par. 704.02)

16 Sec. 4.02. Federal, State and Other Funds.

17 (a) The Authority shall have the power to apply for,
18 receive and expend grants, loans or other funds from the State
19 of Illinois or any department or agency thereof, from any unit
20 of local government, from the federal government or any
21 department or agency thereof, for use in connection with any of
22 the powers or purposes of the Authority as set forth in this
23 Act. The Authority shall have power to make such studies as may
24 be necessary and to enter into contracts or agreements with the
25 State of Illinois or any department or agency thereof, with any

1 unit of local government, or with the federal government or any
2 department or agency thereof, concerning such grants, loans or
3 other funds, or any conditions relating thereto, including
4 obligations to repay such funds. The Authority may make such
5 covenants concerning such grants, loans and funds as it deems
6 proper and necessary in carrying out its responsibilities,
7 purposes and powers as provided in this Act.

8 (b) The Authority shall be the primary public body in the
9 metropolitan region with authority to apply for and receive any
10 grants, loans or other funds relating to public transportation
11 programs from the State of Illinois or any department or agency
12 thereof, or from the federal government or any department or
13 agency thereof. Any unit of local government, Service Board or
14 transportation agency may apply for and receive any such
15 federal or state capital grants, loans or other funds,
16 provided, however that a Service Board may not apply for or
17 receive any grant or loan which is not identified in the
18 Five-Year Capital Program. Any Service Board, unit of local
19 government or transportation agency shall notify the Authority
20 prior to making any such application and shall file a copy
21 thereof with the Authority. Nothing in this Section shall be
22 construed to impose any limitation on the ability of the State
23 of Illinois or any department or agency thereof, any unit of
24 local government or Service Board or transportation agency to
25 make any grants or to enter into any agreement or contract with
26 the National Rail Passenger Corporation. Nor shall anything in

1 this Section impose any limitation on the ability of any school
2 district to apply for or receive any grant, loan or other funds
3 for transportation of school children.

4 (c) The Authority shall provide to the Service Board any
5 monies received relating to public transportation services
6 under the jurisdiction of the Service Boards as provided in
7 Section 4.03.3 of this Act. follows:

8 ~~(1) As soon as may be practicable after the Authority~~
9 ~~receives payment, under Section 4.03(m) or Section~~
10 ~~4.03.1(d), of the proceeds of those taxes levied by the~~
11 ~~Authority, the Authority shall transfer to each Service~~
12 ~~Board the amount to which it is entitled under Section~~
13 ~~4.01(d);~~

14 ~~(2) The Authority by ordinance adopted by 9 of its then~~
15 ~~Directors shall establish a formula apportioning any~~
16 ~~federal funds for operating assistance purposes the~~
17 ~~Authority receives to each Service Board. In establishing~~
18 ~~the formula, the Board shall consider, among other factors:~~
19 ~~ridership levels, the efficiency with which the service is~~
20 ~~provided, the degree of transit dependence of the area~~
21 ~~served and the cost of service. That portion of any federal~~
22 ~~funds for operating assistance received by the Authority~~
23 ~~shall be paid to each Service Board as soon as may be~~
24 ~~practicable upon their receipt provided the Authority has~~
25 ~~adopted a balanced budget as required by Section 4.01 and~~
26 ~~further provided that the Service Boards are in compliance~~

1 ~~with the requirements in Section 4.11.~~

2 ~~(3) The Authority by ordinance adopted by 9 of its then~~
3 ~~Directors shall apportion to the Service Boards funds~~
4 ~~provided by the State of Illinois under Section 4.09 and~~
5 ~~shall make payment of said funds to each Service Board as~~
6 ~~soon as may be practicable upon their receipt provided the~~
7 ~~Authority has adopted a balanced budget as required by~~
8 ~~Section 4.01 and further provided the Service Board is in~~
9 ~~compliance with the requirements in Section 4.11.~~

10 ~~(4) Beginning January 1, 2009, before making any~~
11 ~~payments, transfers, or expenditures under this subsection~~
12 ~~to a Service Board, the Authority must first comply with~~
13 ~~Section 4.02a or 4.02b of this Act, whichever may be~~
14 ~~applicable.~~

15 (Source: P.A. 94-839, eff. 6-6-06; revised 8-3-06.)

16 (70 ILCS 3615/4.02a)

17 Sec. 4.02a. Chicago Transit Authority contributions to
18 pension funds.

19 (a) The Authority shall continually review the Chicago
20 Transit Authority's payment of the required contributions to
21 its retirement system under Section 22-101 of the Illinois
22 Pension Code.

23 (b) Beginning January 1, 2009, if at any time the Authority
24 determines that the Chicago Transit Authority's payment of any
25 portion of the required contributions to its retirement system

1 under Section 22-101 of the Illinois Pension Code is more than
2 one month overdue, it shall as soon as possible pay the amount
3 of those overdue contributions to the Board of Trustees ~~trustee~~
4 of the Retirement Plan ~~retirement system~~ on behalf of the
5 Chicago Transit Authority out of moneys otherwise payable to
6 the Chicago Transit Authority under ~~subsection (c) of~~ Section
7 4.03.3 ~~4.02~~ of this Act. The Authority shall thereafter have no
8 liability to the Chicago Transit Authority for amounts paid to
9 the Board of Trustees ~~trustee~~ of the Retirement Plan ~~retirement~~
10 ~~system~~ under this Section.

11 (c) Whenever the Authority acts or determines that it is
12 required to act under subsection (b), it shall so notify the
13 Chicago Transit Authority, the Mayor of Chicago, the Governor,
14 the Auditor General of the State of Illinois, and the General
15 Assembly.

16 (Source: P.A. 94-839, eff. 6-6-06.)

17 (70 ILCS 3615/4.02b)

18 Sec. 4.02b. Other contributions to pension funds.

19 (a) The Authority shall continually review the payment of
20 the required employer contributions to affected pension plans
21 under Section 22-103 of the Illinois Pension Code.

22 (b) Beginning January 1, 2009, if at any time the Authority
23 determines that the Commuter Rail Board's or Suburban Bus
24 Board's payment of any portion of the required contributions to
25 an affected pension plan under Section 22-103 of the Illinois

1 Pension Code is more than one month overdue, it shall as soon
2 as possible pay the amount of those overdue contributions to
3 the trustee of the affected pension plan on behalf of that
4 Service Board out of moneys otherwise payable to that Service
5 Board under Section 4.03.3 ~~subsection (c) of Section 4.02~~ of
6 this Act. The Authority shall thereafter have no liability to
7 the Service Board for amounts paid to the trustee of the
8 affected pension plan under this Section.

9 (c) Whenever the Authority acts or determines that it is
10 required to act under subsection (b), it shall so notify the
11 affected Service Board, the Mayor of Chicago, the Governor, the
12 Auditor General of the State of Illinois, and the General
13 Assembly.

14 (d) Beginning January 1, 2009, if the Authority fails to
15 pay to an affected pension fund within 30 days after it is due
16 any employer contribution that it is required to make as a
17 contributing employer under Section 22-103 of the Illinois
18 Pension Code, it shall promptly so notify the Commission on
19 Government Forecasting and Accountability, the Mayor of
20 Chicago, the Governor, and the General Assembly, and it shall
21 promptly pay the overdue amount out of the first money
22 available to the Authority for its administrative expenses, as
23 that term is defined in Section 4.01(c).

24 (Source: P.A. 94-839, eff. 6-6-06.)

1 Sec. 4.03. Taxes.

2 (a) In order to carry out any of the powers or purposes of
3 the Authority, the Board may by ordinance adopted with the
4 concurrence of 12 ~~9~~ of the then Directors, impose throughout
5 the metropolitan region any or all of the taxes provided in
6 this Section. Except as otherwise provided in this Act, taxes
7 imposed under this Section and civil penalties imposed incident
8 thereto shall be collected and enforced by the State Department
9 of Revenue. The Department shall have the power to administer
10 and enforce the taxes and to determine all rights for refunds
11 for erroneous payments of the taxes.

12 (b) The Board may impose a public transportation tax upon
13 all persons engaged in the metropolitan region in the business
14 of selling at retail motor fuel for operation of motor vehicles
15 upon public highways. The tax shall be at a rate not to exceed
16 5% of the gross receipts from the sales of motor fuel in the
17 course of the business. As used in this Act, the term "motor
18 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
19 The Board may provide for details of the tax. The provisions of
20 any tax shall conform, as closely as may be practicable, to the
21 provisions of the Municipal Retailers Occupation Tax Act,
22 including without limitation, conformity to penalties with
23 respect to the tax imposed and as to the powers of the State
24 Department of Revenue to promulgate and enforce rules and
25 regulations relating to the administration and enforcement of
26 the provisions of the tax imposed, except that reference in the

1 Act to any municipality shall refer to the Authority and the
2 tax shall be imposed only with regard to receipts from sales of
3 motor fuel in the metropolitan region, at rates as limited by
4 this Section.

5 (c) In connection with the tax imposed under paragraph (b)
6 of this Section the Board may impose a tax upon the privilege
7 of using in the metropolitan region motor fuel for the
8 operation of a motor vehicle upon public highways, the tax to
9 be at a rate not in excess of the rate of tax imposed under
10 paragraph (b) of this Section. The Board may provide for
11 details of the tax.

12 (d) The Board may impose a motor vehicle parking tax upon
13 the privilege of parking motor vehicles at off-street parking
14 facilities in the metropolitan region at which a fee is
15 charged, and may provide for reasonable classifications in and
16 exemptions to the tax, for administration and enforcement
17 thereof and for civil penalties and refunds thereunder and may
18 provide criminal penalties thereunder, the maximum penalties
19 not to exceed the maximum criminal penalties provided in the
20 Retailers' Occupation Tax Act. The Authority may collect and
21 enforce the tax itself or by contract with any unit of local
22 government. The State Department of Revenue shall have no
23 responsibility for the collection and enforcement unless the
24 Department agrees with the Authority to undertake the
25 collection and enforcement. As used in this paragraph, the term
26 "parking facility" means a parking area or structure having

1 parking spaces for more than 2 vehicles at which motor vehicles
2 are permitted to park in return for an hourly, daily, or other
3 periodic fee, whether publicly or privately owned, but does not
4 include parking spaces on a public street, the use of which is
5 regulated by parking meters.

6 (e) The Board may impose a Regional Transportation
7 Authority Retailers' Occupation Tax upon all persons engaged in
8 the business of selling tangible personal property at retail in
9 the metropolitan region. In Cook County the tax rate shall be
10 1.25% ~~1%~~ of the gross receipts from sales of food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, soft drinks and food that
13 has been prepared for immediate consumption) and prescription
14 and nonprescription medicines, drugs, medical appliances and
15 insulin, urine testing materials, syringes and needles used by
16 diabetics, and 1% ~~3/4%~~ of the gross receipts from other taxable
17 sales made in the course of that business. In DuPage, Kane,
18 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
19 ~~1/4%~~ of the gross receipts from all taxable sales made in the
20 course of that business. The tax imposed under this Section and
21 all civil penalties that may be assessed as an incident thereof
22 shall be collected and enforced by the State Department of
23 Revenue. The Department shall have full power to administer and
24 enforce this Section; to collect all taxes and penalties so
25 collected in the manner hereinafter provided; and to determine
26 all rights to credit memoranda arising on account of the

1 erroneous payment of tax or penalty hereunder. In the
2 administration of, and compliance with this Section, the
3 Department and persons who are subject to this Section shall
4 have the same rights, remedies, privileges, immunities, powers
5 and duties, and be subject to the same conditions,
6 restrictions, limitations, penalties, exclusions, exemptions
7 and definitions of terms, and employ the same modes of
8 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
9 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
10 therein other than the State rate of tax), 2c, 3 (except as to
11 the disposition of taxes and penalties collected), 4, 5, 5a,
12 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
13 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
14 Section 3-7 of the Uniform Penalty and Interest Act, as fully
15 as if those provisions were set forth herein.

16 Persons subject to any tax imposed under the authority
17 granted in this Section may reimburse themselves for their
18 seller's tax liability hereunder by separately stating the tax
19 as an additional charge, which charge may be stated in
20 combination in a single amount with State taxes that sellers
21 are required to collect under the Use Tax Act, under any
22 bracket schedules the Department may prescribe.

23 Whenever the Department determines that a refund should be
24 made under this Section to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the warrant to be drawn for the

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Regional Transportation Authority tax fund
4 established under paragraph (n) of this Section.

5 If a tax is imposed under this subsection (e), a tax shall
6 also be imposed under subsections (f) and (g) of this Section.

7 For the purpose of determining whether a tax authorized
8 under this Section is applicable, a retail sale by a producer
9 of coal or other mineral mined in Illinois, is a sale at retail
10 at the place where the coal or other mineral mined in Illinois
11 is extracted from the earth. This paragraph does not apply to
12 coal or other mineral when it is delivered or shipped by the
13 seller to the purchaser at a point outside Illinois so that the
14 sale is exempt under the Federal Constitution as a sale in
15 interstate or foreign commerce.

16 No tax shall be imposed or collected under this subsection
17 on the sale of a motor vehicle in this State to a resident of
18 another state if that motor vehicle will not be titled in this
19 State.

20 Nothing in this Section shall be construed to authorize the
21 Regional Transportation Authority to impose a tax upon the
22 privilege of engaging in any business that under the
23 Constitution of the United States may not be made the subject
24 of taxation by this State.

25 (f) If a tax has been imposed under paragraph (e), a
26 Regional Transportation Authority Service Occupation Tax shall

1 also be imposed upon all persons engaged, in the metropolitan
2 region in the business of making sales of service, who as an
3 incident to making the sales of service, transfer tangible
4 personal property within the metropolitan region, either in the
5 form of tangible personal property or in the form of real
6 estate as an incident to a sale of service. In Cook County, the
7 tax rate shall be: (1) 1.25% ~~1%~~ of the serviceman's cost price
8 of food prepared for immediate consumption and transferred
9 incident to a sale of service subject to the service occupation
10 tax by an entity licensed under the Hospital Licensing Act or
11 the Nursing Home Care Act that is located in the metropolitan
12 region; (2) 1.25% ~~1%~~ of the selling price of food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, soft drinks and food that
15 has been prepared for immediate consumption) and prescription
16 and nonprescription medicines, drugs, medical appliances and
17 insulin, urine testing materials, syringes and needles used by
18 diabetics; and (3) 1% ~~3/4%~~ of the selling price from other
19 taxable sales of tangible personal property transferred. In
20 DuPage, Kane, Lake, McHenry and Will Counties the rate shall be
21 0.75% ~~1/4%~~ of the selling price of all tangible personal
22 property transferred.

23 The tax imposed under this paragraph and all civil
24 penalties that may be assessed as an incident thereof shall be
25 collected and enforced by the State Department of Revenue. The
26 Department shall have full power to administer and enforce this

1 paragraph; to collect all taxes and penalties due hereunder; to
2 dispose of taxes and penalties collected in the manner
3 hereinafter provided; and to determine all rights to credit
4 memoranda arising on account of the erroneous payment of tax or
5 penalty hereunder. In the administration of and compliance with
6 this paragraph, the Department and persons who are subject to
7 this paragraph shall have the same rights, remedies,
8 privileges, immunities, powers and duties, and be subject to
9 the same conditions, restrictions, limitations, penalties,
10 exclusions, exemptions and definitions of terms, and employ the
11 same modes of procedure, as are prescribed in Sections 1a-1, 2,
12 2a, 3 through 3-50 (in respect to all provisions therein other
13 than the State rate of tax), 4 (except that the reference to
14 the State shall be to the Authority), 5, 7, 8 (except that the
15 jurisdiction to which the tax shall be a debt to the extent
16 indicated in that Section 8 shall be the Authority), 9 (except
17 as to the disposition of taxes and penalties collected, and
18 except that the returned merchandise credit for this tax may
19 not be taken against any State tax), 10, 11, 12 (except the
20 reference therein to Section 2b of the Retailers' Occupation
21 Tax Act), 13 (except that any reference to the State shall mean
22 the Authority), the first paragraph of Section 15, 16, 17, 18,
23 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
24 the Uniform Penalty and Interest Act, as fully as if those
25 provisions were set forth herein.

26 Persons subject to any tax imposed under the authority

1 granted in this paragraph may reimburse themselves for their
2 serviceman's tax liability hereunder by separately stating the
3 tax as an additional charge, that charge may be stated in
4 combination in a single amount with State tax that servicemen
5 are authorized to collect under the Service Use Tax Act, under
6 any bracket schedules the Department may prescribe.

7 Whenever the Department determines that a refund should be
8 made under this paragraph to a claimant instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the warrant to be drawn for the
11 amount specified, and to the person named in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the Regional Transportation Authority tax fund
14 established under paragraph (n) of this Section.

15 Nothing in this paragraph shall be construed to authorize
16 the Authority to impose a tax upon the privilege of engaging in
17 any business that under the Constitution of the United States
18 may not be made the subject of taxation by the State.

19 (g) If a tax has been imposed under paragraph (e), a tax
20 shall also be imposed upon the privilege of using in the
21 metropolitan region, any item of tangible personal property
22 that is purchased outside the metropolitan region at retail
23 from a retailer, and that is titled or registered with an
24 agency of this State's government. In Cook County the tax rate
25 shall be 1% ~~3/4%~~ of the selling price of the tangible personal
26 property, as "selling price" is defined in the Use Tax Act. In

1 DuPage, Kane, Lake, McHenry and Will counties the tax rate
2 shall be 0.75% ~~1/4%~~ of the selling price of the tangible
3 personal property, as "selling price" is defined in the Use Tax
4 Act. The tax shall be collected from persons whose Illinois
5 address for titling or registration purposes is given as being
6 in the metropolitan region. The tax shall be collected by the
7 Department of Revenue for the Regional Transportation
8 Authority. The tax must be paid to the State, or an exemption
9 determination must be obtained from the Department of Revenue,
10 before the title or certificate of registration for the
11 property may be issued. The tax or proof of exemption may be
12 transmitted to the Department by way of the State agency with
13 which, or the State officer with whom, the tangible personal
14 property must be titled or registered if the Department and the
15 State agency or State officer determine that this procedure
16 will expedite the processing of applications for title or
17 registration.

18 The Department shall have full power to administer and
19 enforce this paragraph; to collect all taxes, penalties and
20 interest due hereunder; to dispose of taxes, penalties and
21 interest collected in the manner hereinafter provided; and to
22 determine all rights to credit memoranda or refunds arising on
23 account of the erroneous payment of tax, penalty or interest
24 hereunder. In the administration of and compliance with this
25 paragraph, the Department and persons who are subject to this
26 paragraph shall have the same rights, remedies, privileges,

1 immunities, powers and duties, and be subject to the same
2 conditions, restrictions, limitations, penalties, exclusions,
3 exemptions and definitions of terms and employ the same modes
4 of procedure, as are prescribed in Sections 2 (except the
5 definition of "retailer maintaining a place of business in this
6 State"), 3 through 3-80 (except provisions pertaining to the
7 State rate of tax, and except provisions concerning collection
8 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
9 19 (except the portions pertaining to claims by retailers and
10 except the last paragraph concerning refunds), 20, 21 and 22 of
11 the Use Tax Act, and are not inconsistent with this paragraph,
12 as fully as if those provisions were set forth herein.

13 Whenever the Department determines that a refund should be
14 made under this paragraph to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the order to be drawn for the
17 amount specified, and to the person named in the notification
18 from the Department. The refund shall be paid by the State
19 Treasurer out of the Regional Transportation Authority tax fund
20 established under paragraph (n) of this Section.

21 (h) The Authority may impose a replacement vehicle tax of
22 \$50 on any passenger car as defined in Section 1-157 of the
23 Illinois Vehicle Code purchased within the metropolitan region
24 by or on behalf of an insurance company to replace a passenger
25 car of an insured person in settlement of a total loss claim.
26 The tax imposed may not become effective before the first day

1 of the month following the passage of the ordinance imposing
2 the tax and receipt of a certified copy of the ordinance by the
3 Department of Revenue. The Department of Revenue shall collect
4 the tax for the Authority in accordance with Sections 3-2002
5 and 3-2003 of the Illinois Vehicle Code.

6 The Department shall immediately pay over to the State
7 Treasurer, ex officio, as trustee, all taxes collected
8 hereunder. On or before the 25th day of each calendar month,
9 the Department shall prepare and certify to the Comptroller the
10 disbursement of stated sums of money to the Authority. The
11 amount to be paid to the Authority shall be the amount
12 collected hereunder during the second preceding calendar month
13 by the Department, less any amount determined by the Department
14 to be necessary for the payment of refunds. Within 10 days
15 after receipt by the Comptroller of the disbursement
16 certification to the Authority provided for in this Section to
17 be given to the Comptroller by the Department, the Comptroller
18 shall cause the orders to be drawn for that amount in
19 accordance with the directions contained in the certification.

20 (i) The Board may not impose any other taxes except as it
21 may from time to time be authorized by law to impose.

22 (j) A certificate of registration issued by the State
23 Department of Revenue to a retailer under the Retailers'
24 Occupation Tax Act or under the Service Occupation Tax Act
25 shall permit the registrant to engage in a business that is
26 taxed under the tax imposed under paragraphs (b), (e), (f) or

1 (g) of this Section and no additional registration shall be
2 required under the tax. A certificate issued under the Use Tax
3 Act or the Service Use Tax Act shall be applicable with regard
4 to any tax imposed under paragraph (c) of this Section.

5 (k) The provisions of any tax imposed under paragraph (c)
6 of this Section shall conform as closely as may be practicable
7 to the provisions of the Use Tax Act, including without
8 limitation conformity as to penalties with respect to the tax
9 imposed and as to the powers of the State Department of Revenue
10 to promulgate and enforce rules and regulations relating to the
11 administration and enforcement of the provisions of the tax
12 imposed. The taxes shall be imposed only on use within the
13 metropolitan region and at rates as provided in the paragraph.

14 (l) The Board in imposing any tax as provided in paragraphs
15 (b) and (c) of this Section, shall, after seeking the advice of
16 the State Department of Revenue, provide means for retailers,
17 users or purchasers of motor fuel for purposes other than those
18 with regard to which the taxes may be imposed as provided in
19 those paragraphs to receive refunds of taxes improperly paid,
20 which provisions may be at variance with the refund provisions
21 as applicable under the Municipal Retailers Occupation Tax Act.
22 The State Department of Revenue may provide for certificates of
23 registration for users or purchasers of motor fuel for purposes
24 other than those with regard to which taxes may be imposed as
25 provided in paragraphs (b) and (c) of this Section to
26 facilitate the reporting and nontaxability of the exempt sales

1 or uses.

2 (m) Any ordinance imposing or discontinuing any tax under
3 this Section shall be adopted and a certified copy thereof
4 filed with the Department on or before June 1, whereupon the
5 Department of Revenue shall proceed to administer and enforce
6 this Section on behalf of the Regional Transportation Authority
7 as of September 1 next following such adoption and filing.
8 Beginning January 1, 1992, an ordinance or resolution imposing
9 or discontinuing the tax hereunder shall be adopted and a
10 certified copy thereof filed with the Department on or before
11 the first day of July, whereupon the Department shall proceed
12 to administer and enforce this Section as of the first day of
13 October next following such adoption and filing. Beginning
14 January 1, 1993, an ordinance or resolution imposing,
15 increasing, decreasing, or discontinuing the tax hereunder
16 shall be adopted and a certified copy thereof filed with the
17 Department ~~on or before the first day of October,~~ whereupon the
18 Department shall proceed to administer and enforce this Section
19 as of the first day of the first month to occur not less than 60
20 days ~~January next~~ following such adoption and filing. Any
21 ordinance or resolution of the Authority imposing a tax under
22 this Section and in effect on August 1, 2007 shall remain in
23 full force and effect and shall be administered by the
24 Department of Revenue under the terms and conditions and rates
25 of tax established by such ordinance or resolution until the
26 Department begins administering and enforcing an increased tax

1 under this Section as authorized by this amendatory Act of the
2 95th General Assembly. The tax rates authorized by this
3 amendatory Act of the 95th General Assembly are effective only
4 if imposed by ordinance of the Authority.

5 (n) The State Department of Revenue shall, upon collecting
6 any taxes as provided in this Section, pay the taxes over to
7 the State Treasurer as trustee for the Authority. The taxes
8 shall be held in a trust fund outside the State Treasury. On or
9 before the 25th day of each calendar month, the State
10 Department of Revenue shall prepare and certify to the
11 Comptroller of the State of Illinois and ~~the amount to be paid~~
12 ~~to the Authority, which shall be the then balance in the fund,~~
13 ~~less any amount determined by the Department to be necessary~~
14 ~~for the payment of refunds. The State Department of Revenue~~
15 ~~shall also certify~~ to the Authority (i) the amount of taxes
16 collected in each County other than Cook County in the
17 metropolitan region, (ii) ~~less the amount necessary for the~~
18 ~~payment of refunds to taxpayers in the County. With regard to~~
19 ~~the County of Cook, the certification shall specify~~ the amount
20 of taxes collected within the City of Chicago, less the amount
21 ~~necessary for the payment of refunds to taxpayers in the City~~
22 ~~of Chicago~~ and (iii) the amount collected in that portion of
23 Cook County outside of Chicago, each amount less the amount
24 necessary for the payment of refunds to taxpayers located in
25 those areas described in items (i), (ii), and (iii) in that
26 ~~portion of Cook County outside of Chicago.~~ Within 10 days after

1 receipt by the Comptroller of the certification of the amounts
2 ~~amount to be paid to the Authority~~, the Comptroller shall cause
3 an order to be drawn for the payment of two-thirds of the
4 amounts certified in item (i) of this subsection to the
5 Authority and one-third of the amounts certified in item (i) of
6 this subsection to the respective counties other than Cook
7 County and the amount certified in items (ii) and (iii) of this
8 subsection to the Authority ~~for the amount in accordance with~~
9 ~~the direction in the certification.~~

10 In addition to the disbursement required by the preceding
11 paragraph, an allocation shall be made in July 1991 and each
12 year thereafter to the Regional Transportation Authority. The
13 allocation shall be made in an amount equal to the average
14 monthly distribution during the preceding calendar year
15 (excluding the 2 months of lowest receipts) and the allocation
16 shall include the amount of average monthly distribution from
17 the Regional Transportation Authority Occupation and Use Tax
18 Replacement Fund. The distribution made in July 1992 and each
19 year thereafter under this paragraph and the preceding
20 paragraph shall be reduced by the amount allocated and
21 disbursed under this paragraph in the preceding calendar year.
22 The Department of Revenue shall prepare and certify to the
23 Comptroller for disbursement the allocations made in
24 accordance with this paragraph.

25 (o) Failure to adopt a budget ordinance or otherwise to
26 comply with Section 4.01 of this Act or to adopt a Five-year

1 Capital Program or otherwise to comply with paragraph (b) of
2 Section 2.01 of this Act shall not affect the validity of any
3 tax imposed by the Authority otherwise in conformity with law.

4 (p) At no time shall a public transportation tax or motor
5 vehicle parking tax authorized under paragraphs (b), (c) and
6 (d) of this Section be in effect at the same time as any
7 retailers' occupation, use or service occupation tax
8 authorized under paragraphs (e), (f) and (g) of this Section is
9 in effect.

10 Any taxes imposed under the authority provided in
11 paragraphs (b), (c) and (d) shall remain in effect only until
12 the time as any tax authorized by paragraphs (e), (f) or (g) of
13 this Section are imposed and becomes effective. Once any tax
14 authorized by paragraphs (e), (f) or (g) is imposed the Board
15 may not reimpose taxes as authorized in paragraphs (b), (c) and
16 (d) of the Section unless any tax authorized by paragraphs (e),
17 (f) or (g) of this Section becomes ineffective by means other
18 than an ordinance of the Board.

19 (q) Any existing rights, remedies and obligations
20 (including enforcement by the Regional Transportation
21 Authority) arising under any tax imposed under paragraphs (b),
22 (c) or (d) of this Section shall not be affected by the
23 imposition of a tax under paragraphs (e), (f) or (g) of this
24 Section.

25 (Source: P.A. 92-221, eff. 8-2-01; 92-651, eff. 7-11-02;
26 93-1068, eff. 1-15-05.)

1 (70 ILCS 3615/4.03.3 new)

2 Sec. 4.03.3. Distribution of Revenues. This Section
3 applies only after the Department begins administering and
4 enforcing an increased tax under Section 4.03(m) as authorized
5 by this amendatory Act of the 95th General Assembly. After
6 providing for payment of its obligations with respect to bonds
7 and notes issued under the provisions of Section 4.04 and
8 obligations related to those bonds and notes, the Authority
9 shall disburse the remaining proceeds from taxes it has
10 received from the Department of Revenue under this Article IV
11 and the remaining proceeds it has received from the State under
12 Section 4.09(a) as follows:

13 (a) With respect to taxes imposed by the Authority under
14 Section 4.03, after withholding 15% of 80% of the receipts from
15 those taxes collected in Cook County at a rate of 1.25%, 15% of
16 75% of the receipts from those taxes collected in Cook County
17 at the rate of 1%, 15% of one-half of the receipts from those
18 taxes collected in DuPage, Kane, Lake, McHenry, and Will
19 Counties, and 15% of money received by the Authority from the
20 Regional Transportation Authority Occupation and Use Tax
21 Replacement Fund or from the Regional Transportation Authority
22 Sales Tax Fund, the Board shall allocate the proceeds and money
23 remaining to the Service Boards as follows:

24 (1) an amount equal to (i) 85% of 80% of the receipts
25 from those taxes collected within the City of Chicago at a

1 rate of 1.25%, (ii) 85% of 75% of the receipts from those
2 taxes collected in the City of Chicago at the rate of 1%,
3 and (iii) 85% of the money received by the Authority on
4 account of transfers to the Regional Transportation
5 Authority Occupation and Use Tax Replacement Fund or to the
6 Regional Transportation Authority Sales Tax Fund from the
7 County and Mass Transit District Fund attributable to
8 retail sales within the City of Chicago shall be allocated
9 to the Chicago Transit Authority;

10 (2) an amount equal to (i) 85% of 80% of the receipts
11 from those taxes collected within Cook County outside of
12 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of
13 the receipts from those taxes collected within Cook County
14 outside the City of Chicago at a rate of 1%, and (iii) 85%
15 of the money received by the Authority on account of
16 transfers to the Regional Transportation Authority
17 Occupation and Use Tax Replacement Fund from the County and
18 Mass Transit District Fund attributable to retail sales
19 within Cook County outside of the City of Chicago shall be
20 allocated 30% to the Chicago Transit Authority, 55% to the
21 Commuter Rail Board, and 15% to the Suburban Bus Board; and

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

26 (b) Moneys received by the Authority on account of

1 transfers to the Regional Transportation Authority Occupation
2 and Use Tax Replacement Fund from the State and Local Sales Tax
3 Reform Fund shall be allocated among the Authority and the
4 Service Boards as follows: 15% of such moneys shall be retained
5 by the Authority and the remaining 85% shall be transferred to
6 the Service Boards as soon as may be practicable after the
7 Authority receives payment. Moneys which are distributable to
8 the Service Boards pursuant to the preceding sentence shall be
9 allocated among the Service Boards on the basis of each Service
10 Board's distribution ratio. The term "distribution ratio"
11 means, for purposes of this subsection (b), the ratio of the
12 total amount distributed to a Service Board pursuant to
13 subsection (a) of Section 4.03.3 for the immediately preceding
14 calendar year to the total amount distributed to all of the
15 Service Boards pursuant to subsection (a) of Section 4.03.3 for
16 the immediately preceding calendar year.

17 (c) (i) 20% of the receipts from those taxes collected in
18 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%
19 of the receipts from those taxes collected in Cook County under
20 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from
21 those taxes collected in DuPage, Kane, Lake, McHenry, and Will
22 Counties under Section 4.03, and (iv) amounts received from the
23 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)
24 of Section 4.09 (a) (3) shall be allocated as follows: in 2008,
25 \$100,000,000 shall be deposited in the ADA Paratransit Fund
26 described in Section 2.01d, \$20,000,000 shall be deposited in

1 the Suburban Community Mobility Fund described in Section
2 2.01e, and \$10,000,000 shall be deposited in the Innovation,
3 Coordination and Enhancement Fund described in Section 2.01c,
4 and the balance shall be allocated 48% to the Chicago Transit
5 Authority, 39% to the Commuter Rail Board, and 13% to the
6 Suburban Bus Board; and in 2009 and each year thereafter, the
7 amounts deposited in the ADA Paratransit Fund, the Suburban
8 Community Mobility Fund and the Innovation, Coordination and
9 Enhancement Fund respectively shall equal the amount deposited
10 in the previous year increased or decreased by the percentage
11 growth or decline in revenues received by the Authority from
12 taxes imposed under Section 4.03 in the previous year, and the
13 balance shall be allocated 48% to the Chicago Transit
14 Authority, 39% to the Commuter Rail Board and 13% to the
15 Suburban Bus Board.

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

19 (e) With respect to those taxes collected in DuPage, Kane,
20 Lake, McHenry, and Will Counties and paid directly to the
21 counties under Section 4.03, the County Board of each county
22 shall use those amounts to fund operating and capital costs of
23 public transportation services or facilities or to fund
24 operating, capital, right-of-way, construction, and
25 maintenance costs of other transportation purposes, including
26 road, bridge, public safety, and transit purposes intended to

1 improve mobility or reduce congestion in the county. The
2 receipt of funding by such counties pursuant to this paragraph
3 shall not be used as the basis for reducing any funds that such
4 counties would otherwise have received from the State of
5 Illinois, any agency or instrumentality thereof, the
6 Authority, or the Service Boards.

7 (f) The Authority by ordinance adopted by 12 of its then
8 Directors shall apportion to the Service Boards funds provided
9 by the State of Illinois under Section 4.09(a)(1) as it shall
10 determine and shall make payment of the amounts to each Service
11 Board as soon as may be practicable upon their receipt provided
12 the Authority has adopted a balanced budget as required by
13 Section 4.01 and further provided the Service Board is in
14 compliance with the requirements in Section 4.11.

15 (g) Beginning January 1, 2009, before making any payments,
16 transfers, or expenditures under this Section to a Service
17 Board, the Authority must first comply with Section 4.02a or
18 4.02b of this Act, whichever may be applicable.

19 (70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

20 Sec. 4.04. Issuance and Pledge of Bonds and Notes.

21 (a) The Authority shall have the continuing power to borrow
22 money and to issue its negotiable bonds or notes as provided in
23 this Section. Unless otherwise indicated in this Section, the
24 term "notes" also includes bond anticipation notes, which are
25 notes which by their terms provide for their payment from the

1 proceeds of bonds thereafter to be issued. Bonds or notes of
2 the Authority may be issued for any or all of the following
3 purposes: to pay costs to the Authority or a Service Board of
4 constructing or acquiring any public transportation facilities
5 (including funds and rights relating thereto, as provided in
6 Section 2.05 of this Act); to repay advances to the Authority
7 or a Service Board made for such purposes; to pay other
8 expenses of the Authority or a Service Board incident to or
9 incurred in connection with such construction or acquisition;
10 to provide funds for any transportation agency to pay principal
11 of or interest or redemption premium on any bonds or notes,
12 whether as such amounts become due or by earlier redemption,
13 issued prior to the date of this amendatory Act by such
14 transportation agency to construct or acquire public
15 transportation facilities or to provide funds to purchase such
16 bonds or notes; and to provide funds for any transportation
17 agency to construct or acquire any public transportation
18 facilities, to repay advances made for such purposes, and to
19 pay other expenses incident to or incurred in connection with
20 such construction or acquisition; and to provide funds for
21 payment of obligations, including the funding of reserves,
22 under any self-insurance plan or joint self-insurance pool or
23 entity.

24 In addition to any other borrowing as may be authorized by
25 this Section, the Authority may issue its notes, from time to
26 time, in anticipation of tax receipts of the Authority or of

1 other revenues or receipts of the Authority, in order to
2 provide money for the Authority or the Service Boards to cover
3 any cash flow deficit which the Authority or a Service Board
4 anticipates incurring. Any such notes are referred to in this
5 Section as "Working Cash Notes". No Working Cash Notes shall be
6 issued for a term of longer than 24 ~~18~~ months. Proceeds of
7 Working Cash Notes may be used to pay day to day operating
8 expenses of the Authority or the Service Boards, consisting of
9 wages, salaries and fringe benefits, professional and
10 technical services (including legal, audit, engineering and
11 other consulting services), office rental, furniture, fixtures
12 and equipment, insurance premiums, claims for self-insured
13 amounts under insurance policies, public utility obligations
14 for telephone, light, heat and similar items, travel expenses,
15 office supplies, postage, dues, subscriptions, public hearings
16 and information expenses, fuel purchases, and payments of
17 grants and payments under purchase of service agreements for
18 operations of transportation agencies, prior to the receipt by
19 the Authority or a Service Board from time to time of funds for
20 paying such expenses. In addition to any Working Cash Notes
21 that the Board of the Authority may determine to issue, the
22 Suburban Bus Board, the Commuter Rail Board or the Board of the
23 Chicago Transit Authority may demand and direct that the
24 Authority issue its Working Cash Notes in such amounts and
25 having such maturities as the Service Board may determine.

26 Notwithstanding any other provision of this Act, any

1 amounts necessary to pay principal of and interest on any
2 Working Cash Notes issued at the demand and direction of a
3 Service Board or any Working Cash Notes the proceeds of which
4 were used for the direct benefit of a Service Board or any
5 other Bonds or Notes of the Authority the proceeds of which
6 were used for the direct benefit of a Service Board shall
7 constitute a reduction of the amount of any other funds
8 provided by the Authority to that Service Board. The Authority
9 shall, after deducting any costs of issuance, tender the net
10 proceeds of any Working Cash Notes issued at the demand and
11 direction of a Service Board to such Service Board as soon as
12 may be practicable after the proceeds are received. The
13 Authority may also issue notes or bonds to pay, refund or
14 redeem any of its notes and bonds, including to pay redemption
15 premiums or accrued interest on such bonds or notes being
16 renewed, paid or refunded, and other costs in connection
17 therewith. The Authority may also utilize the proceeds of any
18 such bonds or notes to pay the legal, financial, administrative
19 and other expenses of such authorization, issuance, sale or
20 delivery of bonds or notes or to provide or increase a debt
21 service reserve fund with respect to any or all of its bonds or
22 notes. The Authority may also issue and deliver its bonds or
23 notes in exchange for any public transportation facilities,
24 (including funds and rights relating thereto, as provided in
25 Section 2.05 of this Act) or in exchange for outstanding bonds
26 or notes of the Authority, including any accrued interest or

1 redemption premium thereon, without advertising or submitting
2 such notes or bonds for public bidding.

3 (b) The ordinance providing for the issuance of any such
4 bonds or notes shall fix the date or dates of maturity, the
5 dates on which interest is payable, any sinking fund account or
6 reserve fund account provisions and all other details of such
7 bonds or notes and may provide for such covenants or agreements
8 necessary or desirable with regard to the issue, sale and
9 security of such bonds or notes. The rate or rates of interest
10 on its bonds or notes may be fixed or variable and the
11 Authority shall determine or provide for the determination of
12 the rate or rates of interest of its bonds or notes issued
13 under this Act in an ordinance adopted by the Authority prior
14 to the issuance thereof, none of which rates of interest shall
15 exceed that permitted in the Bond Authorization Act. Interest
16 may be payable at such times as are provided for by the Board.
17 Bonds and notes issued under this Section may be issued as
18 serial or term obligations, shall be of such denomination or
19 denominations and form, including interest coupons to be
20 attached thereto, be executed in such manner, shall be payable
21 at such place or places and bear such date as the Authority
22 shall fix by the ordinance authorizing such bond or note and
23 shall mature at such time or times, within a period not to
24 exceed forty years from the date of issue, and may be
25 redeemable prior to maturity with or without premium, at the
26 option of the Authority, upon such terms and conditions as the

1 Authority shall fix by the ordinance authorizing the issuance
2 of such bonds or notes. No bond anticipation note or any
3 renewal thereof shall mature at any time or times exceeding 5
4 years from the date of the first issuance of such note. The
5 Authority may provide for the registration of bonds or notes in
6 the name of the owner as to the principal alone or as to both
7 principal and interest, upon such terms and conditions as the
8 Authority may determine. The ordinance authorizing bonds or
9 notes may provide for the exchange of such bonds or notes which
10 are fully registered, as to both principal and interest, with
11 bonds or notes which are registerable as to principal only. All
12 bonds or notes issued under this Section by the Authority other
13 than those issued in exchange for property or for bonds or
14 notes of the Authority shall be sold at a price which may be at
15 a premium or discount but such that the interest cost
16 (excluding any redemption premium) to the Authority of the
17 proceeds of an issue of such bonds or notes, computed to stated
18 maturity according to standard tables of bond values, shall not
19 exceed that permitted in the Bond Authorization Act. The
20 Authority shall notify the Governor's Office of Management and
21 Budget and the State Comptroller at least 30 days before any
22 bond sale and shall file with the Governor's Office of
23 Management and Budget and the State Comptroller a certified
24 copy of any ordinance authorizing the issuance of bonds at or
25 before the issuance of the bonds. After December 31, 1994, any
26 such bonds or notes shall be sold to the highest and best

1 bidder on sealed bids as the Authority shall deem. As such
2 bonds or notes are to be sold the Authority shall advertise for
3 proposals to purchase the bonds or notes which advertisement
4 shall be published at least once in a daily newspaper of
5 general circulation published in the metropolitan region at
6 least 10 days before the time set for the submission of bids.
7 The Authority shall have the right to reject any or all bids.
8 Notwithstanding any other provisions of this Section, Working
9 Cash Notes or bonds or notes to provide funds for
10 self-insurance or a joint self-insurance pool or entity may be
11 sold either upon competitive bidding or by negotiated sale
12 (without any requirement of publication of intention to
13 negotiate the sale of such Notes), as the Board shall determine
14 by ordinance adopted with the affirmative votes of at least 9 ~~7~~
15 Directors. In case any officer whose signature appears on any
16 bonds, notes or coupons authorized pursuant to this Section
17 shall cease to be such officer before delivery of such bonds or
18 notes, such signature shall nevertheless be valid and
19 sufficient for all purposes, the same as if such officer had
20 remained in office until such delivery. Neither the Directors
21 of the Authority nor any person executing any bonds or notes
22 thereof shall be liable personally on any such bonds or notes
23 or coupons by reason of the issuance thereof.

24 (c) All bonds or notes of the Authority issued pursuant to
25 this Section shall be general obligations of the Authority to
26 which shall be pledged the full faith and credit of the

1 Authority, as provided in this Section. Such bonds or notes
2 shall be secured as provided in the authorizing ordinance,
3 which may, notwithstanding any other provision of this Act,
4 include in addition to any other security, a specific pledge or
5 assignment of and lien on or security interest in any or all
6 tax receipts of the Authority and on any or all other revenues
7 or moneys of the Authority from whatever source, which may by
8 law be utilized for debt service purposes and a specific pledge
9 or assignment of and lien on or security interest in any funds
10 or accounts established or provided for by the ordinance of the
11 Authority authorizing the issuance of such bonds or notes. Any
12 such pledge, assignment, lien or security interest for the
13 benefit of holders of bonds or notes of the Authority shall be
14 valid and binding from the time the bonds or notes are issued
15 without any physical delivery or further act and shall be valid
16 and binding as against and prior to the claims of all other
17 parties having claims of any kind against the Authority or any
18 other person irrespective of whether such other parties have
19 notice of such pledge, assignment, lien or security interest.
20 The obligations of the Authority incurred pursuant to this
21 Section shall be superior to and have priority over any other
22 obligations of the Authority.

23 The Authority may provide in the ordinance authorizing the
24 issuance of any bonds or notes issued pursuant to this Section
25 for the creation of, deposits in, and regulation and
26 disposition of sinking fund or reserve accounts relating to

1 such bonds or notes. The ordinance authorizing the issuance of
2 any bonds or notes pursuant to this Section may contain
3 provisions as part of the contract with the holders of the
4 bonds or notes, for the creation of a separate fund to provide
5 for the payment of principal and interest on such bonds or
6 notes and for the deposit in such fund from any or all the tax
7 receipts of the Authority and from any or all such other moneys
8 or revenues of the Authority from whatever source which may by
9 law be utilized for debt service purposes, all as provided in
10 such ordinance, of amounts to meet the debt service
11 requirements on such bonds or notes, including principal and
12 interest, and any sinking fund or reserve fund account
13 requirements as may be provided by such ordinance, and all
14 expenses incident to or in connection with such fund and
15 accounts or the payment of such bonds or notes. Such ordinance
16 may also provide limitations on the issuance of additional
17 bonds or notes of the Authority. No such bonds or notes of the
18 Authority shall constitute a debt of the State of Illinois.
19 Nothing in this Act shall be construed to enable the Authority
20 to impose any ad valorem tax on property.

21 (d) The ordinance of the Authority authorizing the issuance
22 of any bonds or notes may provide additional security for such
23 bonds or notes by providing for appointment of a corporate
24 trustee (which may be any trust company or bank having the
25 powers of a trust company within the state) with respect to
26 such bonds or notes. The ordinance shall prescribe the rights,

1 duties and powers of the trustee to be exercised for the
2 benefit of the Authority and the protection of the holders of
3 such bonds or notes. The ordinance may provide for the trustee
4 to hold in trust, invest and use amounts in funds and accounts
5 created as provided by the ordinance with respect to the bonds
6 or notes. The ordinance may provide for the assignment and
7 direct payment to the trustee of any or all amounts produced
8 from the sources provided in Section 4.03 and Section 4.09 of
9 this Act and provided in Section 6z-17 of "An Act in relation
10 to State finance", approved June 10, 1919, as amended. Upon
11 receipt of notice of any such assignment, the Department of
12 Revenue and the Comptroller of the State of Illinois shall
13 thereafter, notwithstanding the provisions of Section 4.03 and
14 Section 4.09 of this Act and Section 6z-17 of "An Act in
15 relation to State finance", approved June 10, 1919, as amended,
16 provide for such assigned amounts to be paid directly to the
17 trustee instead of the Authority, all in accordance with the
18 terms of the ordinance making the assignment. The ordinance
19 shall provide that amounts so paid to the trustee which are not
20 required to be deposited, held or invested in funds and
21 accounts created by the ordinance with respect to bonds or
22 notes or used for paying bonds or notes to be paid by the
23 trustee to the Authority.

24 (e) Any bonds or notes of the Authority issued pursuant to
25 this Section shall constitute a contract between the Authority
26 and the holders from time to time of such bonds or notes. In

1 issuing any bond or note, the Authority may include in the
2 ordinance authorizing such issue a covenant as part of the
3 contract with the holders of the bonds or notes, that as long
4 as such obligations are outstanding, it shall make such
5 deposits, as provided in paragraph (c) of this Section. It may
6 also so covenant that it shall impose and continue to impose
7 taxes, as provided in Section 4.03 of this Act and in addition
8 thereto as subsequently authorized by law, sufficient to make
9 such deposits and pay the principal and interest and to meet
10 other debt service requirements of such bonds or notes as they
11 become due. A certified copy of the ordinance authorizing the
12 issuance of any such obligations shall be filed at or prior to
13 the issuance of such obligations with the Comptroller of the
14 State of Illinois and the Illinois Department of Revenue.

15 (f) The State of Illinois pledges to and agrees with the
16 holders of the bonds and notes of the Authority issued pursuant
17 to this Section that the State will not limit or alter the
18 rights and powers vested in the Authority by this Act so as to
19 impair the terms of any contract made by the Authority with
20 such holders or in any way impair the rights and remedies of
21 such holders until such bonds and notes, together with interest
22 thereon, with interest on any unpaid installments of interest,
23 and all costs and expenses in connection with any action or
24 proceedings by or on behalf of such holders, are fully met and
25 discharged. In addition, the State pledges to and agrees with
26 the holders of the bonds and notes of the Authority issued

1 pursuant to this Section that the State will not limit or alter
2 the basis on which State funds are to be paid to the Authority
3 as provided in this Act, or the use of such funds, so as to
4 impair the terms of any such contract. The Authority is
5 authorized to include these pledges and agreements of the State
6 in any contract with the holders of bonds or notes issued
7 pursuant to this Section.

8 (g) (1) Except as provided in subdivisions (g)(2) and
9 (g)(3) of Section 4.04 of this Act, the Authority shall not
10 at any time issue, sell or deliver any bonds or notes
11 (other than Working Cash Notes) pursuant to this Section
12 4.04 which will cause it to have issued and outstanding at
13 any time in excess of \$800,000,000 of such bonds and notes
14 (other than Working Cash Notes). The Authority shall not at
15 any time issue, sell, or deliver any Working Cash Notes
16 pursuant to this Section that will cause it to have issued
17 and outstanding at any time in excess of \$100,000,000.
18 Notwithstanding the foregoing, before January 1, 2009, the
19 Authority may issue and have outstanding an additional
20 \$300,000,000 in Working Cash Notes, provided that no such
21 note shall mature later than December 31, 2010. ~~The~~
22 ~~Authority shall not at any time issue, sell or deliver any~~
23 ~~Working Cash Notes pursuant to this Section which will~~
24 ~~cause it to have issued and outstanding at any time in~~
25 ~~excess of \$100,000,000 of Working Cash Notes.~~ Bonds or
26 notes which are being paid or retired by such issuance,

1 sale or delivery of bonds or notes, and bonds or notes for
2 which sufficient funds have been deposited with the paying
3 agency of such bonds or notes to provide for payment of
4 principal and interest thereon or to provide for the
5 redemption thereof, all pursuant to the ordinance
6 authorizing the issuance of such bonds or notes, shall not
7 be considered to be outstanding for the purposes of the
8 first two sentences of this subsection.

9 (2) In addition to the authority provided by paragraphs
10 (1) and (3), the Authority is authorized to issue, sell and
11 deliver bonds or notes for Strategic Capital Improvement
12 Projects approved pursuant to Section 4.13 as follows:

13 \$100,000,000 is authorized to be issued on or after
14 January 1, 1990;

15 an additional \$100,000,000 is authorized to be issued
16 on or after January 1, 1991;

17 an additional \$100,000,000 is authorized to be issued
18 on or after January 1, 1992;

19 an additional \$100,000,000 is authorized to be issued
20 on or after January 1, 1993;

21 an additional \$100,000,000 is authorized to be issued
22 on or after January 1, 1994; and

23 the aggregate total authorization of bonds and notes
24 for Strategic Capital Improvement Projects as of January 1,
25 1994, shall be \$500,000,000.

26 The Authority is also authorized to issue, sell, and

1 deliver bonds or notes in such amounts as are necessary to
2 provide for the refunding or advance refunding of bonds or
3 notes issued for Strategic Capital Improvement Projects
4 under this subdivision (g)(2), provided that no such
5 refunding bond or note shall mature later than the final
6 maturity date of the series of bonds or notes being
7 refunded, and provided further that the debt service
8 requirements for such refunding bonds or notes in the
9 current or any future fiscal year shall not exceed the debt
10 service requirements for that year on the refunded bonds or
11 notes.

12 (3) In addition to the authority provided by paragraphs
13 (1) and (2), the Authority is authorized to issue, sell,
14 and deliver bonds or notes for Strategic Capital
15 Improvement Projects approved pursuant to Section 4.13 as
16 follows:

17 \$260,000,000 is authorized to be issued on or after
18 January 1, 2000;

19 an additional \$260,000,000 is authorized to be issued
20 on or after January 1, 2001;

21 an additional \$260,000,000 is authorized to be issued
22 on or after January 1, 2002;

23 an additional \$260,000,000 is authorized to be issued
24 on or after January 1, 2003;

25 an additional \$260,000,000 is authorized to be issued
26 on or after January 1, 2004; and

1 the aggregate total authorization of bonds and notes
2 for Strategic Capital Improvement Projects pursuant to
3 this paragraph (3) as of January 1, 2004 shall be
4 \$1,300,000,000.

5 The Authority is also authorized to issue, sell, and
6 deliver bonds or notes in such amounts as are necessary to
7 provide for the refunding or advance refunding of bonds or
8 notes issued for Strategic Capital Improvement projects
9 under this subdivision (g)(3), provided that no such
10 refunding bond or note shall mature later than the final
11 maturity date of the series of bonds or notes being
12 refunded, and provided further that the debt service
13 requirements for such refunding bonds or notes in the
14 current or any future fiscal year shall not exceed the debt
15 service requirements for that year on the refunded bonds or
16 notes.

17 (h) The Authority, subject to the terms of any agreements
18 with noteholders or bond holders as may then exist, shall have
19 power, out of any funds available therefor, to purchase notes
20 or bonds of the Authority, which shall thereupon be cancelled.

21 (i) In addition to any other authority granted by law, the
22 State Treasurer may, with the approval of the Governor, invest
23 or reinvest, at a price not to exceed par, any State money in
24 the State Treasury which is not needed for current expenditures
25 due or about to become due in Working Cash Notes.

26 (Source: P.A. 94-793, eff. 5-19-06.)

1 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

2 Sec. 4.09. Public Transportation Fund and the Regional
3 Transportation Authority Occupation and Use Tax Replacement
4 Fund.

5 (a) (1) ~~(a) As soon as possible after the first day of each~~
6 ~~month, beginning November 1, 1983, the Comptroller shall order~~
7 ~~transferred and the Treasurer shall transfer from the General~~
8 ~~Revenue Fund to a special fund in the State Treasury, to be~~
9 ~~known as the "Public Transportation Fund" \$9,375,000 for each~~
10 ~~month remaining in State fiscal year 1984.~~ As soon as possible
11 after the first day of each month, beginning July 1, 1984, upon
12 certification of the Department of Revenue, the Comptroller
13 shall order transferred and the Treasurer shall transfer from
14 the General Revenue Fund to the Public Transportation Fund an
15 amount equal to 25% of the net revenue, before the deduction of
16 the serviceman and retailer discounts pursuant to Section 9 of
17 the Service Occupation Tax Act and Section 3 of the Retailers'
18 Occupation Tax Act, realized from any tax imposed by the
19 Authority pursuant to Sections 4.03 and 4.03.1 and 25% of the
20 amounts deposited into the Regional Transportation Authority
21 tax fund created by Section 4.03 of this Act, from the County
22 and Mass Transit District Fund as provided in Section 6z-20 of
23 the State Finance Act and 25% of the amounts deposited into the
24 Regional Transportation Authority Occupation and Use Tax
25 Replacement Fund from the State and Local Sales Tax Reform Fund

1 as provided in Section 6z-17 of the State Finance Act. On the
2 first day of the month following the date that the Department
3 receives revenues from increased taxes under Section 4.03(m) as
4 authorized by this amendatory Act of the 95th General Assembly,
5 in lieu of the transfers authorized in the preceding sentence,
6 upon certification of the Department of Revenue, the
7 Comptroller shall order transferred and the Treasurer shall
8 transfer from the General Revenue Fund to the Public
9 Transportation Fund an amount equal to 25% of the net revenue,
10 before the deduction of the serviceman and retailer discounts
11 pursuant to Section 9 of the Service Occupation Tax Act and
12 Section 3 of the Retailers' Occupation Tax Act, realized from
13 (i) 80% of the proceeds of any tax imposed by the Authority at
14 a rate of 1.25% in Cook County, (ii) 75% of the proceeds of any
15 tax imposed by the Authority at the rate of 1% in Cook County,
16 and (iii) one-third of the proceeds of any tax imposed by the
17 Authority at the rate of 0.75% in the Counties of DuPage, Kane,
18 Lake, McHenry, and Will, all pursuant to Section 4.03, and 25%
19 of the net revenue realized from any tax imposed by the
20 Authority pursuant to Section 4.03.1, and 25% of the amounts
21 deposited into the Regional Transportation Authority Tax Fund
22 created by Section 4.03 of this Act from the County and Mass
23 Transit District Fund as provided in Section 6z-20 of the State
24 Finance Act, and 25% of the amounts deposited into the Regional
25 Transportation Authority Occupation and Use Tax Replacement
26 Fund from the State and Local Sales Tax Reform Fund as provided

1 in Section 6z-17 of the State Finance Act. As used in this
2 Section, net ~~Net~~ revenue realized for a month shall be the
3 revenue collected by the State pursuant to Sections 4.03 and
4 4.03.1 during the previous month from within the metropolitan
5 region, less the amount paid out during that same month as
6 refunds to taxpayers for overpayment of liability in the
7 metropolitan region under Sections 4.03 and 4.03.1.

8 (2) On the first day of the month following the effective
9 date of this amendatory Act of the 95th General Assembly and
10 each month thereafter, upon certification by the Department of
11 Revenue, the Comptroller shall order transferred and the
12 Treasurer shall transfer from the General Revenue Fund to the
13 Public Transportation Fund an amount equal to 5% of the net
14 revenue, before the deduction of the serviceman and retailer
15 discounts pursuant to Section 9 of the Service Occupation Tax
16 Act and Section 3 of the Retailers' Occupation Tax Act,
17 realized from the proceeds of any tax imposed by the Authority
18 under the provisions of Section 4.03 and certified by the
19 Department of Revenue under Section 4.03(n) of this Act to be
20 paid to the Authority and 5% of the revenue realized by the
21 Chicago Transit Authority as financial assistance from the City
22 of Chicago from the proceeds of any tax imposed by the City
23 under Section 8-3-19 of the Illinois Municipal Code.

24 (3) As soon as possible after the first day of January,
25 2009 and each month thereafter, upon certification of the
26 Department of Revenue with respect to the taxes collected under

1 Section 4.03, the Comptroller shall order transferred and the
2 Treasurer shall transfer from the General Revenue Fund to the
3 Public Transportation Fund an amount equal to 25% of the net
4 revenue, before the deduction of the serviceman and retailer
5 discounts pursuant to Section 9 of the Service Occupation Tax
6 Act and Section 3 of the Retailers' Occupation Tax Act,
7 realized from (i) 20% of the proceeds of any tax imposed by the
8 Authority at a rate of 1.25% in Cook County, (ii) 25% of the
9 proceeds of any tax imposed by the Authority at the rate of 1%
10 in Cook County, and (iii) one-third of the proceeds of any tax
11 imposed by the Authority at the rate of 0.75% in the Counties
12 of DuPage, Kane, Lake, McHenry, and Will, all pursuant to
13 Section 4.03, and the Comptroller shall order transferred and
14 the Treasurer shall transfer from the General Revenue Fund to
15 the Public Transportation Fund (iv) an amount equal to 25% of
16 the revenue realized by the Chicago Transit Authority as
17 financial assistance from the City of Chicago from the proceeds
18 of any tax imposed by the City under Section 8-3-19 of the
19 Municipal Code.

20 (b) (1) All moneys deposited in the Public Transportation
21 Fund and the Regional Transportation Authority Occupation and
22 Use Tax Replacement Fund, whether deposited pursuant to this
23 Section or otherwise, are allocated to the Authority. Pursuant
24 to appropriation, the Comptroller, as soon as possible after
25 each monthly transfer provided in this Section and after each
26 deposit into the Public Transportation Fund, shall order the

1 Treasurer to pay to the Authority out of the Public
2 Transportation Fund the amount so transferred or deposited. Any
3 additional State assistance and additional financial
4 assistance paid to the Authority under this Section shall be
5 expended by the Authority for its purposes as provided in this
6 Act. The balance of the amounts paid to the Authority from the
7 Public Transportation Fund shall be expended by the Authority
8 as provided in Section 4.03.3. ~~Such amounts paid to the~~
9 ~~Authority may be expended by it for its purposes as provided in~~
10 ~~this Act.~~ Subject to appropriation to the Department of
11 Revenue, the Comptroller, as soon as possible after each
12 deposit into the Regional Transportation Authority Occupation
13 and Use Tax Replacement Fund provided in this Section and
14 Section 6z-17 of the State Finance Act, shall order the
15 Treasurer to pay to the Authority out of the Regional
16 Transportation Authority Occupation and Use Tax Replacement
17 Fund the amount so deposited. Such amounts paid to the
18 Authority may be expended by it for its purposes as provided in
19 this Act. (2) Provided, however, no moneys deposited under
20 subsection (a) of this Section shall be paid from the Public
21 Transportation Fund to the Authority or its assignee for any
22 fiscal year ~~beginning after the effective date of this~~
23 ~~amendatory Act of 1983~~ until the Authority has certified to the
24 Governor, the Comptroller, and the Mayor of the City of Chicago
25 that it has adopted for that fiscal year an Annual Budget and
26 Two-Year Financial Plan ~~a budget and financial plan~~ meeting the

1 requirements in Section 4.01(b).

2 (c) In recognition of the efforts of the Authority to
3 enhance the mass transportation facilities under its control,
4 the State shall provide financial assistance ("Additional
5 State Assistance") in excess of the amounts transferred to the
6 Authority from the General Revenue Fund under subsection (a) of
7 this Section. Additional State Assistance shall be calculated
8 as provided in subsection (d), but shall in no event exceed the
9 following specified amounts with respect to the following State
10 fiscal years:

11	1990	\$5,000,000;
12	1991	\$5,000,000;
13	1992	\$10,000,000;
14	1993	\$10,000,000;
15	1994	\$20,000,000;
16	1995	\$30,000,000;
17	1996	\$40,000,000;
18	1997	\$50,000,000;
19	1998	\$55,000,000; and
20	each year thereafter	\$55,000,000.

21 (c-5) The State shall provide financial assistance
22 ("Additional Financial Assistance") in addition to the
23 Additional State Assistance provided by subsection (c) and the
24 amounts transferred to the Authority from the General Revenue
25 Fund under subsection (a) of this Section. Additional Financial
26 Assistance provided by this subsection shall be calculated as

1 provided in subsection (d), but shall in no event exceed the
2 following specified amounts with respect to the following State
3 fiscal years:

4	2000	\$0;
5	2001	\$16,000,000;
6	2002	\$35,000,000;
7	2003	\$54,000,000;
8	2004	\$73,000,000;
9	2005	\$93,000,000; and
10	each year thereafter	\$100,000,000.

11 (d) Beginning with State fiscal year 1990 and continuing
12 for each State fiscal year thereafter, the Authority shall
13 annually certify to the State Comptroller and State Treasurer,
14 separately with respect to each of subdivisions (g)(2) and
15 (g)(3) of Section 4.04 of this Act, the following amounts:

16 (1) The amount necessary and required, during the State
17 fiscal year with respect to which the certification is
18 made, to pay its obligations for debt service on all
19 outstanding bonds or notes issued by the Authority under
20 subdivisions (g)(2) and (g)(3) of Section 4.04 of this Act.

21 (2) An estimate of the amount necessary and required to
22 pay its obligations for debt service for any bonds or notes
23 which the Authority anticipates it will issue under
24 subdivisions (g)(2) and (g)(3) of Section 4.04 during that
25 State fiscal year.

26 (3) Its debt service savings during the preceding State

1 fiscal year from refunding or advance refunding of bonds or
2 notes issued under subdivisions (g)(2) and (g)(3) of
3 Section 4.04.

4 (4) The amount of interest, if any, earned by the
5 Authority during the previous State fiscal year on the
6 proceeds of bonds or notes issued pursuant to subdivisions
7 (g)(2) and (g)(3) of Section 4.04, other than refunding or
8 advance refunding bonds or notes.

9 The certification shall include a specific schedule of debt
10 service payments, including the date and amount of each payment
11 for all outstanding bonds or notes and an estimated schedule of
12 anticipated debt service for all bonds and notes it intends to
13 issue, if any, during that State fiscal year, including the
14 estimated date and estimated amount of each payment.

15 Immediately upon the issuance of bonds for which an
16 estimated schedule of debt service payments was prepared, the
17 Authority shall file an amended certification with respect to
18 item (2) above, to specify the actual schedule of debt service
19 payments, including the date and amount of each payment, for
20 the remainder of the State fiscal year.

21 On the first day of each month of the State fiscal year in
22 which there are bonds outstanding with respect to which the
23 certification is made, the State Comptroller shall order
24 transferred and the State Treasurer shall transfer from the
25 General Revenue Fund to the Public Transportation Fund the
26 Additional State Assistance and Additional Financial

1 Assistance in an amount equal to the aggregate of (i)
2 one-twelfth of the sum of the amounts certified under items (1)
3 and (3) above less the amount certified under item (4) above,
4 plus (ii) the amount required to pay debt service on bonds and
5 notes issued during the fiscal year, if any, divided by the
6 number of months remaining in the fiscal year after the date of
7 issuance, or some smaller portion as may be necessary under
8 subsection (c) or (c-5) of this Section for the relevant State
9 fiscal year, plus (iii) any cumulative deficiencies in
10 transfers for prior months, until an amount equal to the sum of
11 the amounts certified under items (1) and (3) above, plus the
12 actual debt service certified under item (2) above, less the
13 amount certified under item (4) above, has been transferred;
14 except that these transfers are subject to the following
15 limits:

16 (A) In no event shall the total transfers in any State
17 fiscal year relating to outstanding bonds and notes issued
18 by the Authority under subdivision (g)(2) of Section 4.04
19 exceed the lesser of the annual maximum amount specified in
20 subsection (c) or the sum of the amounts certified under
21 items (1) and (3) above, plus the actual debt service
22 certified under item (2) above, less the amount certified
23 under item (4) above, with respect to those bonds and
24 notes.

25 (B) In no event shall the total transfers in any State
26 fiscal year relating to outstanding bonds and notes issued

1 by the Authority under subdivision (g)(3) of Section 4.04
2 exceed the lesser of the annual maximum amount specified in
3 subsection (c-5) or the sum of the amounts certified under
4 items (1) and (3) above, plus the actual debt service
5 certified under item (2) above, less the amount certified
6 under item (4) above, with respect to those bonds and
7 notes.

8 The term "outstanding" does not include bonds or notes for
9 which refunding or advance refunding bonds or notes have been
10 issued.

11 (e) Neither Additional State Assistance nor Additional
12 Financial Assistance may be pledged, either directly or
13 indirectly as general revenues of the Authority, as security
14 for any bonds issued by the Authority. The Authority may not
15 assign its right to receive Additional State Assistance or
16 Additional Financial Assistance, or direct payment of
17 Additional State Assistance or Additional Financial
18 Assistance, to a trustee or any other entity for the payment of
19 debt service on its bonds.

20 (f) The certification required under subsection (d) with
21 respect to outstanding bonds and notes of the Authority shall
22 be filed as early as practicable before the beginning of the
23 State fiscal year to which it relates. The certification shall
24 be revised as may be necessary to accurately state the debt
25 service requirements of the Authority.

26 (g) Within 6 months of the end of ~~the 3 month period ending~~

1 ~~December 31, 1983,~~ and each fiscal year ~~thereafter,~~ the
2 Authority shall determine:

3 (i) whether the aggregate of all system generated
4 revenues for public transportation in the metropolitan
5 region which is provided by, or under grant or purchase of
6 service contracts with, the Service Boards equals 50% of
7 the aggregate of all costs of providing such public
8 transportation. "System generated revenues" include all
9 the proceeds of fares and charges for services provided,
10 contributions received in connection with public
11 transportation from units of local government other than
12 the Authority, except for contributions received by the
13 Chicago Transit Authority from a real estate transfer tax
14 imposed under subsection (i) of Section 8-3-19 of the
15 Illinois Municipal Code, and from the State pursuant to
16 subsection (i) of Section 2705-305 of the Department of
17 Transportation Law (20 ILCS 2705/2705-305), and all other
18 revenues properly included consistent with generally
19 accepted accounting principles but may not include: the
20 proceeds from any borrowing, and, beginning with the 2007
21 fiscal year, all revenues and receipts, including but not
22 limited to fares and grants received from the federal,
23 State or any unit of local government or other entity,
24 derived from providing ADA paratransit service pursuant to
25 Section 2.30 of the Regional Transportation Authority Act.
26 "Costs" include all items properly included as operating

1 costs consistent with generally accepted accounting
2 principles, including administrative costs, but do not
3 include: depreciation; payment of principal and interest
4 on bonds, notes or other evidences of obligations for
5 borrowed money of the Authority; payments with respect to
6 public transportation facilities made pursuant to
7 subsection (b) of Section 2.20; any payments with respect
8 to rate protection contracts, credit enhancements or
9 liquidity agreements made under Section 4.14; any other
10 cost as to which it is reasonably expected that a cash
11 expenditure will not be made; costs ~~up to \$5,000,000~~
12 ~~annually~~ for passenger security including grants,
13 contracts, personnel, equipment and administrative
14 expenses, except in the case of the Chicago Transit
15 Authority, in which case the term does not include costs
16 spent annually by that entity for protection against crime
17 as required by Section 27a of the Metropolitan Transit
18 Authority Act; the costs of Debt Service paid by the
19 Chicago Transit Authority, as defined in Section 12c of the
20 Metropolitan Transit Authority Act, or bonds or notes
21 issued pursuant to that Section; the payment by the
22 Commuter Rail Division of debt service on bonds issued
23 pursuant to Section 3B.09; expenses incurred by the
24 Suburban Bus Division for the cost of new public
25 transportation services funded from grants pursuant to
26 Section 2.01e of this amendatory Act of the 95th General

1 Assembly for a period of 2 years from the date of
2 initiation of each such service; costs as exempted by the
3 Board for projects pursuant to Section 2.09 of this Act;
4 or, beginning with the 2007 fiscal year, expenses related
5 to providing ADA paratransit service pursuant to Section
6 2.30 of the Regional Transportation Authority Act; or in
7 fiscal years 2008 through 2017 inclusive, costs in the
8 amount of \$200,000,000 in fiscal year 2008, reducing by
9 \$20,000,000 in each fiscal year thereafter until this
10 exemption is eliminated. If said system generated revenues
11 are less than 50% of said costs, the Board shall remit an
12 amount equal to the amount of the deficit to the State. The
13 Treasurer shall deposit any such payment in the General
14 Revenue Fund; and

15 (ii) whether, beginning with the 2007 fiscal year, the
16 aggregate of all fares charged and received for ADA
17 paratransit services equals the system generated ADA
18 paratransit services revenue recovery ratio percentage of
19 the aggregate of all costs of providing such ADA
20 paratransit services.

21 (h) If the Authority makes any payment to the State under
22 paragraph (g), the Authority shall reduce the amount provided
23 to a Service Board from funds transferred under paragraph (a)
24 in proportion to the amount by which that Service Board failed
25 to meet its required system generated revenues recovery ratio.
26 A Service Board which is affected by a reduction in funds under

1 this paragraph shall submit to the Authority concurrently with
2 its next due quarterly report a revised budget incorporating
3 the reduction in funds. The revised budget must meet the
4 criteria specified in clauses (i) through (vi) of Section
5 4.11(b)(2). The Board shall review and act on the revised
6 budget as provided in Section 4.11(b)(3).

7 (Source: P.A. 94-370, eff. 7-29-05.)"; and

8 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

9 Sec. 4.11. Budget Review Powers.

10 ~~(a) The provisions of this Section shall only be applicable~~
11 ~~to financial periods beginning after December 31, 1983. The~~
12 ~~Transition Board shall adopt a timetable governing the~~
13 ~~certification of estimates and any submissions required under~~
14 ~~this Section for fiscal year 1984 which shall control over the~~
15 ~~provisions of this Act.~~ Based upon estimates which shall be
16 given to the Authority by the Director of the Governor's Office
17 of Management and Budget (formerly Bureau of the Budget) of the
18 receipts to be received by the Authority from the taxes imposed
19 by the Authority and the authorized estimates of amounts to be
20 available from State and other sources to the Service Boards,
21 and the times at which such receipts and amounts will be
22 available, the Board shall, not later than the next preceding
23 September 15th prior to the beginning of the Authority's next
24 fiscal year, advise each Service Board of the amounts estimated
25 by the Board to be available for such Service Board during such

1 fiscal year and the two following fiscal years and the times at
2 which such amounts will be available. The Board shall, at the
3 same time, also advise each Service Board of its required
4 system generated revenues recovery ratio for the next fiscal
5 year which shall be the percentage of the aggregate costs of
6 providing public transportation by or under jurisdiction of
7 that Service Board which must be recovered from system
8 generated revenues. The Board shall, at the same time,
9 beginning with the 2007 fiscal year, also advise each Service
10 Board that provides ADA paratransit services of its required
11 system generated ADA paratransit services revenue recovery
12 ratio for the next fiscal year which shall be the percentage of
13 the aggregate costs of providing ADA paratransit services by or
14 under jurisdiction of that Service Board which must be
15 recovered from fares charged for such services, except that
16 such required system generated ADA paratransit services
17 revenue recovery ratio shall not exceed the minimum percentage
18 established pursuant to Section 4.01(b)(ii) of this Act. In
19 determining a Service Board's system generated revenue
20 recovery ratio, the Board shall consider the historical system
21 generated revenues recovery ratio for the services subject to
22 the jurisdiction of that Service Board. The Board shall not
23 increase a Service Board's system generated revenues recovery
24 ratio for the next fiscal year over such ratio for the current
25 fiscal year disproportionately or prejudicially to increases
26 in such ratios for other Service Boards. The Board may, by

1 ordinance, provide that (i) the cost of research and
2 development projects in the fiscal year beginning January 1,
3 1986 and ending December 31, 1986 conducted pursuant to Section
4 2.09 of this Act, ~~and (ii) up to \$5,000,000 annually of the~~
5 ~~costs for passenger security, and (iii) expenditures of amounts~~
6 granted to a Service Board from the Innovation, Coordination,
7 and Enhancement Fund for operating purposes may be exempted
8 from the farebox recovery ratio or the system generated
9 revenues recovery ratio of the Chicago Transit Authority, the
10 Suburban Bus Board, and the Commuter Rail Board, or any of
11 them. During fiscal years 2008 through 2017, the Board may also
12 allocate the exemption of \$200,000,000 and the reducing amounts
13 of costs provided by this amendatory Act of the 95th General
14 Assembly from the farebox recovery ratio or system generated
15 revenues recovery ratio of each Service Board. ~~For the fiscal~~
16 ~~year beginning January 1, 1986 and ending December 31, 1986,~~
17 ~~and for the fiscal year beginning January 1, 1987 and ending~~
18 ~~December 31, 1987, the Board shall, by ordinance, provide that:~~
19 ~~(1) the amount of a grant, pursuant to Section 2705-310 of the~~
20 ~~Department of Transportation Law (20 ILCS 2705/2705-310), from~~
21 ~~the Department of Transportation for the cost of services for~~
22 ~~the mobility limited provided by the Chicago Transit Authority,~~
23 ~~and (2) the amount of a grant, pursuant to Section 2705-310 of~~
24 ~~the Department of Transportation Law (20 ILCS 2705/2705-310),~~
25 ~~from the Department of Transportation for the cost of services~~
26 ~~for the mobility limited by the Suburban Bus Board or the~~

1 ~~Commuter Rail Board, be exempt from the farebox recovery ratio~~
2 ~~or the system generated revenues recovery ratio.~~

3 (b) (1) Not later than the next preceding November 15 prior
4 to the commencement of such fiscal year, each Service Board
5 shall submit to the Authority its proposed budget for such
6 fiscal year and its proposed financial plan for the two
7 following fiscal years. Such budget and financial plan shall
8 (i) be prepared in the format, follow the financial and
9 budgetary practices, and be based on any assumptions and
10 projections required by the Authority and (ii) not project or
11 assume a receipt of revenues from the Authority in amounts
12 greater than those set forth in the estimates provided by the
13 Authority pursuant to subsection (a) of this Section.

14 (2) The Board shall review the proposed budget and two-year
15 financial plan submitted by each Service Board, ~~and shall adopt~~
16 ~~a consolidated budget and financial plan.~~ The Board shall
17 approve the budget and two-year financial plan of a Service
18 Board if:

19 ~~(i) the Board has approved the proposed budget and cash~~
20 ~~flow plan for such fiscal year of each Service Board,~~
21 ~~pursuant to the conditions set forth in clauses (ii)~~
22 ~~through (vii) of this paragraph;~~

23 (i) ~~(ii)~~ such budget and plan show a balance between
24 (A) anticipated revenues from all sources including
25 operating subsidies and (B) the costs of providing the
26 services specified and of funding any operating deficits or

1 encumbrances incurred in prior periods, including
2 provision for payment when due of principal and interest on
3 outstanding indebtedness;

4 (ii) ~~(iii)~~ such budget and plan show cash balances
5 including the proceeds of any anticipated cash flow
6 borrowing sufficient to pay with reasonable promptness all
7 costs and expenses as incurred;

8 (iii) ~~(iv)~~ such budget and plan provide for a level of
9 fares or charges and operating or administrative costs for
10 the public transportation provided by or subject to the
11 jurisdiction of such Service Board sufficient to allow the
12 Service Board to meet its required system generated revenue
13 recovery ratio and, beginning with the 2007 fiscal year,
14 system generated ADA paratransit services revenue recovery
15 ratio;

16 (iv) ~~(v)~~ such budget and plan are based upon and employ
17 assumptions and projections which are reasonable and
18 prudent;

19 (v) ~~(vi)~~ such budget and plan have been prepared in
20 accordance with sound financial practices as determined by
21 the Board; ~~and~~

22 (vi) ~~(vii)~~ such budget and plan meet such other
23 financial, budgetary, or fiscal requirements that the
24 Board may by rule or regulation establish; and ~~and~~

25 (vii) such budget and plan are consistent with the
26 goals and objectives adopted by the Authority in the

1 Strategic Plan.

2 (3) (Blank) ~~In determining whether the budget and financial~~
3 ~~plan provide a level of fares or charges sufficient to allow a~~
4 ~~Service Board to meet its required system generated revenue~~
5 ~~recovery ratio and, beginning with the 2007 fiscal year, system~~
6 ~~generated ADA paratransit services revenue recovery ratio~~
7 ~~under clause (iv) in subparagraph (2), the Board shall allow a~~
8 ~~Service Board to carry over cash from farebox revenues to~~
9 ~~subsequent fiscal years.~~

10 (4) Unless the Board by an affirmative vote of 12 ~~9~~ of the
11 then Directors determines that the budget and financial plan of
12 a Service Board meets the criteria specified in clauses (i)
13 ~~(ii)~~ through (vii) of subparagraph (2) of this paragraph (b),
14 the Board shall not release to that Service Board any funds for
15 the periods covered by such budget and financial plan after
16 February 1, except 75% of for the cash proceeds of taxes
17 imposed by the Authority under Section 4.03 and Section 4.03.1
18 which are allocated to the Service Board under Section 4.03.3
19 and received by the Authority after February 1 shall be
20 released to the Service Board. The remainder of any cash
21 proceeds of taxes imposed by the Authority under Section 4.03
22 and Section 4.03.1 that are allocated to the Service Board
23 under Section 4.01 shall be released to the Service Board only
24 upon approval of a budget and financial plan under this Section
25 or adoption of a budget and financial plan on behalf of the
26 Service Board by the Authority ~~4.01.~~

1 (5) If the Board has not found that the budget and
2 financial plan of a Service Board meets the criteria specified
3 in clauses (i) through (vii) of subparagraph (2) of this
4 paragraph (b), the Board, by the affirmative vote of at least
5 12 of its then Directors, shall ~~shall, five working days after~~
6 ~~the start of the Service Board's fiscal year~~ adopt a budget and
7 financial plan meeting such criteria for that Service Board.

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

24 (2) Each Service Board shall, within such period after the
25 end of each fiscal quarter as shall be specified by the Board,
26 report to the Authority its financial condition and results of

1 operations and the financial condition and results of
2 operations of the public transportation services subject to its
3 jurisdiction, as at the end of and for such quarter. If in the
4 judgment of the Board such condition and results are not
5 substantially in accordance with such Service Board's budget
6 for such period, the Board shall so advise such Service Board
7 and such Service Board shall within the period specified by the
8 Board submit a revised budget incorporating such results.

9 (3) If the Board shall determine that a revised budget
10 submitted by a Service Board pursuant to subparagraph (1) or
11 (2) of this paragraph (c) does not meet the criteria specified
12 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of
13 paragraph (b) of this Section, the Board shall not release any
14 monies to that Service Board, except 75% of the cash proceeds
15 of taxes imposed by the Authority under Section 4.03 or 4.03.1
16 which are allocated to the Service Board under Section 4.03.3
17 ~~4.04~~. If the Service Board submits a revised financial plan and
18 budget which plan and budget shows that the criteria will be
19 met within a four quarter period, the Board shall continue to
20 release funds to the Service Board. The Board by the
21 affirmative vote of at least 12 ~~a 9 vote~~ of its then Directors
22 may require a Service Board to submit a revised financial plan
23 and budget which shows that the criteria will be met in a time
24 period less than four quarters.

25 (d) All budgets and financial plans, financial statements,
26 audits and other information presented to the Authority

1 pursuant to this Section or which may be required by the Board
2 to permit it to monitor compliance with the provisions of this
3 Section shall be prepared and presented in such manner and
4 frequency and in such detail as shall have been prescribed by
5 the Board, shall be prepared on both an accrual and cash flow
6 basis as specified by the Board, shall present such information
7 as the Authority shall prescribe that fairly presents the
8 condition of any pension plan or trust for health care benefits
9 with respect to retirees established by the Service Board and
10 describes the plans of the Service Board to meet the
11 requirements of Sections 4.02a and 4.02b, and shall identify
12 and describe the assumptions and projections employed in the
13 preparation thereof to the extent required by the Board. If the
14 Executive Director certifies that a Service Board has not
15 presented its budget and two-year financial plan in conformity
16 with the rules adopted by the Authority under the provisions of
17 Section 4.01(f) and this subsection (d), and such certification
18 is accepted by the affirmative vote of at least 12 of the then
19 Directors of the Authority, the Authority shall not distribute
20 to that Service Board any funds for operating purposes in
21 excess of the amounts distributed for such purposes to the
22 Service Board in the previous fiscal year. Except when the
23 Board adopts a budget and a financial plan for a Service Board
24 under paragraph (b) (5), a Service Board shall provide for such
25 levels of transportation services and fares or charges therefor
26 as it deems appropriate and necessary in the preparation of a

1 budget and financial plan meeting the criteria set forth in
2 clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of paragraph
3 (b) of this Section. The Authority ~~Board~~ shall have access to
4 and the right to examine and copy all books, documents, papers,
5 records, or other source data of a Service Board relevant to
6 any information submitted pursuant to this Section.

7 (e) Whenever this Section requires the Board to make
8 determinations with respect to estimates, budgets or financial
9 plans, or rules or regulations with respect thereto such
10 determinations shall be made upon the affirmative vote of at
11 least 12 ~~9~~ of the then Directors and shall be incorporated in a
12 written report of the Board and such report shall be submitted
13 within 10 days after such determinations are made to the
14 Governor, the Mayor of Chicago (if such determinations relate
15 to the Chicago Transit Authority), and the Auditor General of
16 Illinois.

17 (Source: P.A. 94-370, eff. 7-29-05.)

18 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

19 Sec. 4.13. Annual Capital Improvement Plan.

20 (a) With respect to each calendar year, the Authority shall
21 prepare as part of its Five Year Program an Annual Capital
22 Improvement Plan (the "Plan") which shall describe its intended
23 development and implementation of the Strategic Capital
24 Improvement Program. The Plan shall include the following
25 information:

1 (i) a list of projects for which approval is sought
2 from the Governor, with a description of each project
3 stating at a minimum the project cost, its category, its
4 location and the entity responsible for its
5 implementation;

6 (ii) a certification by the Authority that the
7 Authority and the Service Boards have applied for all
8 grants, loans and other moneys made available by the
9 federal government or the State of Illinois during the
10 preceding federal and State fiscal years for financing its
11 capital development activities;

12 (iii) a certification that, as of September 30 of the
13 preceding calendar year or any later date, the balance of
14 all federal capital grant funds and all other funds to be
15 used as matching funds therefor which were committed to or
16 possessed by the Authority or a Service Board but which had
17 not been obligated was less than \$350,000,000, or a greater
18 amount as authorized in writing by the Governor (for
19 purposes of this subsection (a), "obligated" means
20 committed to be paid by the Authority or a Service Board
21 under a contract with a nongovernmental entity in
22 connection with the performance of a project or committed
23 under a force account plan approved by the federal
24 government);

25 (iv) a certification that the Authority has adopted a
26 balanced budget with respect to such calendar year under

1 Section 4.01 of this Act;

2 (v) a schedule of all bonds or notes previously issued
3 for Strategic Capital Improvement Projects and all debt
4 service payments to be made with respect to all such bonds
5 and the estimated additional debt service payments through
6 June 30 of the following calendar year expected to result
7 from bonds to be sold prior thereto;

8 (vi) a long-range summary of the Strategic Capital
9 Improvement Program describing the projects to be funded
10 through the Program with respect to project cost, category,
11 location, and implementing entity, and presenting a
12 financial plan including an estimated time schedule for
13 obligating funds for the performance of approved projects,
14 issuing bonds, expending bond proceeds and paying debt
15 service throughout the duration of the Program; and

16 (vii) the source of funding for each project in the
17 Plan. For any project for which full funding has not yet
18 been secured and which is not subject to a federal full
19 funding contract, the Authority must identify alternative,
20 dedicated funding sources available to complete the
21 project. The Governor may waive this requirement on a
22 project by project basis.

23 (b) The Authority shall submit the Plan with respect to any
24 calendar year to the Governor on or before January 15 of that
25 year, or as soon as possible thereafter; provided, however,
26 that the Plan shall be adopted on the affirmative votes of 12 9

1 of the then Directors. The Plan may be revised or amended at
2 any time, but any revision in the projects approved shall
3 require the Governor's approval.

4 (c) The Authority shall seek approval from the Governor
5 only through the Plan or an amendment thereto. The Authority
6 shall not request approval of the Plan from the Governor in any
7 calendar year in which it is unable to make the certifications
8 required under items (ii), (iii) and (iv) of subsection (a). In
9 no event shall the Authority seek approval of the Plan from the
10 Governor for projects in an aggregate amount exceeding the
11 proceeds of bonds or notes for Strategic Capital Improvement
12 Projects issued under Section 4.04 of this Act.

13 (d) The Governor may approve the Plan for which approval is
14 requested. The Governor's approval is limited to the amount of
15 the project cost stated in the Plan. The Governor shall not
16 approve the Plan in a calendar year if the Authority is unable
17 to make the certifications required under items (ii), (iii) and
18 (iv) of subsection (a). In no event shall the Governor approve
19 the Plan for projects in an aggregate amount exceeding the
20 proceeds of bonds or notes for Strategic Capital Improvement
21 Projects issued under Section 4.04 of this Act.

22 (e) With respect to capital improvements, only those
23 capital improvements which are in a Plan approved by the
24 Governor shall be financed with the proceeds of bonds or notes
25 issued for Strategic Capital Improvement Projects.

26 (f) Before the Authority or a Service Board obligates any

1 funds for a project for which the Authority or Service Board
2 intends to use the proceeds of bonds or notes for Strategic
3 Capital Improvement Projects, but which project is not included
4 in an approved Plan, the Authority must notify the Governor of
5 the intended obligation. No project costs incurred prior to
6 approval of the Plan including that project may be paid from
7 the proceeds of bonds or notes for Strategic Capital
8 Improvement Projects issued under Section 4.04 of this Act.

9 (Source: P.A. 94-839, eff. 6-6-06.)

10 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

11 Sec. 4.14. Rate Protection Contract. "Rate Protection
12 Contract" means interest rate price exchange agreements;
13 currency exchange agreements; forward payment conversion
14 agreements; contracts providing for payment or receipt of funds
15 based on levels of, or changes in, interest rates, currency
16 exchange rates, stock or other indices; contracts to exchange
17 cash flows or a series of payments; contracts, including
18 without limitation, interest rate caps; interest rate floor;
19 interest rate locks; interest rate collars; rate of return
20 guarantees or assurances, to manage payment, currency, rate,
21 spread or similar exposure; the obligation, right, or option to
22 issue, put, lend, sell, grant a security interest in, buy,
23 borrow or otherwise acquire, a bond, note or other security or
24 interest therein as an investment, as collateral, as a hedge,
25 or otherwise as a source or assurance of payment to or by the

1 Authority or as a reduction of the Authority's or an obligor's
2 risk exposure; repurchase agreements; securities lending
3 agreements; and other agreements or arrangements similar to the
4 foregoing.

5 Notwithstanding any provision in Section 2.20 (a) (ii) of
6 this Act to the contrary, in connection with or incidental to
7 the issuance by the Authority of its bonds or notes under the
8 provisions of Section 4.04 or the exercise of its powers under
9 subsection (b) of Section 2.20, the Authority, for its own
10 benefit or for the benefit of the holders of its obligations or
11 their trustee, may enter into rate protection contracts. The
12 Authority may enter into rate protection contracts only
13 pursuant to a determination by a vote of 12 ~~9~~ of the then
14 Directors that the terms of the contracts and any related
15 agreements reduce the risk of loss to the Authority, or
16 protect, preserve or enhance the value of its assets, or
17 provide compensation to the Authority for losses resulting from
18 changes in interest rates. The Authority's obligations under
19 any rate protection contract or credit enhancement or liquidity
20 agreement shall not be considered bonds or notes for purposes
21 of this Act. For purposes of this Section a rate protection
22 contract is a contract determined by the Authority as necessary
23 or appropriate to permit it to manage payment, currency or
24 interest rate risks or levels.

25 (Source: P.A. 87-764.)

1 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

2 Sec. 5.01. Hearings and Citizen Participation.

3 (a) The Authority shall provide for and encourage
4 participation by the public in the development and review of
5 public transportation policy, and in the process by which major
6 decisions significantly affecting the provision of public
7 transportation are made. The Authority shall coordinate such
8 public participation processes with the Chicago Metropolitan
9 Agency for Planning to the extent practicable.

10 (b) The Authority shall hold such public hearings as may be
11 required by this Act or as the Authority may deem appropriate
12 to the performance of any of its functions. The Authority shall
13 coordinate such public hearings with the Chicago Metropolitan
14 Agency for Planning to the extent practicable.

15 (c) Unless such items are specifically provided for either
16 in the Five-Year Capital Program or in the annual budget
17 program which has been the subject of public hearings as
18 provided in Sections 2.01 or 4.01 of this Act, the Board shall
19 hold public hearings at which citizens may be heard prior to:

20 (i) the construction or acquisition of any public
21 transportation facility, the aggregate cost of which exceeds \$5
22 million; and

23 (ii) the extension of, or major addition to services
24 provided by the Authority or by any transportation agency
25 pursuant to a purchase of service agreement with the Authority.

26 (d) Unless such items are specifically provided for in the

1 annual budget and program which has been the subject of public
2 hearing, as provided in Section 4.01 of this Act, the Board
3 shall hold public hearings at which citizens may be heard prior
4 to the providing for or allowing, by means of any purchase of
5 service agreement or any grant pursuant to Section 2.02 of this
6 Act, any general increase or series of increases in fares or
7 charges for public transportation, whether by the Authority or
8 by any transportation agency, which increase or series of
9 increases within any twelve months affects more than 25% of the
10 consumers of service of the Authority or of the transportation
11 agency; or so providing for or allowing any discontinuance of
12 any public transportation route, or major portion thereof,
13 which has been in service for more than a year.

14 (e) At least twenty days prior notice of any public
15 hearing, as required in this Section, shall be given by public
16 advertisement in a newspaper of general circulation in the
17 metropolitan region.

18 (f) The Authority may designate one or more Directors or
19 may appoint one or more hearing officers to preside over any
20 hearing pursuant to this Act. The Authority shall have the
21 power in connection with any such hearing to issue subpoenas to
22 require the attendance of witnesses and the production of
23 documents, and the Authority may apply to any circuit court in
24 the State to require compliance with such subpoenas.

25 (g) The Authority may require any Service Board to hold one
26 or more public hearings with respect to any item described in

1 paragraphs (c) and (d) of this Section 5.01, notwithstanding
2 whether such item has been the subject of a public hearing
3 under this Section 5.01 or Section 2.01 or 4.01 of this Act.

4 (Source: P.A. 78-3rd S.S.-5.)

5 (70 ILCS 3615/2.12a rep.)

6 (70 ILCS 3615/3.09 rep.)

7 (70 ILCS 3615/3.10 rep.)

8 Section 25. The Regional Transportation Authority Act is
9 amended by repealing Sections 2.12a, 3.09, and 3.10.

10 Section 97. Severability. The provisions of this Act are
11 severable under Section 1.31 of the Statute on Statutes.

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