



Rep. Julie Hamos

Filed: 11/1/2007

09500SB0572ham010

LRB095 04708 HLH 40177 a

1 AMENDMENT TO SENATE BILL 572

2 AMENDMENT NO. _____. Amend Senate Bill 572 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 provided that the Board of Trustees may require a supermajority
20 vote with respect to the investment of the assets of the
21 Retirement Plan, and may set forth that requirement in the
22 Retirement Plan documents, by-laws, or rules of the Board of
23 Trustees. Each trustee shall have the rights, privileges,
24 authority, and obligations as are usual and customary for such
25 fiduciaries.

26 The Board of Trustees may cause amounts on deposit in the

1 Retirement Plan to be invested in those investments that are
2 permitted investments for the investment of moneys held under
3 any one or more of the pension or retirement systems of the
4 State, any unit of local government or school district, or any
5 agency or instrumentality thereof. The Board, by a vote of at
6 least two-thirds of the trustees, may transfer investment
7 management to the Illinois State Board of Investment, which is
8 hereby authorized to manage these investments when so requested
9 by the Board of Trustees.

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

22 For all Authority employees who are first hired on or after
23 January 1, 2008 and are participants in the Retirement Plan for
24 Chicago Transit Authority Employees, the following terms,
25 conditions and provisions with respect to retirement shall be
26 applicable:

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

4 (2) Such participant shall be eligible for a reduced
5 retirement allowance for life upon the attainment of age 55
6 with 10 years of continuous service.

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

22 (d) From the effective date of this amendatory Act through
23 December 31, 2008, all participating employees shall
24 contribute to the Retirement Plan in an amount not less than 6%
25 of compensation, and the Authority shall contribute to the
26 Retirement Plan in an amount not less than 12% of compensation.

1 (e) (1) Beginning January 1, 2009 the Authority shall make
2 contributions to the Retirement Plan in an amount equal to
3 twelve percent (12%) of compensation and participating
4 employees shall make contributions to the Retirement Plan in an
5 amount equal to six percent (6%) of compensation. These
6 contributions may be paid by the Authority and participating
7 employees on a payroll or other periodic basis, but shall in
8 any case be paid to the Retirement Plan at least monthly.

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

20 (3) By September 15 of each year beginning in 2009 and
21 ending on December 31, 2038, on the basis of a report prepared
22 by an enrolled actuary retained by the Plan, the Board of
23 Trustees of the Retirement Plan shall determine the estimated
24 funded ratio of the total assets of the Retirement Plan to its
25 total actuarially determined liabilities. A report containing
26 that determination and the actuarial assumptions on which it is

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

1 of an actual decline below 60%, so the funded ratio is
2 projected to reach 60% by no later than 10 years after the then
3 current year. If the Board of Trustees or the Auditor General
4 determine that an increased contribution is required to meet
5 the funded ratio required by the subsection, effective January
6 1 following the determination or 30 days after such
7 determination, whichever is later, one-third of the increased
8 contribution shall be paid by participating employees and
9 two-thirds by the Authority, in addition to the contributions
10 required by this subsection (1).

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

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

26 (5) Beginning in 2059, the minimum contribution for each

1 year shall be the amount needed to maintain the total assets of
2 the Retirement Plan at 90% of the total actuarial liabilities
3 of the Plan, and the contribution shall be funded two-thirds by
4 the Authority and one-third by the participating employees in
5 accordance with this subsection.

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

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

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

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

1 original employment to the effective date of the Plan; plus

2 (B) One and seventy-five hundredths percent (1.75%) of
3 his "Average Annual Compensation in the highest four (4)
4 completed Plan Years" for each year (including fractions
5 thereof to completed calendar months) of continuous
6 service as provided for in the Retirement Plan for Chicago
7 Transit Authority Employees.

8 Provided, however that:

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

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

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

23 Provided, however that:

24 (3) As to an employee who first becomes entitled to a
25 retirement allowance commencing on or after January 1, 1994,
26 the retirement allowance shall be the amount determined in

1 accordance with the following formula:

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

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

12 Provided, however that:

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

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

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

1 Provided, however that:

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

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

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

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

1 Federal Transit Act) because of this agreement between
2 authorized representatives of these employees and of the
3 Authority, and that any future amendments to the provisions of
4 this amendatory Act of the 95th General Assembly, to the extent
5 those amendments would affect the rights and privileges of
6 Authority employees that are currently the subject of
7 collective bargaining, would be consistent with 49 U.S.C.
8 5333(b) if and only if those amendments were agreed to between
9 these authorized representatives prior to enactment.

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

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

15 (2) For the purposes of this Section, the Funded Ratio
16 shall be the Adjusted Assets divided by the Actuarial
17 Accrued Liability developed in accordance with Statement
18 #25 promulgated by the Government Accounting Standards
19 Board and the actuarial assumptions described in the Plan.
20 The Adjusted Assets shall be calculated based on the
21 methodology described in the Plan.

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

25 ~~(b) Beginning January 1, 2009, the Authority shall make~~
26 ~~contributions to the retirement system in an amount which,~~

1 ~~together with the contributions of participants, interest~~
2 ~~earned on investments, and other income, will meet the cost of~~
3 ~~maintaining and administering the retirement plan in~~
4 ~~accordance with applicable actuarial recommendations and~~
5 ~~assumptions and the requirements of this Section. These~~
6 ~~contributions may be paid on a payroll or other periodic basis,~~
7 ~~but shall in any case be paid at least monthly.~~

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

23 ~~For purposes of determining employer contributions and~~
24 ~~actuarial liabilities under this subsection, contributions and~~
25 ~~liabilities relating to health care benefits shall not be~~
26 ~~included. As used in this Section, "retirement system fiscal~~

1 ~~year" means the calendar year, or such other plan year as may~~
2 ~~be defined from time to time in the agreement known as the~~
3 ~~Retirement Plan for Chicago Transit Authority Employees, or its~~
4 ~~successor agreement.~~

5 ~~(c) The Authority and the trustee shall jointly certify to~~
6 ~~the Governor, the General Assembly, and the Board of the~~
7 ~~Regional Transportation Authority on or before November 15 of~~
8 ~~2008 and of each year thereafter the amount of the required~~
9 ~~Authority contributions to the retirement system for the next~~
10 ~~retirement system fiscal year under subsection (b). 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, the Mayor of Chicago, the~~
15 ~~Chicago City Council, and the Cook County Board.~~

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

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

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

1 (40 ILCS 5/22-101B new)

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

3 (a) The Chicago Transit Authority (hereinafter referred to
4 in this Section as the "Authority") shall take all actions
5 lawfully available to it to separate the funding of health care
6 benefits for retirees and their dependents and survivors from
7 the funding for its retirement system. The Authority shall
8 endeavor to achieve this separation as soon as possible, and in
9 any event no later than January 1, 2009.

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

18 (1) The Board of Trustees shall consist of 7 members
19 appointed as follows: (i) 3 trustees shall be appointed by
20 the Chicago Transit Board; (ii) one trustee shall be
21 appointed by an organization representing the highest
22 number of Chicago Transit Authority participants; (iii)
23 one trustee shall be appointed by an organization
24 representing the second-highest number of Chicago Transit
25 Authority participants; (iv) one trustee shall be

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

11 Any person appointed as a trustee of the board shall
12 qualify by taking an oath of office that he or she will
13 diligently and honestly administer the affairs of the
14 system, and will not knowingly violate or willfully permit
15 the violation of any of the provisions of law applicable to
16 the Plan, including Sections 1-109, 1-109.1, 1-109.2,
17 1-110, 1-111, 1-114, and 1-115 of Article 1 of the Illinois
18 Pension Code.

19 Each trustee shall cast individual votes, and a
20 majority vote shall be final and binding upon all
21 interested parties, provided that the Board of Trustees may
22 require a supermajority vote with respect to the investment
23 of the assets of the Retiree Health Care Trust, and may set
24 forth that requirement in the trust agreement or by-laws of
25 the Board of Trustees. Each trustee shall have the rights,
26 privileges, authority and obligations as are usual and

1 customary for such fiduciaries.

2 (2) The Board of Trustees shall establish and
3 administer a health care benefit program for eligible
4 retirees and their dependents and survivors. The health
5 care benefit program for eligible retirees and their
6 dependents and survivors shall not contain any plan which
7 provides for more than 90% coverage for in-network services
8 or 70% coverage for out-of-network services after any
9 deductible has been paid.

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

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

24 (ii) The Board of Trustees shall establish and
25 maintain an appropriate funding reserve level which
26 shall not be less than the amount of incurred and

1 unreported claims plus 12 months of expected claims and
2 administrative expenses.

3 (iii) The Board of Trustees shall make an annual
4 assessment of the funding levels of the Retiree Health
5 Care Trust and shall submit a report to the Auditor
6 General at least 90 days prior to the end of the fiscal
7 year. The report shall provide the following:

8 (A) the actuarial present value of projected
9 benefits expected to be paid to current and future
10 retirees and their dependents and survivors;

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

13 (C) the reserve required by subsection
14 (b) (3) (ii); and

15 (D) an assessment of whether the actuarial
16 present value of projected benefits expected to be
17 paid to current and future retirees and their
18 dependents and survivors exceeds or is less than
19 the actuarial present value of projected
20 contributions and trust income plus assets in
21 excess of the reserve required by subsection
22 (b) (3) (ii).

23 If the actuarial present value of projected
24 benefits expected to be paid to current and future
25 retirees and their dependents and survivors exceeds
26 the actuarial present value of projected contributions

1 and trust income plus assets in excess of the reserve
2 required by subsection (b)(3)(ii), then the report
3 shall provide a plan of increases in employee, retiree,
4 dependent, or survivor contribution levels, decreases
5 in benefit levels, or both, which is projected to cure
6 the shortfall over a period of not more than 10 years.
7 If the actuarial present value of projected benefits
8 expected to be paid to current and future retirees and
9 their dependents and survivors is less than the
10 actuarial present value of projected contributions and
11 trust income plus assets in excess of the reserve
12 required by subsection (b)(3)(ii), then the report may
13 provide a plan of decreases in employee, retiree,
14 dependent, or survivor contribution levels, increases
15 in benefit levels, or both, to the extent of the
16 surplus.

17 (iv) The Auditor General shall review the report
18 and plan provided in subsection (b)(3)(iii) and issue a
19 determination within 90 days after receiving the
20 report and plan, with a copy of such determination
21 provided to the General Assembly and the Regional
22 Transportation Authority, as follows:

23 (A) In the event of a projected shortfall, if
24 the Auditor General determines that the
25 assumptions stated in the report are not
26 unreasonable in the aggregate and that the plan of

1 increases in employee, retiree, dependent, or
2 survivor contribution levels, decreases in benefit
3 levels, or both, is reasonably projected to cure
4 the shortfall over a period of not more than 10
5 years, then the Board of Trustees shall implement
6 the plan. If the Auditor General determines that
7 the assumptions stated in the report are
8 unreasonable in the aggregate, or that the plan of
9 increases in employee, retiree, dependent, or
10 survivor contribution levels, decreases in benefit
11 levels, or both, is not reasonably projected to
12 cure the shortfall over a period of not more than
13 10 years, then the Board of Trustees shall not
14 implement the plan, the Auditor General shall
15 explain the basis for such determination to the
16 Board of Trustees, and the Auditor General may make
17 recommendations as to an alternative report and
18 plan.

19 (B) In the event of a projected surplus, if the
20 Auditor General determines that the assumptions
21 stated in the report are not unreasonable in the
22 aggregate and that the plan of decreases in
23 employee, retiree, dependent, or survivor
24 contribution levels, increases in benefit levels,
25 or both, is not unreasonable in the aggregate, then
26 the Board of Trustees shall implement the plan. If

1 the Auditor General determines that the
2 assumptions stated in the report are unreasonable
3 in the aggregate, or that the plan of decreases in
4 employee, retiree, dependent, or survivor
5 contribution levels, increases in benefit levels,
6 or both, is unreasonable in the aggregate, then the
7 Board of Trustees shall not implement the plan, the
8 Auditor General shall explain the basis for such
9 determination to the Board of Trustees, and the
10 Auditor General may make recommendations as to an
11 alternative report and plan.

12 (C) The Board of Trustees shall submit an
13 alternative report and plan within 45 days after
14 receiving a rejection determination by the Auditor
15 General. A determination by the Auditor General on
16 any alternative report and plan submitted by the
17 Board of Trustees shall be made within 90 days
18 after receiving the alternative report and plan,
19 and shall be accepted or rejected according to the
20 requirements of this subsection (b) (3) (iv). The
21 Board of Trustees shall continue to submit
22 alternative reports and plans to the Auditor
23 General, as necessary, until a favorable
24 determination is made by the Auditor General.

25 (4) For any retiree who first retires effective January
26 1, 2008 or thereafter, to be eligible for retiree health

1 care benefits upon retirement, the retiree must be at least
2 55 years of age, retire with 10 or more years of continuous
3 service and satisfy the preconditions established by this
4 amendatory Act in addition to any rules or regulations
5 promulgated by the Board of Trustees. This paragraph (4)
6 shall not apply to a disability allowance.

7 (5) Effective July 1, 2008, the aggregate amount of
8 retiree, dependent and survivor contributions to the cost
9 of their health care benefits shall not exceed more than
10 45% of the total cost of such benefits. The Board of
11 Trustees shall have the discretion to provide different
12 contribution levels for retirees, dependents and survivors
13 based on their years of service, level of coverage or
14 Medicare eligibility, provided that the total contribution
15 from all retirees, dependents, and survivors shall be not
16 more than 45% of the total cost of such benefits. The term
17 "total cost of such benefits" for purposes of this
18 subsection shall be the total amount expended by the
19 retiree health benefit program in the prior plan year, as
20 calculated and certified in writing by the Retiree Health
21 Care Trust's enrolled actuary to be appointed and paid for
22 by the Board of Trustees.

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

26 (7) No earlier than July 1, 2008 and no later than

1 January 1, 2009 as the Retiree Health Care Trust becomes
2 solely responsible for providing health care benefits to
3 eligible retirees and their dependents and survivors in
4 accordance with subsection (b) of this Section 22-101B, the
5 Authority shall not have any obligation to provide health
6 care to current or future retirees and their dependents or
7 survivors. The Authority, its employees, and the retirees,
8 dependents and survivors who are required to make
9 contributions to the Retiree Health Care Trust shall make
10 contributions at the level set by the Board of Trustees
11 pursuant to the requirements of this Section 22-101B.

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

14 (65 ILCS 5/8-3-19)

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

16 (a) After the effective date of this amendatory Act of the
17 93rd General Assembly and subject to this Section, a home rule
18 municipality may impose or increase a tax or other fee on the
19 privilege of transferring title to real estate, on the
20 privilege of transferring a beneficial interest in real
21 property, and on the privilege of transferring a controlling
22 interest in a real estate entity, as the terms "beneficial
23 interest", "controlling interest", and "real estate entity"
24 are defined in Article 31 of the Property Tax Code. Such a tax

1 or other fee shall hereafter be referred to as a real estate
2 transfer tax.

3 (b) Before adopting a resolution to submit the question of
4 imposing or increasing a real estate transfer tax to
5 referendum, the corporate authorities shall give public notice
6 of and hold a public hearing on the intent to submit the
7 question to referendum. This hearing may be part of a regularly
8 scheduled meeting of the corporate authorities. The notice
9 shall be published not more than 30 nor less than 10 days prior
10 to the hearing in a newspaper of general circulation within the
11 municipality. The notice shall be published in the following
12 form:

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

15 A public hearing on a resolution to submit to
16 referendum the question of a proposed (increased) real
17 estate transfer tax for (legal name of the municipality) in
18 an amount of (rate) to be paid by the buyer (seller) of the
19 real estate transferred will be held on (date) at (time) at
20 (location). The current rate of real estate transfer tax
21 imposed by (name of municipality) is (rate).

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

24 (c) A notice that includes any information not specified
25 and required by this Section is an invalid notice. All hearings
26 shall be open to the public. At the public hearing, the

1 corporate authorities of the municipality shall explain the
2 reasons for the proposed or increased real estate transfer tax
3 and shall permit persons desiring to be heard an opportunity to
4 present testimony within reasonable time limits determined by
5 the corporate authorities. A copy of the proposed ordinance
6 shall be made available to the general public for inspection
7 before the public hearing.

8 (d) Except as provided in subsection (i), no ~~no~~ home rule
9 municipality shall impose a new real estate transfer tax after
10 the effective date of this amendatory Act of 1996 without prior
11 approval by referendum. Except as provided in subsection (i),
12 no ~~no~~ home rule municipality shall impose an increase of the
13 rate of a current real estate transfer tax without prior
14 approval by referendum. A home rule municipality may impose a
15 new real estate transfer tax or may increase an existing real
16 estate transfer tax with prior referendum approval. The
17 referendum shall be conducted as provided in subsection (e). An
18 existing ordinance or resolution imposing a real estate
19 transfer tax may be amended without approval by referendum if
20 the amendment does not increase the rate of the tax or add
21 transactions on which the tax is imposed.

22 (e) The home rule municipality shall, by resolution,
23 provide for submission of the proposition to the voters. The
24 home rule municipality shall certify the resolution and the
25 proposition to the proper election officials in accordance with
26 the general election law. If the proposition is to impose a new

1 real estate transfer tax, it shall be in substantially the
2 following form: "Shall (name of municipality) impose a real
3 estate transfer tax at a rate of (rate) to be paid by the buyer
4 (seller) of the real estate transferred, with the revenue of
5 the proposed transfer tax to be used for (purpose)?" . If the
6 proposition is to increase an existing real estate transfer
7 tax, it shall be in the following form: "Shall (name of
8 municipality) impose a real estate transfer tax increase of
9 (percent increase) to establish a new transfer tax rate of
10 (rate) to be paid by the buyer (seller) of the real estate
11 transferred? The current rate of the real estate transfer tax
12 is (rate), and the revenue is used for (purpose). The revenue
13 from the increase is to be used for (purpose)."

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

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

20 (g) A home rule municipality may not impose real estate
21 transfer taxes other than as authorized by this Section. This
22 Section is a denial and limitation of home rule powers and
23 functions under subsection (g) of Section 6 of Article VII of
24 the Illinois Constitution.

25 (h) Notwithstanding subsection (g) of this Section, any
26 real estate transfer taxes adopted by a municipality at any

1 time prior to January 17, 1997 (the effective date of Public
2 Act 89-701) and any amendments to any existing real estate
3 transfer tax ordinance adopted after that date, in accordance
4 with the law in effect at the time of the adoption of the
5 amendments, are not preempted by this amendatory Act of the
6 93rd General Assembly.

7 (i) Within 6 months after the effective date of this
8 amendatory Act of the 95th General Assembly, by ordinance
9 adopted without a referendum, a home rule municipality with a
10 population in excess of 1,000,000 may increase the rate of an
11 existing real estate transfer tax by a rate of up to \$1.50 for
12 each \$500 of value or fraction thereof, or in the alternative
13 may impose a real estate transfer tax at a rate of up to \$1.50
14 for each \$500 of value or fraction thereof, which may be on the
15 buyer or seller of real estate, or jointly and severally on
16 both, for the sole purpose of providing financial assistance to
17 the Chicago Transit Authority. All amounts collected under such
18 supplemental tax, after fees for costs of collection, shall be
19 provided to the Chicago Transit Authority pursuant to an
20 intergovernmental agreement as promptly as practicable upon
21 their receipt. Such municipality shall file a copy of any
22 ordinance imposing or increasing such tax with the Illinois
23 Department of Revenue and shall file a report with the
24 Department each month certifying the amount paid to the Chicago
25 Transit Authority in the previous month from the proceeds of
26 such tax.

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

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

5 (70 ILCS 3605/12c new)

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

7 (a) In addition to all other bonds or notes that it is
8 authorized to issue, the Authority is authorized to issue its
9 bonds or notes for the purposes of providing funds for the
10 Authority to make the deposits described in Section 12c(b)(1)
11 and (2), for refunding any bonds authorized to be issued under
12 this Section, as well as for the purposes of paying costs of
13 issuance, obtaining bond insurance or other credit enhancement
14 or liquidity facilities, paying costs of obtaining related
15 swaps as authorized in the Bond Authorization Act ("Swaps"),
16 providing a debt service reserve fund, paying Debt Service (as
17 defined in paragraph (i) of this Section 12c), and paying all
18 other costs related to any such bonds or notes.

19 (b)(1) After its receipt of a certified copy of a report of
20 the Auditor General of the State of Illinois meeting the
21 requirements of Section 3-2.3 of the Illinois State Auditing
22 Act, the Authority may issue \$1,227,000,000 aggregate original
23 principal amount of bonds and notes. After payment of the costs
24 of issuance and necessary deposits to funds and accounts

1 established with respect to debt service, the net proceeds of
2 such bonds or notes shall be deposited only in the Retirement
3 Plan for Chicago Transit Authority Employees and used only for
4 the purposes required by Section 22-101 of the Illinois Pension
5 Code. Provided that no less than \$1,000,000,000 has been
6 deposited in the Retirement Plan, remaining proceeds of bonds
7 issued under this subparagraph (b) (1) may be used to pay costs
8 of issuance and make necessary deposits to funds and accounts
9 with respect to debt service for bonds and notes issued under
10 this subparagraph or subparagraph (b) (2).

11 (2) 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 \$553,000,000 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 Retiree
19 Health Care Trust and used only for the purposes required by
20 Section 22-101B of the Illinois Pension Code. Provided that no
21 less than \$450,000,000 has been deposited in the Retiree Health
22 Care Trust, remaining proceeds of bonds issued under this
23 subparagraph (b) (2) may be used to pay costs of issuance and
24 make necessary deposits to funds and accounts with respect to
25 debt service for bonds and notes issued under this subparagraph
26 or subparagraph (b) (1).

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

4 (4) The bonds or notes issued under 12c(b)(1) shall be
5 issued as soon as practicable after the Auditor General issues
6 the report provided in Section 3-2.3(b) of the Illinois State
7 Auditing Act. The bonds or notes issued under 12c(b)(2) shall
8 be issued as soon as practicable after the Auditor General
9 issues the report provided in Section 3-2.3(c) of the Illinois
10 State Auditing Act.

11 (5) With respect to bonds and notes issued under
12 subparagraph (b), scheduled aggregate annual payments of
13 interest or deposits into funds and accounts established for
14 the purpose of such payment shall commence within one year
15 after the bonds and notes are issued. With respect to principal
16 and interest, scheduled aggregate annual payments of principal
17 and interest or deposits into funds and accounts established
18 for the purpose of such payment shall be not less than 70% in
19 2009, 80% in 2010, and 90% in 2011, respectively, of scheduled
20 payments or deposits of principal and interest in 2012 and
21 shall be substantially equal beginning in 2012 and each year
22 thereafter. For purposes of this subparagraph (b),
23 "substantially equal" means that debt service in any full year
24 after calendar year 2011 is not more than 115% of debt service
25 in any other full year after calendar year 2011 during the term
26 of the bonds or notes. For the purposes of this subsection (b),

1 with respect to bonds and notes that bear interest at a
2 variable rate, interest shall be assumed at a rate equal to the
3 rate for United States Treasury Securities - State and Local
4 Government Series for the same maturity, plus 75 basis points.
5 If the Authority enters into a Swap with a counterparty
6 requiring the Authority to pay a fixed interest rate on a
7 notional amount, and the Authority has made a determination
8 that such Swap was entered into for the purpose of providing
9 substitute interest payments for variable interest rate bonds
10 or notes of a particular maturity or maturities in a principal
11 amount equal to the notional amount of the Swap, then during
12 the term of the Swap for purposes of any calculation of
13 interest payable on such bonds or notes, the interest rate on
14 the bonds or notes of such maturity or maturities shall be
15 determined as if such bonds or notes bore interest at the fixed
16 interest rate payable by the Authority under such Swap.

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

19 (7) At least 25%, based on total principal amount, of all
20 bonds issued pursuant to this Section 12c shall be sold
21 pursuant to notice of sale and public bid. No more than 75%,
22 based on total principal amount, of all bonds issued pursuant
23 to this Section 12c shall be sold by negotiated sale.

24 (c) The Chicago Transit Board shall provide for the
25 issuance of bonds or notes as authorized in this Section 12c by
26 the adoption of an ordinance. The ordinance, together with the

1 bonds or notes, shall constitute a contract among the
2 Authority, the owners from time to time of the bonds or notes,
3 any bond trustee with respect to the bonds or notes, any
4 related credit enhancer and any provider of any related Swaps.

5 (d) The Authority is authorized to cause the proceeds of
6 the bonds or notes, and any interest or investment earnings on
7 the bonds or notes, and of any Swaps, to be invested until the
8 proceeds and any interest or investment earnings have been
9 deposited with the Retirement Plan or the Retiree Health Care
10 Trust.

11 (e) Bonds or notes issued pursuant to this Section 12c may
12 be general obligations of the Authority, to which shall be
13 pledged the full faith and credit of the Authority, or may be
14 obligations payable solely from particular sources of funds all
15 as may be provided in the authorizing ordinance. The
16 authorizing ordinance for the bonds and notes, whether or not
17 general obligations of the Authority, may provide for the Debt
18 Service (as defined in paragraph (i) of this Section 12c) to
19 have a claim for payment from particular sources of funds,
20 including, without limitation, amounts to be paid to the
21 Authority or a bond trustee. The authorizing ordinance may
22 provide for the means by which the bonds or notes (and any
23 related Swaps) may be secured, which may include, a pledge of
24 any revenues or funds of the Authority from whatever source
25 which may by law be utilized for paying Debt Service. In
26 addition to any other security, upon the written approval of

1 the Regional Transportation Authority by the affirmative vote
2 of 12 of its then Directors, the ordinance shall provide a
3 specific pledge or assignment of and lien on or security
4 interest in amounts to be paid to the Authority by the Regional
5 Transportation Authority from the proceeds of any tax levied by
6 the Regional Transportation Authority under Section 4.03 of the
7 Regional Transportation Authority Act and allocated to the
8 Authority under the provisions of Section 4.03.3 of that Act
9 and direct payment thereof to the bond trustee for payment of
10 Debt Service with respect to the bonds or notes, subject to the
11 provisions of existing lease agreements of the Authority with
12 any public building commission. The authorizing ordinance may
13 also provide a specific pledge or assignment of and lien on or
14 security interest in and direct payment to the trustee of all
15 or a portion of the moneys otherwise payable to the Authority
16 from the City of Chicago pursuant to an intergovernmental
17 agreement with the Authority to provide financial assistance to
18 the Authority. Any such pledge, assignment, lien or security
19 interest for the benefit of owners of bonds or notes shall be
20 valid and binding from the time the bonds or notes are issued,
21 without any physical delivery or further act, and shall be
22 valid and binding as against and prior to the claims of all
23 other parties having claims of any kind against the Authority
24 or any other person, irrespective of whether such other parties
25 have notice of such pledge, assignment, lien or security
26 interest, all as provided in the Local Government Debt Reform

1 Act, as it may be amended from time to time. The bonds or notes
2 of the Authority issued pursuant to this Section 12c shall have
3 such priority of payment and as to their claim for payment from
4 particular sources of funds, including their priority with
5 respect to obligations of the Authority issued under other
6 Sections of this Act, all as shall be provided in the
7 ordinances authorizing the issuance of the bonds or notes. The
8 ordinance authorizing the issuance of any bonds or notes under
9 this Section may provide for the creation of, deposits in, and
10 regulation and disposition of sinking fund or reserve accounts
11 relating to those bonds or notes and related agreements. The
12 ordinance authorizing the issuance of any such bonds or notes
13 authorized under this Section 12c may contain provisions for
14 the creation of a separate fund to provide for the payment of
15 principal of and interest on those bonds or notes and related
16 agreements. The ordinance may also provide limitations on the
17 issuance of additional bonds or notes of the Authority.

18 (f) Bonds or notes issued under this Section 12c shall not
19 constitute an indebtedness of the Regional Transportation
20 Authority, the State of Illinois, or of any other political
21 subdivision of or municipality within the State, except the
22 Authority.

23 (g) The ordinance of the Chicago Transit Board authorizing
24 the issuance of bonds or notes pursuant to this Section 12c may
25 provide for the appointment of a corporate trustee (which may
26 be any trust company or bank having the powers of a trust

1 company within Illinois) with respect to bonds or notes issued
2 pursuant to this Section 12c. The ordinance shall prescribe the
3 rights, duties, and powers of the trustee to be exercised for
4 the benefit of the Authority and the protection of the owners
5 of bonds or notes issued pursuant to this Section 12c. The
6 ordinance may provide for the trustee to hold in trust, invest
7 and use amounts in funds and accounts created as provided by
8 the ordinance with respect to the bonds or notes in accordance
9 with this Section 12c. The Authority may apply, as it shall
10 determine, any amounts received upon the sale of the bonds or
11 notes to pay any Debt Service on the bonds or notes. The
12 ordinance may provide for a trust indenture to set forth terms
13 of, sources of payment for and security for the bonds and
14 notes.

15 (h) The State of Illinois pledges to and agrees with the
16 owners of the bonds or notes issued pursuant to Section 12c
17 that the State of Illinois will not limit the powers vested in
18 the Authority by this Act to pledge and assign its revenues and
19 funds as security for the payment of the bonds or notes, or
20 vested in the Regional Transportation Authority by the Regional
21 Transportation Authority Act or this Act, so as to materially
22 impair the payment obligations of the Authority under the terms
23 of any contract made by the Authority with those owners or to
24 materially impair the rights and remedies of those owners until
25 those bonds or notes, together with interest and any redemption
26 premium, and all costs and expenses in connection with any

1 action or proceedings by or on behalf of such owners are fully
2 met and discharged. The Authority is authorized to include
3 these pledges and agreements of the State of Illinois in any
4 contract with owners of bonds or notes issued pursuant to this
5 Section 12c.

6 (i) For purposes of this Section, "Debt Service" with
7 respect to bonds or notes includes, without limitation,
8 principal (at maturity or upon mandatory redemption),
9 redemption premium, interest, periodic, upfront, and
10 termination payments on Swaps, fees for bond insurance or other
11 credit enhancement, liquidity facilities, the funding of bond
12 or note reserves, bond trustee fees, and all other costs of
13 providing for the security or payment of the bonds or notes.

14 (j) The Authority shall adopt a procurement program with
15 respect to contracts relating to the following service
16 providers in connection with the issuance of debt for the
17 benefit of the Retirement Plan for Chicago Transit Authority
18 Employees: underwriters, bond counsel, financial advisors, and
19 accountants. The program shall include goals for the payment of
20 not less than 30% of the total dollar value of the fees from
21 these contracts to minority owned businesses and female owned
22 businesses as defined in the Business Enterprise for
23 Minorities, Females, and Persons with Disabilities Act. The
24 Authority shall conduct outreach to minority owned businesses
25 and female owned businesses. Outreach shall include, but is not
26 limited to, advertisements in periodicals and newspapers,

1 mailings, and other appropriate media. The Authority shall
2 submit to the General Assembly a comprehensive report that
3 shall include, at a minimum, the details of the procurement
4 plan, outreach efforts, and the results of the efforts to
5 achieve goals for the payment of fees. The service providers
6 selected by the Authority pursuant to such program shall not be
7 subject to approval by the Regional Transportation Authority,
8 and the Regional Transportation Authority's approval pursuant
9 to subsection (e) of this Section 12c related to the issuance
10 of debt shall not be based in any way on the service providers
11 selected by the Authority pursuant to this Section.

12 (k) No person holding an elective office in this State,
13 holding a seat in the General Assembly, serving as a director,
14 trustee, officer, or employee of the Regional Transportation
15 Authority or the Chicago Transit Authority, including the
16 spouse or minor child of that person, may receive a legal,
17 banking, consulting, or other fee related to the issuance of
18 any bond issued by the Chicago Transit Authority pursuant to
19 this Section.

20 (70 ILCS 3605/15) (from Ch. 111 2/3, par. 315)

21 Sec. 15. The Authority shall have power to apply for and
22 accept grants and loans from the Federal Government or any
23 agency or instrumentality thereof, from the State, or from any
24 county, municipal corporation or other political subdivision
25 of the State to be used for any of the purposes of the

1 Authority, including, but not by way of limitation, grants and
2 loans in aid of mass transportation and for studies in mass
3 transportation, and may provide matching funds when necessary
4 to qualify for such grants or loans. The Authority may enter
5 into any agreement with the Federal Government, the State, and
6 any county, municipal corporation or other political
7 subdivision of the State in relation to such grants or loans;
8 provided that such agreement does not conflict with any of the
9 provisions of any trust agreement securing the payment of bonds
10 or certificates of the Authority.

11 The Authority may also accept from the state, or from any
12 county or other political subdivision, or from any municipal
13 corporation, or school district, or school authorities, grants
14 or other funds authorized by law to be paid to the Authority
15 for any of the purposes of this Act.

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

17 (70 ILCS 3605/28a) (from Ch. 111 2/3, par. 328a)

18 Sec. 28a. (a) The Board may deal with and enter into
19 written contracts with the employees of the Authority through
20 accredited representatives of such employees or
21 representatives of any labor organization authorized to act for
22 such employees, concerning wages, salaries, hours, working
23 conditions and pension or retirement provisions; provided,
24 nothing herein shall be construed to permit hours of labor in
25 excess of those provided by law or to permit working conditions

1 prohibited by law. In case of dispute over wages, salaries,
2 hours, working conditions, or pension or retirement provisions
3 the Board may arbitrate any question or questions and may agree
4 with such accredited representatives or labor organization
5 that the decision of a majority of any arbitration board shall
6 be final, provided each party shall agree in advance to pay
7 half of the expense of such arbitration.

8 No contract or agreement shall be made with any labor
9 organization, association, group or individual for the
10 employment of members of such organization, association, group
11 or individual for the construction, improvement, maintenance,
12 operation or administration of any property, plant or
13 facilities under the jurisdiction of the Authority, where such
14 organization, association, group or individual denies on the
15 ground of race, creed, color, sex, religion, physical or mental
16 handicap unrelated to ability, or national origin membership
17 and equal opportunities for employment to any citizen of
18 Illinois.

19 (b)(1) The provisions of this paragraph (b) apply to
20 collective bargaining agreements (including extensions and
21 amendments of existing agreements) entered into on or after
22 January 1, 1984.

23 (2) The Board shall deal with and enter into written
24 contracts with their employees, through accredited
25 representatives of such employees authorized to act for such
26 employees concerning wages, salaries, hours, working

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

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

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

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

21 (70 ILCS 3605/34) (from Ch. 111 2/3, par. 334)

22 Sec. 34. Budget and Program. The Authority, subject to the
23 powers of the Regional Transportation Authority in Section 4.11
24 of the Regional Transportation Authority Act, shall control the
25 finances of the Authority. It shall by ordinance appropriate

1 money to perform the Authority's purposes and provide for
2 payment of debts and expenses of the Authority. Each year the
3 Authority shall prepare and publish a comprehensive annual
4 budget and five-year capital program document, and a financial
5 plan for the 2 years thereafter describing the state of the
6 Authority and presenting for the forthcoming fiscal year and
7 the two following years the Authority's plans for such
8 operations and capital expenditures as it intends to undertake
9 and the means by which it intends to finance them. The proposed
10 budget, ~~and~~ financial plan, and five-year capital program shall
11 be based on the Regional Transportation Authority's estimate of
12 funds to be made available to the Authority by or through the
13 Regional Transportation Authority and shall conform in all
14 respects to the requirements established by the Regional
15 Transportation Authority. The proposed ~~program and~~ budget, and
16 financial plan, and five-year capital program shall contain a
17 statement of the funds estimated to be on hand at the beginning
18 of the fiscal year, the funds estimated to be received from all
19 sources for such year and the funds estimated to be on hand at
20 the end of such year. ~~After adoption of the Regional~~
21 ~~Transportation Authority's first Five-Year Program, as~~
22 ~~provided in Section 2.01 of the Regional Transportation~~
23 ~~Authority Act, the proposed program and budget shall~~
24 ~~specifically identify any respect in which the recommended~~
25 ~~program deviates from the Regional Transportation Authority's~~
26 ~~then existing Five Year Program, giving the reasons for such~~

1 ~~deviation.~~ The proposed ~~program and~~ budget, financial plan, and
2 five-year capital program shall be available at no cost for
3 public inspection at the Authority's main office and at the
4 Regional Transportation Authority's main office at least 3
5 weeks prior to any public hearing. Before the proposed budget,
6 ~~and program and~~ financial plan, and five-year capital program
7 are submitted to the Regional Transportation Authority, the
8 Authority shall hold at least one public hearing thereon in
9 each of the counties in which the Authority provides service.
10 All Board members of the Authority shall attend a majority of
11 the public hearings unless reasonable cause is given for their
12 absence. After the public hearings, the Board of the Authority
13 shall hold at least one meeting for consideration of the
14 proposed program and budget with the Cook County Board. After
15 conducting such hearings and holding such meetings and after
16 making such changes in the proposed ~~program and~~ budget,
17 financial plan, and five-year capital program as the Board
18 deems appropriate, it shall adopt an annual budget ordinance at
19 least by November 15th preceding the beginning of each fiscal
20 year. The budget, ~~and program, and~~ financial plan, and
21 five-year capital program shall then be submitted to the
22 Regional Transportation Authority as provided in Section 4.11
23 of the Regional Transportation Authority Act. In the event that
24 the Board of the Regional Transportation Authority determines
25 that the budget, ~~and program, and~~ financial plan, and five-year
26 capital program do not meet the standards of said Section 4.11,

1 the Board of the Authority shall make such changes as are
2 necessary to meet such requirements and adopt an amended budget
3 ordinance. The amended budget ordinance shall be resubmitted to
4 the Regional Transportation Authority pursuant to said Section
5 4.11. The ordinance shall appropriate such sums of money as are
6 deemed necessary to defray all necessary expenses and
7 obligations of the Authority, specifying purposes and the
8 objects or programs for which appropriations are made and the
9 amount appropriated for each object or program. Additional
10 appropriations, transfers between items and other changes in
11 such ordinance which do not alter the basis upon which the
12 balanced budget determination was made by the Regional
13 Transportation Authority may be made from time to time by the
14 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 Board sufficient to allow the Board to meet its
3 required system generated revenue recovery ratio as
4 determined in accordance with subsection (a) of Section
5 4.11 of the Regional Transportation Authority Act;

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

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

11 (vi) meet such other financial, budgetary, or fiscal
12 requirements that the Board of the Regional Transportation
13 Authority may by rule or regulation establish; and ~~+~~

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

17 The Board shall establish a fiscal operating year. At least
18 thirty days prior to the beginning of the first full fiscal
19 year after the creation of the Authority, and annually
20 thereafter, the Board shall cause to be prepared a tentative
21 budget which shall include all operation and maintenance
22 expense for the ensuing fiscal year. The tentative budget shall
23 be considered by the Board and, subject to any revision and
24 amendments as may be determined, shall be adopted prior to the
25 first day of the ensuing fiscal year as the budget for that
26 year. No expenditures for operations and maintenance in excess

1 of the budget shall be made during any fiscal year except by
2 the affirmative vote of at least five members of the Board. It
3 shall not be necessary to include in the annual budget any
4 statement of necessary expenditures for pensions or retirement
5 annuities, or for interest or principal payments on bonds or
6 certificates, or for capital outlays, but it shall be the duty
7 of the Board to make provision for payment of same from
8 appropriate funds. The Board may not alter its fiscal year
9 without the prior approval of the Board of the Regional
10 Transportation Authority.

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

12 (70 ILCS 3605/46) (from Ch. 111 2/3, par. 346)

13 Sec. 46. Citizens Advisory Board. The Board shall establish
14 a citizens advisory board composed of 11 residents of those
15 portions of the metropolitan region in which the Authority
16 provides service who have an interest in public transportation,
17 one of whom shall be at least 65 years of age. The members of
18 the advisory board shall be named for 2 year terms, shall
19 select one of their members to serve as chairman and shall
20 serve without compensation. The citizens advisory board shall
21 meet with Board at least quarterly and advise the Board of the
22 impact of its policies and programs on the communities it
23 serves. Appointments to the citizens advisory board should, to
24 the greatest extent possible, reflect the ethnic, cultural, and
25 geographic diversity of all persons residing within the

1 metropolitan region in which the Authority provides service.

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

3 (70 ILCS 3605/50 new)

4 Sec. 50. Disadvantaged Business Enterprise Contracting and
5 Equal Employment Opportunity Programs. The Authority shall, as
6 soon as is practicable but in no event later than two years
7 after the effective date of this amendatory Act of the 95th
8 General Assembly, establish and maintain a disadvantaged
9 business enterprise contracting program designed to ensure
10 non-discrimination in the award and administration of
11 contracts not covered under a federally mandated disadvantaged
12 business enterprise program. The program shall establish
13 narrowly tailored goals for the participation of disadvantaged
14 business enterprises as the Authority determines appropriate.
15 The goals shall be based on demonstrable evidence of the
16 availability of ready, willing, and able disadvantaged
17 business enterprises relative to all businesses ready,
18 willing, and able to participate on the program's contracts.
19 The program shall require the Authority to monitor the progress
20 of the contractors' obligations with respect to the program's
21 goals. Nothing in this program shall conflict with or interfere
22 with the maintenance or operation of, or compliance with, any
23 federally mandated disadvantaged business enterprise program.

24 The Authority shall establish and maintain a program
25 designed to promote equal employment opportunity. Each year, no

1 later than October 1, the Authority shall report to the General
2 Assembly on the number of employees of the Authority and the
3 number of employees who have designated themselves as members
4 of a minority group and gender.

5 Each year no later than October 1, and starting no later
6 than the October 1 after the establishment of the disadvantaged
7 business enterprise contracting program, the Authority shall
8 submit a report with respect to such program to the General
9 Assembly. In addition, no later than October 1 of each year,
10 the Authority shall submit a copy of its federally mandated
11 semi-annual Uniform Report of Disadvantaged Business
12 Enterprises Awards or Commitments and Payments to the General
13 Assembly.

14 Section 20. The Regional Transportation Authority Act is
15 amended by changing Sections 1.02, 2.01, 2.04, 2.05, 2.09,
16 2.12, 2.14, 2.18a, 2.30, 3.01, 3.03, 3.05, 3A.10, 3A.11, 3A.14,
17 3B.02, 3B.03, 3B.05, 3B.07, 3B.09, 3B.10, 3B.11, 3B.12, 3B.13,
18 4.01, 4.02, 4.02a, 4.02b, 4.03, 4.04, 4.09, 4.11, 4.13, 4.14,
19 and 5.01 and by adding Section 2.01a, 2.01b, 2.01c, 2.01d,
20 2.01e, 2.12b, 2.31, and 4.03.3 as follows:

21 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

22 Sec. 1.02. Findings and Purpose. (a) The General Assembly
23 finds;

24 (i) Public transportation is, as provided in Section 7 of

1 Article XIII of the Illinois Constitution, an essential public
2 purpose for which public funds may be expended and that Section
3 authorizes the State to provide financial assistance to units
4 of local government for distribution to providers of public
5 transportation. There is an urgent need to reform and continue
6 a unit of local government to assure the proper management of
7 public transportation and to receive and distribute State or
8 federal operating assistance and to raise and distribute
9 revenues for local operating assistance. System generated
10 revenues are not adequate for such service and a public need
11 exists to provide for, aid and assist public transportation in
12 the northeastern area of the State, consisting of Cook, DuPage,
13 Kane, Lake, McHenry and Will Counties.

14 (ii) Comprehensive and coordinated regional public
15 transportation is essential to the public health, safety and
16 welfare. It is essential to economic well-being, maintenance of
17 full employment, conservation of sources of energy and land for
18 open space and reduction of traffic congestion and for
19 providing and maintaining a healthful environment for the
20 benefit of present and future generations in the metropolitan
21 region. Public transportation improves the mobility of the
22 public and improves access to jobs, commercial facilities,
23 schools and cultural attractions. Public transportation
24 decreases air pollution and other environmental hazards
25 resulting from excessive use of automobiles and allows for more
26 efficient land use and planning.

1 (iii) Because system generated receipts are not presently
2 adequate, public transportation facilities and services in the
3 northeastern area are in grave financial condition. With
4 existing methods of financing, coordination and management,
5 and relative convenience of automobiles, such public
6 transportation facilities are not providing adequate public
7 transportation to insure the public health, safety and welfare.

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

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

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

16 (i) Substantial, recurring deficits in the operations of
17 public transportation services subject to the jurisdiction of
18 the Regional Transportation Authority and periodic cash
19 shortages have occurred either of which could bring about a
20 loss of public transportation services throughout the
21 metropolitan region at any time;

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

26 (iii) To meet the urgent needs of the people of the

1 metropolitan region that such an emergency be averted and to
2 provide financially sound methods of managing the provision of
3 public transportation services in the northeastern area of the
4 State, it is necessary, while maintaining and continuing the
5 existing Authority, to modify the powers and responsibilities
6 of the Authority, to reallocate responsibility for operating
7 decisions, to change the composition and appointment of the
8 Board of Directors thereof, and to immediately establish a new
9 Board of Directors.

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

12 (i) The economic vitality of northeastern Illinois
13 requires regionwide and systemwide efforts to increase
14 ridership on the transit systems, constrain road congestion
15 within the metropolitan region, and allocate resources for
16 transportation so as to assist in the development of an
17 adequate, efficient, and coordinated regional transportation
18 system that is in a state of good repair.

19 (ii) To achieve the purposes of this amendatory Act of the
20 95th General Assembly, the powers and duties of the Authority
21 must be enhanced to improve overall planning and coordination,
22 to achieve an integrated and efficient regional transit system,
23 to advance the mobility of transit users, and to increase
24 financial transparency of the Authority and the Service Boards.

25 (d) ~~(e)~~ It is the purpose of this Act to provide for, aid
26 and assist public transportation in the northeastern area of

1 the State without impairing the overall quality of existing
2 public transportation by providing for the creation of a single
3 authority responsive to the people and elected officials of the
4 area and with the power and competence to develop, implement,
5 and enforce plans that promote adequate, efficient, and
6 coordinated public transportation, provide financial review of
7 the providers of public transportation in the metropolitan
8 region and facilitate public transportation provided by
9 Service Boards which is attractive and economical to users,
10 comprehensive, coordinated among its various elements,
11 economical, safe, efficient and coordinated with area and State
12 plans.

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

14 (70 ILCS 3615/2.01) (from Ch. 111 2/3, par. 702.01)

15 Sec. 2.01. General Allocation of Responsibility for Public
16 Transportation. Provision of Public Transportation — Review
17 and Program.

18 (a) In order to accomplish the ~~its~~ purposes as set forth in
19 this Act, the responsibility for planning, operating, and
20 funding public transportation in the metropolitan region shall
21 be allocated as described in this Act. The Authority shall:

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

25 (ii) set goals, objectives, and standards for the

1 Authority, the Service Boards, and transportation
2 agencies;

3 (iii) develop performance measures to inform the
4 public about the extent to which the provision of public
5 transportation in the metropolitan region meets those
6 goals, objectives, and standards;

7 (iv) allocate operating and capital funds made
8 available to support public transportation in the
9 metropolitan region;

10 (v) provide financial oversight of the Service Boards;
11 and

12 (vi) coordinate the provision of public transportation
13 and the investment in public transportation facilities to
14 enhance the integration of public transportation
15 throughout the metropolitan region, all as provided in this
16 Act.

17 The ~~the~~ Service Boards shall, on a continuing basis
18 determine the level, nature and kind of public transportation
19 which should be provided for the metropolitan region in order
20 to meet the plans, goals, objectives, and standards adopted by
21 the Authority. The Service Boards may provide public
22 transportation by purchasing such service from transportation
23 agencies through purchase of service agreements, by grants to
24 such agencies or by operating such service, all pursuant to
25 this Act and the "Metropolitan Transit Authority Act", as now
26 or hereafter amended. Certain of its actions to implement the

1 responsibilities allocated to the Authority in this subsection
2 (a) shall be taken in 3 public documents adopted by the
3 affirmative vote of at least 12 of its then Directors: A
4 Strategic Plan; a Five-Year Capital Program; and an Annual
5 Budget and Two-Year Financial Plan. The Authority shall
6 establish a policy to provide adequate public transportation
7 throughout the metropolitan region.

8 (b) The Authority shall subject the operating and capital
9 plans and expenditures of the Service Boards in the
10 metropolitan region with regard to public transportation to
11 continuing review so that the Authority may budget and expend
12 its funds with maximum effectiveness and efficiency. The
13 Authority shall conduct audits of each of the Service Boards no
14 less than every 5 years. Such audits may include management,
15 performance, financial, and infrastructure condition audits.
16 The Authority may conduct management, performance, financial,
17 and infrastructure condition audits of transportation agencies
18 that receive funds from the Authority. The Authority may direct
19 a Service Board to conduct any such audit of a transportation
20 agency that receives funds from such Service Board, and the
21 Service Board shall comply with such request to the extent it
22 has the right to do so. These audits of the Service Boards or
23 transportation agencies may be project or service specific
24 audits to evaluate their achievement of the goals and
25 objectives of that project or service and their compliance with
26 any applicable requirements. Certain of its recommendations in

1 ~~this regard shall be set forth in 2 public documents, the~~
2 ~~Five Year Program provided for in this Section and an Annual~~
3 ~~Budget and Program provided for in Section 4.01.~~

4 ~~(c) The Authority shall, in consultation with the Service~~
5 ~~Boards, each year prepare and, by ordinance, adopt, after~~
6 ~~public hearings held in each county in the metropolitan region,~~
7 ~~a Five Year Program to inform the public and government~~
8 ~~officials of the Authority's objectives and program for~~
9 ~~operations and capital development during the forthcoming~~
10 ~~five year period. The Five Year Program shall set forth the~~
11 ~~standards of service which the public may expect; each Service~~
12 ~~Board's plans for coordinating routes and service of the~~
13 ~~various transportation agencies; the anticipated expense of~~
14 ~~providing public transportation at standards of service then~~
15 ~~existing and under alternative operating programs; the nature,~~
16 ~~location and expense of anticipated capital improvements~~
17 ~~exceeding \$250,000, by specific item and by fiscal year; and~~
18 ~~such demographic and other data developed by planning and other~~
19 ~~related agencies, as the Authority shall consider pertinent to~~
20 ~~the Service Boards' decisions as to levels and nature of~~
21 ~~service, including without limitation the patterns of~~
22 ~~population density and growth, projected commercial and~~
23 ~~residential development, environmental factors and the~~
24 ~~availability of alternative modes of transportation. The~~
25 ~~Five Year Program shall be adopted on the affirmative votes of~~
26 ~~9 of the then Directors.~~

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

2 (70 ILCS 3615/2.01a new)

3 Sec. 2.01a. Strategic Plan.

4 (a) By the affirmative vote of at least 12 of its then
5 Directors, the Authority shall adopt a Strategic Plan, no less
6 than every 5 years, after consultation with the Service Boards
7 and after holding a minimum of 3 public hearings in Cook County
8 and one public hearing in each of the other counties in the
9 region. The Executive Director of the Authority shall review
10 the Strategic Plan on an ongoing basis and make recommendations
11 to the Board of the Authority with respect to any update or
12 amendment of the Strategic Plan. The Strategic Plan shall
13 describe the specific actions to be taken by the Authority and
14 the Service Boards to provide adequate, efficient, and
15 coordinated public transportation.

16 (b) The Strategic Plan shall identify goals and objectives
17 with respect to:

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

20 (ii) coordination of public transportation services
21 and the investment in public transportation facilities to
22 enhance the integration of public transportation
23 throughout the metropolitan region;

24 (iii) coordination of fare and transfer policies to
25 promote transfers by riders among Service Boards,

1 transportation agencies, and public transportation modes,
2 which may include goals and objectives for development of a
3 universal fare instrument that riders may use
4 interchangeably on all public transportation funded by the
5 Authority, and methods to be used to allocate revenues from
6 transfers;

7 (iv) improvements in public transportation facilities
8 to bring those facilities into a state of good repair,
9 enhancements that attract ridership and improve customer
10 service, and expansions needed to serve areas with
11 sufficient demand for public transportation;

12 (v) access for transit-dependent populations,
13 including access by low-income communities to places of
14 employment, utilizing analyses provided by the Chicago
15 Metropolitan Agency for Planning regarding employment and
16 transportation availability, and giving consideration to
17 the location of employment centers in each county and the
18 availability of public transportation at off-peak hours
19 and on weekends;

20 (vi) the financial viability of the public
21 transportation system, including both operating and
22 capital programs;

23 (vii) limiting road congestion within the metropolitan
24 region and enhancing transit options to improve mobility;
25 and

26 (viii) such other goals and objectives that advance the

1 policy of the State to provide adequate, efficient, and
2 coordinated public transportation in the metropolitan
3 region.

4 (c) The Strategic Plan shall establish the process and
5 criteria by which proposals for capital improvements by a
6 Service Board or a transportation agency will be evaluated by
7 the Authority for inclusion in the Five-Year Capital Program,
8 which may include criteria for:

9 (i) allocating funds among maintenance, enhancement,
10 and expansion improvements;

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

13 (iii) projects intended to improve or enhance
14 ridership or customer service;

15 (iv) design and location of station or transit
16 improvements intended to promote transfers, increase
17 ridership, and support transit-oriented land development;

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

20 (vi) other criteria that advance the goals and
21 objectives of the Strategic Plan.

22 (d) The Strategic Plan shall establish performance
23 standards and measurements regarding the adequacy, efficiency,
24 and coordination of public transportation services in the
25 region and the implementation of the goals and objectives in
26 the Strategic Plan. At a minimum, such standards and measures

1 shall include customer-related performance data measured by
2 line, route, or sub-region, as determined by the Authority, on
3 the following:

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

5 (ii) ridership data;

6 (iii) equipment failure rates;

7 (iv) employee and customer safety; and

8 (v) customer satisfaction.

9 The Service Boards and transportation agencies that
10 receive funding from the Authority or Service Boards shall
11 prepare, publish, and submit to the Authority such reports with
12 regard to these standards and measurements in the frequency and
13 form required by the Authority; however, the frequency of such
14 reporting shall be no less than annual. The Service Boards
15 shall publish such reports on their respective websites. The
16 Authority shall compile and publish such reports on its
17 website. Such performance standards and measures shall not be
18 used as the basis for disciplinary action against any employee
19 of the Authority or Service Boards, except to the extent the
20 employment and disciplinary practices of the Authority or
21 Service Board provide for such action.

22 (e) The Strategic Plan shall identify innovations to
23 improve the delivery of public transportation and the
24 construction of public transportation facilities.

25 (f) The Strategic Plan shall describe the expected
26 financial condition of public transportation in the

1 metropolitan region prospectively over a 10-year period, which
2 may include information about the cash position and all known
3 obligations of the Authority and the Service Boards including
4 operating expenditures, debt service, contributions for
5 payment of pension and other post-employment benefits, the
6 expected revenues from fares, tax receipts, grants from the
7 federal, State, and local governments for operating and capital
8 purposes and issuance of debt, the availability of working
9 capital, and the resources needed to achieve the goals and
10 objectives described in the Strategic Plan.

11 (g) In developing the Strategic Plan, the Authority shall
12 rely on such demographic and other data, forecasts, and
13 assumptions developed by the Chicago Metropolitan Agency for
14 Planning with respect to the patterns of population density and
15 growth, projected commercial and residential development, and
16 environmental factors, within the metropolitan region and in
17 areas outside the metropolitan region that may impact public
18 transportation utilization in the metropolitan region. Before
19 adopting or amending any Strategic Plan, the Authority shall
20 consult with the Chicago Metropolitan Agency for Planning
21 regarding the consistency of the Strategic Plan with the
22 Regional Comprehensive Plan adopted pursuant to the Regional
23 Planning Act.

24 (h) The Authority may adopt, by the affirmative vote of at
25 least 12 of its then Directors, sub-regional or corridor plans
26 for specific geographic areas of the metropolitan region in

1 order to improve the adequacy, efficiency, and coordination of
2 existing, or the delivery of new, public transportation. Such
3 plans may also address areas outside the metropolitan region
4 that may impact public transportation utilization in the
5 metropolitan region. In preparing a sub-regional or corridor
6 plan, the Authority may identify changes in operating practices
7 or capital investment in the sub-region or corridor that could
8 increase ridership, reduce costs, improve coordination, or
9 enhance transit-oriented development. The Authority shall
10 consult with any affected Service Boards in the preparation of
11 any sub-regional or corridor plans.

12 (i) If the Authority determines, by the affirmative vote of
13 at least 12 of its then Directors, that, with respect to any
14 proposed new public transportation service or facility, (i)
15 multiple Service Boards or transportation agencies are
16 potential service providers and (ii) the public transportation
17 facilities to be constructed or purchased to provide that
18 service have an expected construction cost of more than
19 \$25,000,000, the Authority shall have sole responsibility for
20 conducting any alternatives analysis and preliminary
21 environmental assessment required by federal or State law.
22 Nothing in this subparagraph (i) shall prohibit a Service Board
23 from undertaking alternatives analysis and preliminary
24 environmental assessment for any public transportation service
25 or facility identified in items (i) and (ii) above that is
26 included in the Five-Year Capital Program as of the effective

1 date of this amendatory Act of the 95th General Assembly;
2 however, any expenditure related to any such public
3 transportation service or facility must be included in a
4 Five-Year Capital Program under the requirements of Sections
5 2.01b and 4.02 of this Act.

6 (70 ILCS 3615/2.01b new)

7 Sec. 2.01b. The Five-Year Capital Program. By the
8 affirmative vote of at least 12 of its then Directors, the
9 Authority, after consultation with the Service Boards and after
10 holding a minimum of 3 public hearings in Cook County and one
11 public hearing in each of the other counties in the
12 metropolitan region, shall each year adopt a Five-Year Capital
13 Program that shall include each capital improvement to be
14 undertaken by or on behalf of a Service Board provided that the
15 Authority finds that the improvement meets any criteria for
16 capital improvements contained in the Strategic Plan, is not
17 inconsistent with any sub-regional or corridor plan adopted by
18 the Authority, and can be funded within amounts available with
19 respect to the capital and operating costs of such improvement.
20 In reviewing proposals for improvements to be included in a
21 Five-Year Capital Program, the Authority may give priority to
22 improvements that are intended to bring public transportation
23 facilities into a state of good repair. The Five-Year Capital
24 Program shall also identify capital improvements to be
25 undertaken by a Service Board, a transportation agency, or a

1 unit of local government and funded by the Authority from
2 amounts in the Innovation, Coordination, and Enhancement Fund,
3 provided that no improvement that is included in the Five-Year
4 Capital Program as of the effective date of this amendatory Act
5 of the 95th General Assembly may receive funding from the
6 Innovation, Coordination, and Enhancement Fund. Before
7 adopting a Five-Year Capital Program, the Authority shall
8 consult with the Chicago Metropolitan Agency for Planning
9 regarding the consistency of the Five-Year Capital Program with
10 the Regional Comprehensive Plan adopted pursuant to the
11 Regional Planning Act.

12 (70 ILCS 3615/2.01c new)

13 Sec. 2.01c. Innovation, Coordination, and Enhancement
14 Fund.

15 (a) The Authority shall establish an Innovation,
16 Coordination, and Enhancement Fund and each year deposit into
17 the Fund the amounts directed by Section 4.03.3 of this Act.
18 Amounts on deposit in such Fund and interest and other earnings
19 on those amounts may be used by the Authority, upon the
20 affirmative vote of 12 of its then Directors, and after a
21 public participation process, for operating or capital grants
22 or loans to Service Boards, transportation agencies, or units
23 of local government that advance the goals and objectives
24 identified by the Authority in its Strategic Plan, provided
25 that no improvement that has been included in a Five-Year

1 Capital Program as of the effective date of this amendatory Act
2 of the 95th General Assembly may receive any funding from the
3 Innovation, Coordination, and Enhancement Fund. Unless the
4 Board has determined by a vote of 12 of its then Directors that
5 an emergency exists requiring the use of some or all of the
6 funds then in the Innovation, Coordination, and Enhancement
7 Fund, such funds may only be used to enhance the coordination
8 and integration of public transportation and develop and
9 implement innovations to improve the quality and delivery of
10 public transportation.

11 (b) Any grantee that receives funds from the Innovation,
12 Coordination, and Enhancement Fund for the operation of
13 eligible programs must (i) implement such programs within one
14 year of receipt of such funds and (ii) within 2 years following
15 commencement of any program utilizing such funds, determine
16 whether it is desirable to continue the program, and upon such
17 a determination, either incorporate such program into its
18 annual operating budget and capital program or discontinue such
19 program. No additional funds from the Innovation,
20 Coordination, and Enhancement Fund may be distributed to a
21 grantee for any individual program beyond 2 years unless the
22 Authority by the affirmative vote of at least 12 of its then
23 Directors waives this limitation. Any such waiver will be with
24 regard to an individual program and with regard to a one
25 year-period, and any further waivers for such individual
26 program require a subsequent vote of the Board.

1 (70 ILCS 3615/2.01d new)

2 Sec. 2.01d. ADA Paratransit Fund. The Authority shall
3 establish an ADA Paratransit Fund and, each year, deposit into
4 that Fund the amounts directed by Section 4.03.3 of this Act.
5 The amounts on deposit in the Fund and interest and other
6 earnings on those amounts shall be used by the Authority to
7 make grants to the Suburban Bus Board for ADA paratransit
8 services provided pursuant to plans approved by the Authority
9 under Section 2.30 of this Act. Funds received by the Suburban
10 Bus Board from the Authority's ADA Paratransit Fund shall be
11 used only to provide ADA paratransit services to individuals
12 who are determined to be eligible for such services by the
13 Authority under the Americans with Disabilities Act of 1990 and
14 its implementing regulations. Revenues from and costs of
15 services provided by the Suburban Bus Board with grants made
16 under this Section shall be included in the Annual Budget and
17 Two-Year Financial Program of the Suburban Bus Board and shall
18 be subject to all budgetary and financial requirements under
19 this Act that apply to ADA paratransit services. Beginning in
20 2008, the Executive Director shall, no later than August 15 of
21 each year, provide to the Board a written determination of the
22 projected annual costs of ADA paratransit services that are
23 required to be provided pursuant to the Americans with
24 Disabilities Act of 1990 and its implementing regulations. The
25 Authority shall conduct triennial financial, compliance, and

1 performance audits of ADA paratransit services to assist in
2 this determination.

3 (70 ILCS 3615/2.01e new)

4 Sec. 2.01e. Suburban Community Mobility Fund. The
5 Authority shall establish a Suburban Community Mobility Fund
6 and, each year, deposit into that Fund the amounts directed by
7 Section 4.03.3 of this Act. The amounts on deposit in the Fund
8 and interest and other earnings on those amounts shall be used
9 by the Authority to make grants to the Suburban Bus Board for
10 the purpose of operating transit services, other than
11 traditional fixed-route services, that enhance suburban
12 mobility, including, but not limited to, demand-responsive
13 transit services, ride sharing, van pooling, service
14 coordination, centralized dispatching and call taking, reverse
15 commuting, service restructuring, and bus rapid transit.
16 Revenues from and costs of services provided by the Suburban
17 Bus Board with moneys from the Suburban Community Mobility Fund
18 shall be included in the Annual Budget and Two-Year Financial
19 Program of the Suburban Bus Board and shall be subject to all
20 budgetary and financial requirements under this Act.

21 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

22 Sec. 2.04. Fares and Nature of Service.

23 (a) Whenever a Service Board provides any public
24 transportation by operating public transportation facilities,

1 the Service Board shall provide for the level and nature of
2 fares or charges to be made for such services, and the nature
3 and standards of public transportation to be so provided that
4 meet the goals and objectives adopted by the Authority in the
5 Strategic Plan. Provided, however that if the Board adopts a
6 budget and financial plan for a Service Board in accordance
7 with the provisions in Section 4.11(b)(5), the Board may
8 consistent with the terms of any purchase of service contract
9 provide for the level and nature of fares to be made for such
10 services under the jurisdiction of that Service Board, and the
11 nature and standards of public transportation to be so
12 provided.

13 (b) Whenever a Service Board provides any public
14 transportation pursuant to grants made after June 30, 1975, to
15 transportation agencies for operating expenses (other than
16 with regard to experimental programs) or pursuant to any
17 purchase of service agreement, the purchase of service
18 agreement or grant contract shall provide for the level and
19 nature of fares or charges to be made for such services, and
20 the nature and standards of public transportation to be so
21 provided. A Service Board shall require all transportation
22 agencies with which it contracts, or from which it purchases
23 transportation services or to which it makes grants to provide
24 half fare transportation for their student riders if any of
25 such agencies provide for half fare transportation to their
26 student riders.

1 (c) In so providing for the fares or charges and the nature
2 and standards of public transportation, any purchase of service
3 agreements or grant contracts shall provide, among other
4 matters, for the terms or cost of transfers or interconnections
5 between different modes of transportation and different public
6 transportation agencies, schedules or routes of such service,
7 changes which may be made in such service, the nature and
8 condition of the facilities used in providing service, the
9 manner of collection and disposition of fares or charges, the
10 records and reports to be kept and made concerning such
11 service, ~~and~~ for interchangeable tickets or other coordinated
12 or uniform methods of collection of charges, and shall further
13 require that the transportation agency comply with any
14 determination made by the Board of the Authority under and
15 subject to the provisions of Section 2.12b of this Act. In
16 regard to any such service, the Authority and the Service
17 Boards shall give attention to and may undertake programs to
18 promote use of public transportation and to provide coordinated
19 ticket sales and passenger information. In the case of a grant
20 to a transportation agency which remains subject to Illinois
21 Commerce Commission supervision and regulation, the Service
22 Boards shall exercise the powers set forth in this Section in a
23 manner consistent with such supervision and regulation by the
24 Illinois Commerce Commission.

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

1 (70 ILCS 3615/2.05) (from Ch. 111 2/3, par. 702.05)

2 Sec. 2.05. Centralized Services; Acquisition and
3 Construction.

4 (a) The Authority may at the request of two or more Service
5 Boards, serve, or designate a Service Board to serve, as a
6 centralized purchasing agent for the Service Boards so
7 requesting.

8 (b) The Authority may at the request of two or more Service
9 Boards perform other centralized services such as ridership
10 information and transfers between services under the
11 jurisdiction of the Service Boards where such centralized
12 services financially benefit the region as a whole. Provided,
13 however, that the Board may require transfers only upon an
14 affirmative vote of 12 ~~9~~ of its then Directors.

15 (c) A Service Board or the Authority may for the benefit of
16 a Service Board, to meet its purposes, construct or acquire any
17 public transportation facility for use by a Service Board or
18 for use by any transportation agency and may acquire any such
19 facilities from any transportation agency, including also
20 without limitation any reserve funds, employees' pension or
21 retirement funds, special funds, franchises, licenses,
22 patents, permits and papers, documents and records of the
23 agency. In connection with any such acquisition from a
24 transportation agency the Authority may assume obligations of
25 the transportation agency with regard to such facilities or
26 property or public transportation operations of such agency.

1 In connection with any construction or acquisition, the
2 Authority shall make relocation payments as may be required by
3 federal law or by the requirements of any federal agency
4 authorized to administer any federal program of aid.

5 (d) The Authority shall, after consulting with the Service
6 Boards, develop regionally coordinated and consolidated sales,
7 marketing, advertising, and public information programs that
8 promote the use and coordination of, and transfers among,
9 public transportation services in the metropolitan region. The
10 Authority shall develop and adopt, with the affirmative vote of
11 at least 12 of its then Directors, rules and regulations for
12 the Authority and the Service Boards regarding such programs to
13 ensure that the Service Boards' independent programs conform
14 with the Authority's regional programs.

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

16 (70 ILCS 3615/2.09) (from Ch. 111 2/3, par. 702.09)

17 Sec. 2.09. Research and Development.

18 (a) The Authority and the Service Boards shall study public
19 transportation problems and developments; encourage
20 experimentation in developing new public transportation
21 technology, financing methods, and management procedures;
22 conduct, in cooperation with other public and private agencies,
23 studies and demonstration and development projects to test and
24 develop methods for improving public transportation, for
25 reducing its costs to users or for increasing public use; and

1 conduct, sponsor, and participate in other studies and
2 experiments, which may include fare demonstration programs,
3 useful to achieving the purposes of this Act. The cost for any
4 such item authorized by this Section may be exempted by the
5 Board in a budget ordinance from the "costs" included in
6 determining that the Authority and its service boards meet the
7 farebox recovery ratio or system generated revenues recovery
8 ratio requirements of Sections 3A.10, 3B.10, 4.01(b), 4.09 and
9 4.11 of this Act and Section 34 of the Metropolitan Transit
10 Authority Act during the Authority's fiscal year which begins
11 January 1, 1986 and ends December 31, 1986, provided that the
12 cost of any item authorized herein must be specifically
13 approved within the budget adopted pursuant to Sections 4.01
14 and 4.11 of this Act for that fiscal year.

15 (b) To improve public transportation service in areas of
16 the metropolitan region with limited access to commuter rail
17 service, the Authority and the Suburban Bus Division shall
18 evaluate the feasibility of implementing new bus rapid transit
19 services using the expressway and tollway systems in the
20 metropolitan region. The Illinois Department of Transportation
21 and the Illinois Toll Highway Authority shall work
22 cooperatively with the Authority and the Suburban Bus Division
23 in that evaluation and in the implementation of bus rapid
24 transit services. The Authority and the Suburban Bus Division,
25 in cooperation with the Illinois Department of Transportation,
26 shall develop a bus rapid transit demonstration project on

1 Interstate 55 located in Will, DuPage, and Cook counties. This
2 demonstration project shall test and refine approaches to bus
3 rapid transit operations in the expressway or tollway shoulder
4 or regular travel lanes and shall investigate technology
5 options that facilitate the shared use of the transit lane and
6 provide revenue for financing construction and operation of
7 public transportation facilities.

8 (c) The Suburban Bus Division and the Authority shall
9 cooperate in the development, funding, and operation of
10 programs to enhance access to job markets for residents in
11 south suburban Cook County. Beginning in 2008, the Authority
12 shall allocate to the Suburban Bus Division an amount not less
13 than \$7,500,000 annually for the costs of such programs.

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

15 (70 ILCS 3615/2.12) (from Ch. 111 2/3, par. 702.12)

16 Sec. 2.12. Coordination with Planning Agencies. The
17 Authority and the Service Boards shall cooperate with the
18 various public agencies charged with responsibility for
19 long-range or comprehensive planning for the metropolitan
20 region. The Authority shall utilize the official forecasts and
21 plans of the Chicago Metropolitan Agency for Planning in
22 developing the Strategic Plan and the Five-Year Capital
23 Program. The Authority and the Service Boards shall, prior to
24 the adoption of any Strategic Plan, as provided in Section
25 2.01a of this Act, or the adoption of any Five-Year Capital

1 Program, as provided in ~~paragraph (b) of~~ Section 2.01b ~~2.01~~ of
2 this Act, submit its proposals to such agencies for review and
3 comment. The Authority and the Service Boards may make use of
4 existing studies, surveys, plans, data and other materials in
5 the possession of any State agency or department, any planning
6 agency or any unit of local government.

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

8 (70 ILCS 3615/2.12b new)

9 Sec. 2.12b. Coordination of Fares and Service. Upon the
10 request of a Service Board, the Executive Director of the
11 Authority may, upon the affirmative vote of 9 of the then
12 Directors of the Authority, intervene in any matter involving
13 (i) a dispute between Service Boards or a Service Board and a
14 transportation agency providing service on behalf of a Service
15 Board with respect to the terms of transfer between, and the
16 allocation of revenues from fares and charges for,
17 transportation services provided by the parties or (ii) a
18 dispute between 2 Service Boards with respect to coordination
19 of service, route duplication, or a change in service. Any
20 Service Board or transportation agency involved in such dispute
21 shall meet with the Executive Director, cooperate in good faith
22 to attempt to resolve the dispute, and provide any books,
23 records, and other information requested by the Executive
24 Director. If the Executive Director is unable to mediate a
25 resolution of any dispute, he or she may provide a written

1 determination recommending a change in the fares or charges or
2 the allocation of revenues for such service or directing a
3 change in the nature or provider of service that is the subject
4 of the dispute. The Executive Director shall base such
5 determination upon the goals and objectives of the Strategic
6 Plan established pursuant to Section 2.01a(b). Such
7 determination shall be presented to the Board of the Authority
8 and, if approved by the affirmative vote of at least 9 of the
9 then Directors of the Authority, shall be final and shall be
10 implemented by any affected Service Board and transportation
11 agency within the time frame required by the determination.

12 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)

13 Sec. 2.14. Appointment of Officers and Employees. The
14 Authority may appoint, retain and employ officers, attorneys,
15 agents, engineers and employees. The officers shall include an
16 Executive Director, who shall be the chief executive officer of
17 the Authority, appointed by the Chairman with the concurrence
18 of 11 ~~9~~ of the other then Directors of the Board. The Executive
19 Director shall organize the staff of the Authority, shall
20 allocate their functions and duties, shall transfer such staff
21 to the Suburban Bus Division and the Commuter Rail Division as
22 is sufficient to meet their purposes, shall fix compensation
23 and conditions of employment of the staff of the Authority, and
24 consistent with the policies of and direction from the Board,
25 take all actions necessary to achieve its purposes, fulfill its

1 responsibilities and carry out its powers, and shall have such
2 other powers and responsibilities as the Board shall determine.
3 The Executive Director must be an individual of proven
4 transportation and management skills and may not be a member of
5 the Board. The Authority may employ its own professional
6 management personnel to provide professional and technical
7 expertise concerning its purposes and powers and to assist it
8 in assessing the performance of the Service Boards in the
9 metropolitan region.

10 No unlawful discrimination, as defined and prohibited in
11 the Illinois Human Rights Act, shall be made in any term or
12 aspect of employment nor shall there be discrimination based
13 upon political reasons or factors. The Authority shall
14 establish regulations to insure that its discharges shall not
15 be arbitrary and that hiring and promotion are based on merit.

16 The Authority shall be subject to the "Illinois Human
17 Rights Act", as now or hereafter amended, and the remedies and
18 procedure established thereunder. The Authority shall file an
19 affirmative action program for employment by it with the
20 Department of Human Rights to ensure that applicants are
21 employed and that employees are treated during employment,
22 without regard to unlawful discrimination. Such affirmative
23 action program shall include provisions relating to hiring,
24 upgrading, demotion, transfer, recruitment, recruitment
25 advertising, selection for training and rates of pay or other
26 forms of compensation.

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

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

3 Sec. 2.18a. (a) The provisions of this Section apply to
4 collective bargaining agreements (including extensions and
5 amendments to existing agreements) between Service Boards or
6 transportation agencies subject to the jurisdiction of Service
7 Boards and their employees, which are entered into after
8 January 1, 1984.

9 (b) The Authority shall approve amended budgets prepared by
10 Service Boards which incorporate the costs of collective
11 bargaining agreements between Service Boards and their
12 employees. The Authority shall approve such an amended budget
13 provided that it determines by the affirmative vote of 12 ~~9~~ of
14 its then members that the amended budget meets the standards
15 established in Section 4.11.

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

17 (70 ILCS 3615/2.30)

18 Sec. 2.30. Paratransit services.

19 (a) For purposes of this Act, "ADA paratransit services"
20 shall mean those comparable or specialized transportation
21 services provided by, or under grant or purchase of service
22 contracts of, the Service Boards to individuals with
23 disabilities who are unable to use fixed route transportation
24 systems and who are determined to be eligible, for some or all

1 of their trips, for such services under the Americans with
2 Disabilities Act of 1990 and its implementing regulations.

3 (b) Beginning July 1, 2005, the Authority is responsible
4 for the funding, from amounts on deposit in the ADA Paratransit
5 Fund established under Section 2.01d of this Act, financial
6 review and oversight of all ADA paratransit services that are
7 provided by the Authority or by any of the Service Boards. The
8 Suburban Bus Board shall operate or provide for the operation
9 of all ADA paratransit services by no later than July 1, 2006,
10 except that this date may be extended to the extent necessary
11 to obtain approval from the Federal Transit Administration of
12 the plan prepared pursuant to subsection (c).

13 (c) No later than January 1, 2006, the Authority, in
14 collaboration with the Suburban Bus Board and the Chicago
15 Transit Authority, shall develop a plan for the provision of
16 ADA paratransit services and submit such plan to the Federal
17 Transit Administration for approval. Approval of such plan by
18 the Authority shall require the affirmative votes of 12 \div of
19 the then Directors. The Suburban Bus Board, the Chicago Transit
20 Authority and the Authority shall comply with the requirements
21 of the Americans with Disabilities Act of 1990 and its
22 implementing regulations in developing and approving such plan
23 including, without limitation, consulting with individuals
24 with disabilities and groups representing them in the
25 community, and providing adequate opportunity for public
26 comment and public hearings. The plan shall include the

1 contents required for a paratransit plan pursuant to the
2 Americans with Disabilities Act of 1990 and its implementing
3 regulations. The plan shall also include, without limitation,
4 provisions to:

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

9 (2) transfer the appropriate ADA paratransit services,
10 management, personnel, service contracts and assets from
11 the Chicago Transit Authority to the Authority or the
12 Suburban Bus Board, as necessary, by no later than July 1,
13 2006, except that this date may be extended to the extent
14 necessary to obtain approval from the Federal Transit
15 Administration of the plan prepared pursuant to this
16 subsection (c);

17 (3) provide for consistent policies throughout the
18 metropolitan region for scheduling of ADA paratransit
19 service trips to and from destinations, with consideration
20 of scheduling of return trips on a "will-call" open-ended
21 basis upon request of the rider, if practicable, and with
22 consideration of an increased number of trips available by
23 subscription service than are available as of the effective
24 date of this amendatory Act;

25 (4) provide that service contracts and rates, entered
26 into or set after the approval by the Federal Transit

1 Administration of the plan prepared pursuant to subsection
2 (c) of this Section, with private carriers and taxicabs for
3 ADA paratransit service are procured by means of an open
4 procurement process;

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

8 (6) provide for performance standards for all ADA
9 paratransit service transportation carriers, with
10 consideration of door-to-door service;

11 (7) provide, in cooperation with the Illinois
12 Department of Transportation, the Illinois Department of
13 Public Aid and other appropriate public agencies and
14 private entities, for the application and receipt of
15 grants, including, without limitation, reimbursement from
16 Medicaid or other programs for ADA paratransit services;

17 (8) provide for a system of dispatch of ADA paratransit
18 services transportation carriers throughout the
19 metropolitan region, with consideration of county-based
20 dispatch systems already in place as of the effective date
21 of this amendatory Act;

22 (9) provide for a process of determining eligibility
23 for ADA paratransit services that complies with the
24 Americans with Disabilities Act of 1990 and its
25 implementing regulations;

26 (10) provide for consideration of innovative methods

1 to provide and fund ADA paratransit services; and

2 (11) provide for the creation of one or more ADA
3 advisory boards, or the reconstitution of the existing ADA
4 advisory boards for the Service Boards, to represent the
5 diversity of individuals with disabilities in the
6 metropolitan region and to provide appropriate ongoing
7 input from individuals with disabilities into the
8 operation of ADA paratransit services.

9 (d) All revisions and annual updates to the ADA paratransit
10 services plan developed pursuant to subsection (c) of this
11 Section, or certifications of continued compliance in lieu of
12 plan updates, that are required to be provided to the Federal
13 Transit Administration shall be developed by the Authority, in
14 collaboration with the Suburban Bus Board and the Chicago
15 Transit Authority, and the Authority shall submit such
16 revision, update or certification to the Federal Transit
17 Administration for approval. Approval of such revisions,
18 updates or certifications by the Authority shall require the
19 affirmative votes of 12 ~~9~~ of the then Directors.

20 (e) The Illinois Department of Transportation, the
21 Illinois Department of Public Aid, the Authority, the Suburban
22 Bus Board and the Chicago Transit Authority shall enter into
23 intergovernmental agreements as may be necessary to provide
24 funding and accountability for, and implementation of, the
25 requirements of this Section.

26 (f) By no later than April 1, 2007, the Authority shall

1 develop and submit to the General Assembly and the Governor a
2 funding plan for ADA paratransit services. Approval of such
3 plan by the Authority shall require the affirmative votes of 12
4 ~~9~~ of the then Directors. The funding plan shall, at a minimum,
5 contain an analysis of the current costs of providing ADA
6 paratransit services, projections of the long-term costs of
7 providing ADA paratransit services, identification of and
8 recommendations for possible cost efficiencies in providing
9 ADA paratransit services, and identification of and
10 recommendations for possible funding sources for providing ADA
11 paratransit services. The Illinois Department of
12 Transportation, the Illinois Department of Public Aid, the
13 Suburban Bus Board, the Chicago Transit Authority and other
14 State and local public agencies as appropriate shall cooperate
15 with the Authority in the preparation of such funding plan.

16 (g) Any funds derived from the federal Medicaid program for
17 reimbursement of the costs of providing ADA paratransit
18 services within the metropolitan region shall be directed to
19 the Authority and shall be used to pay for or reimburse the
20 costs of providing such services.

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

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

1 Sec. 2.31. Disadvantaged Business Enterprise Contracting
2 and Equal Employment Opportunity Programs. The Authority and
3 each Service Board shall, as soon as is practicable but in no
4 event later than two years after the effective date of this
5 amendatory Act of the 95th General Assembly, establish and
6 maintain a disadvantaged business enterprise contracting
7 program designed to ensure non-discrimination in the award and
8 administration of contracts not covered under a federally
9 mandated disadvantaged business enterprise program. The
10 program shall establish narrowly tailored goals for the
11 participation of disadvantaged business enterprises as the
12 Authority and each Service Board determines appropriate. The
13 goals shall be based on demonstrable evidence of the
14 availability of ready, willing, and able disadvantaged
15 business enterprises relative to all businesses ready,
16 willing, and able to participate on the program's contracts.
17 The program shall require the Authority and each Service Board
18 to monitor the progress of the contractors' obligations with
19 respect to the program's goals. Nothing in this program shall
20 conflict with or interfere with the maintenance or operation
21 of, or compliance with, any federally mandated disadvantaged
22 business enterprise program.

23 The Authority and each Service Board shall establish and
24 maintain a program designed to promote equal employment
25 opportunity. Each year, no later than October 1, the Authority
26 and each Service Board shall report to the General Assembly on

1 the number of their respective employees and the number of
2 their respective employees who have designated themselves as
3 members of a minority group and gender.

4 Each year no later than October 1, and starting no later
5 than the October 1 after the establishment of their
6 disadvantaged business enterprise contracting programs, the
7 Authority and each Service Board shall submit a report with
8 respect to such program to the General Assembly. In addition,
9 each year no later than October 1, the Authority and each
10 Service Board shall submit a copy of its federally mandated
11 semi-annual Uniform Report of Disadvantaged Business
12 Enterprises Awards or Commitments and Payments to the General
13 Assembly.

14 (70 ILCS 3615/3.01) (from Ch. 111 2/3, par. 703.01)

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

21 (a) Four Directors appointed by the Mayor of the City of
22 Chicago, with the advice and consent of the City Council of the
23 City of Chicago, and, only until January 1, 2008, a fifth
24 director who shall be the Chairman of the Chicago Transit
25 Authority. After January 1, 2008, the Mayor of the City of

1 Chicago, with the advice and consent of the City Council of the
2 City of Chicago, shall appoint a fifth Director. The Directors
3 appointed by the Mayor of the City of Chicago shall not be the
4 chairman or a director of the Chicago Transit Authority. Each
5 such Director shall reside in the City of Chicago ~~except the~~
6 ~~Chairman of the Chicago Transit Authority who shall reside~~
7 ~~within the metropolitan area as defined in the Metropolitan~~
8 ~~Transit Authority Act.~~

9 (b) Four Directors appointed by the votes of a majority of
10 the members of the Cook County Board elected from ~~that part of~~
11 ~~Cook County outside of Chicago, or, in the event such Board of~~
12 ~~Commissioners becomes elected from single member districts, by~~
13 ~~those Commissioners elected from~~ districts, a majority of the
14 electors of which reside outside Chicago. After January 1,
15 2008, a fifth Director appointed by the President of the Cook
16 County Board with the advice and consent of a majority of the
17 members of the Cook County Board. ~~In either case, such~~
18 ~~appointment shall be with the concurrence of four such~~
19 ~~Commissioners.~~ Each ~~such~~ Director appointed under this
20 subparagraph shall reside in that part of Cook County outside
21 Chicago.

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

25 (i) Two Directors appointed by the Chairmen of the
26 county boards of Kane, Lake, McHenry and Will Counties,

1 with the concurrence of not less than a majority of the
2 Chairmen from such counties, from nominees by the Chairmen.
3 Each such Chairman may nominate not more than 2 persons for
4 each position. Each such Director shall reside in a county
5 in the metropolitan region other than Cook or DuPage
6 Counties.

7 (ii) ~~(d)~~ One Director ~~shall be~~ appointed by the
8 Chairman of the ~~Board of~~ DuPage County Board with the
9 advice and consent of the ~~County Board of~~ DuPage County
10 Board. Such Director ~~and~~ shall reside in DuPage County.

11 (d) After January 1, 2008, 5 Directors appointed by the
12 Chairmen of the county boards of DuPage, Kane, Lake and McHenry
13 Counties and the County Executive of Will County, as follows:

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

17 (ii) One Director appointed by the County Executive of
18 Will County with the advice and consent of the Will County
19 Board. Such Director shall reside in Will County.

20 (iii) One Director appointed by the Chairman of the
21 DuPage County Board with the advice and consent of the
22 DuPage County Board. Such Director shall reside in DuPage
23 County.

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

1 (v) One Director appointed by the Chairman of the
2 McHenry County Board with the advice and consent of the
3 McHenry County Board. Such Director shall reside in McHenry
4 County.

5 (vi) To implement the changes in appointing authority
6 under this subparagraph (d) the three Directors appointed
7 under subparagraph (c) and residing in Lake County, DuPage
8 County, and Kane County respectively shall each continue to
9 serve as Director until the expiration of their respective
10 term of office and until his or her successor is appointed
11 and qualified or a vacancy occurs in the office. Thereupon,
12 the appointment shall be made by the officials given
13 appointing authority with respect to the Director whose
14 term has expired or office has become vacant.

15 (e) The Chairman serving on the effective date of this
16 amendatory Act of the 95th General Assembly shall continue to
17 serve as Chairman until the expiration of his or her term of
18 office and until his or her successor is appointed and
19 qualified or a vacancy occurs in the office ~~Before January 1,~~
20 ~~1987, for the term expiring July 1, 1989, the Chairman shall be~~
21 ~~appointed by the Governor. Thereafter the Chairman shall be~~
22 ~~appointed by the other 12 Directors with the concurrence of~~
23 ~~three-fourths of such Directors.~~ Upon the expiration or vacancy
24 of the term of the Chairman then serving upon the effective
25 date of this amendatory Act of the 95th General Assembly, the
26 Chairman shall be appointed by the other Directors, by the

1 affirmative vote of at least 11 of the then Directors, with at
2 least 2 affirmative votes from Directors who reside in the City
3 of Chicago, at least 2 affirmative votes from Directors who
4 reside in Cook County outside the City of Chicago, and at least
5 2 affirmative votes from Directors who reside in the Counties
6 of DuPage, Lake, Will, Kane, or McHenry. The chairman shall not
7 be appointed from among the other Directors. The chairman shall
8 be a resident of the metropolitan region.

9 (f) Except as otherwise provided by this Act no Director
10 shall, while serving as such, be an officer, a member of the
11 Board of Directors or Trustees or an employee of any Service
12 Board or transportation agency, or be an employee of the State
13 of Illinois or any department or agency thereof, or of any unit
14 of local government or receive any compensation from any
15 elected or appointed office under the Constitution and laws of
16 Illinois; except that a Director may be a member of a school
17 board.

18 (g) Each appointment made under this Section and under
19 Section 3.03 shall be certified by the appointing authority to
20 the Board, which shall maintain the certifications as part of
21 the official records of the Authority; ~~provided that the~~
22 ~~initial appointments shall be certified to the Secretary of~~
23 ~~State, who shall transmit the certifications to the Board~~
24 ~~following its organization. All appointments made by the~~
25 ~~Governor shall be made with the advice and consent of the~~
26 ~~Senate.~~

1 (h) (Blank). ~~The Board of Directors shall be so appointed~~
2 ~~as to represent the City of Chicago, that part of Cook County~~
3 ~~outside the City of Chicago, and that part of the metropolitan~~
4 ~~region outside Cook County on the one man one vote basis. After~~
5 ~~each Federal decennial census the General Assembly shall review~~
6 ~~the composition of the Board and, if a change is needed to~~
7 ~~comply with this requirement, shall provide for the necessary~~
8 ~~revision by July 1 of the third year after such census.~~
9 ~~Provided, however, that the Chairman of the Chicago Transit~~
10 ~~Authority shall be a Director of the Authority and shall be~~
11 ~~considered as representing the City of Chicago for purposes of~~
12 ~~this paragraph.~~

13 ~~Insofar as may be practicable, the changes in Board~~
14 ~~membership necessary to achieve this purpose shall take effect~~
15 ~~as appropriate members terms expire, no member's term being~~
16 ~~reduced by reason of such revision of the composition of the~~
17 ~~Board.~~

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

19 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

20 Sec. 3.03. Terms, vacancies. Each Director, ~~including the~~
21 ~~Chairman, shall be appointed for an initial term as provided~~
22 ~~for in Section 3.10 of this Act. Thereafter, each Director~~
23 shall hold office for a term of 5 years, and until his
24 successor has been appointed and has qualified. A vacancy shall
25 occur upon resignation, death, conviction of a felony, or

1 removal from office of a Director. Any Director may be removed
2 from office upon concurrence of not less than 11 ~~9~~ Directors,
3 on a formal finding of incompetence, neglect of duty, or
4 malfeasance in office. Within 30 days after the office of any
5 member becomes vacant for any reason, the appointing
6 authorities of such member shall make an appointment to fill
7 the vacancy. A vacancy shall be filled for the unexpired term.

8 Whenever ~~After October 1, 1984, whenever~~ a vacancy for a
9 Director, except as to the Chairman or those Directors
10 appointed by ~~the Governor or~~ the Mayor of the City of Chicago,
11 exists for longer than 4 months, the new Director shall be
12 chosen by election by all legislative members in the General
13 Assembly representing the affected area. In order to qualify as
14 a voting legislative member in this matter, the affected area
15 must be more than 50% of the geographic area of the legislative
16 district.

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

18 (70 ILCS 3615/3.05) (from Ch. 111 2/3, par. 703.05)

19 Sec. 3.05. Meetings. The Board shall prescribe the times
20 and places for meetings and the manner in which special
21 meetings may be called. The Board shall comply in all respects
22 with the "Open Meetings Act", approved July 11, 1957, as now or
23 hereafter amended. All records, documents and papers of the
24 Authority, other than those relating to matters concerning
25 which closed sessions of the Board may be held, shall be

1 available for public examination, subject to such reasonable
2 regulations as the Board may adopt.

3 A majority of the Directors holding office shall constitute
4 a quorum for the conduct of business. Except as otherwise
5 provided in this Act, the affirmative votes of at least 9 ~~7~~
6 Directors shall be necessary for approving any contract or
7 agreement, adopting any rule or regulation, and any other
8 action required by this Act to be taken by resolution or
9 ordinance.

10 The Board shall meet with the Regional Citizens Advisory
11 Board at least once every 4 months.

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

13 (70 ILCS 3615/3A.10) (from Ch. 111 2/3, par. 703A.10)

14 Sec. 3A.10. Budget and Program. The Suburban Bus Board,
15 subject to the powers of the Authority in Section 4.11, shall
16 control the finances of the Division. It shall by ordinance
17 appropriate money to perform the Division's purposes and
18 provide for payment of debts and expenses of the Division. Each
19 year the Suburban Bus Board shall prepare and publish a
20 comprehensive annual budget and proposed five-year capital
21 program document, and a financial plan for the 2 years
22 thereafter describing the state of the Division and presenting
23 for the forthcoming fiscal year and the 2 following years the
24 Suburban Bus Board's plans for such operations and capital
25 expenditures as it intends to undertake and the means by which

1 it intends to finance them. The proposed budget, ~~and~~ financial
2 plan, and five-year capital program shall be based on the
3 Authority's estimate of funds to be made available to the
4 Suburban Bus Board by or through the Authority and shall
5 conform in all respects to the requirements established by the
6 Authority. The proposed ~~program and budget,~~ financial plan, and
7 five-year capital program shall contain a statement of the
8 funds estimated to be on hand at the beginning of the fiscal
9 year, the funds estimated to be received from all sources for
10 such year and the funds estimated to be on hand at the end of
11 such year. ~~After adoption of the Authority's first Five-Year~~
12 ~~Program, as provided in Section 2.01 of this Act, the proposed~~
13 ~~program and budget shall specifically identify any respect in~~
14 ~~which the recommended program deviates from the Authority's~~
15 ~~then existing Five-Year Program, giving the reasons for such~~
16 ~~deviation.~~ The fiscal year of the Division shall be the same as
17 the fiscal year of the Authority. Before the proposed budget, ~~and~~
18 ~~program and~~ financial plan, and five-year capital program
19 are submitted to the Authority, the Suburban Bus Board shall
20 hold at least one public hearing thereon in each of the
21 counties in the metropolitan region in which the Division
22 provides service. The Suburban Bus Board shall hold at least
23 one meeting for consideration of the proposed ~~program and~~
24 budget, financial plan, and five-year capital program with the
25 county board of each of the several counties in the
26 metropolitan region in which the Division provides service.

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

24 The budget shall:

25 (i) show a balance between (A) anticipated revenues
26 from all sources including operating subsidies and (B) the

1 costs of providing the services specified and of funding
2 any operating deficits or encumbrances incurred in prior
3 periods, including provision for payment when due of
4 principal and interest on outstanding indebtedness;

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

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

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

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

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

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

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

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

3 Sec. 3A.11. Citizens Advisory Board. The Suburban Bus Board
4 shall establish a citizens advisory board composed of 10
5 residents of those portions of the metropolitan region in which
6 the Suburban Bus Board provides service who have an interest in
7 public transportation. The members of the advisory board shall
8 be named for 2 year terms, shall select one of their members to
9 serve as chairman and shall serve without compensation. The
10 citizens advisory board shall meet with the Suburban Bus Board
11 at least quarterly and advise the Suburban Bus Board of the
12 impact of its policies and programs on the communities it
13 serves. Appointments to the citizens advisory board should, to
14 the greatest extent possible, reflect the ethnic, cultural, and
15 geographic diversity of all persons residing within the
16 Suburban Bus Board's jurisdiction.

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

18 (70 ILCS 3615/3A.14) (from Ch. 111 2/3, par. 703A.14)

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

23 (b) The Suburban Bus Board shall deal with and enter into
24 written contracts with their employees, through accredited

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

1 of employment about which they have bargained prior to the
2 effective date of this amendatory Act of 1983.

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

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

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

20 (70 ILCS 3615/3B.02) (from Ch. 111 2/3, par. 703B.02)

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

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

1 (1) ~~(a)~~ One director shall be appointed by the Chairman
2 of the Board of DuPage County with the advice and consent
3 of the County Board of DuPage County and shall reside in
4 DuPage County. †

5 (2) ~~(b)~~ Two directors appointed by the Chairmen of the
6 County Boards of Kane, Lake, McHenry and Will Counties with
7 the concurrence of not less than a majority of the chairmen
8 from such counties, from nominees by the Chairmen. Each
9 such chairman may nominate not more than two persons for
10 each position. Each such director shall reside in a county
11 in the metropolitan region other than Cook or DuPage
12 County.

13 (3) ~~(c)~~ Three directors appointed by the members of the
14 Cook County Board elected from that part of Cook County
15 outside of Chicago, or, in the event such Board of
16 Commissioners becomes elected from single member
17 districts, by those Commissioners elected from districts,
18 a majority of the residents of which reside outside
19 Chicago. In either case, such appointment shall be with the
20 concurrence of four such Commissioners. Each such director
21 shall reside in that part of Cook County outside Chicago.

22 (4) ~~(d)~~ One director appointed by the Mayor of the City
23 of Chicago, with the advice and consent of the City Council
24 of the City of Chicago. Such director shall reside in the
25 City of Chicago.

26 (5) The chairman shall be appointed by the directors,

1 from the members of the board, with the concurrence of 5 of
2 such directors.

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

7 (1) One Director shall be appointed by the Chairman of
8 the DuPage County Board with the advice and consent of the
9 DuPage County Board and shall reside in DuPage County. To
10 implement the changes 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 (1) of
13 subsection (a) of this Section who resides in DuPage
14 County, a Director shall be appointed under this
15 subparagraph.

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

25 (3) One Director shall be appointed by the Will County
26 Executive with the advice and consent of the Will County

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

7 (4) One Director shall be appointed by the Chairman of
8 the Lake County Board with the advice and consent of the
9 Lake County Board and shall reside in Lake County.

10 (5) One Director shall be appointed by the Chairman of
11 the Kane County Board with the advice and consent of the
12 Kane County Board and shall reside in Kane County.

13 (6) One Director shall be appointed by the Mayor of the
14 City of Chicago with the advice and consent of the City
15 Council of the City of Chicago and shall reside in the City
16 of Chicago. To implement the changes in appointing
17 authority under this Section, upon the expiration of the
18 term of or vacancy in office of the Director appointed
19 under item (4) of subsection (a) of this Section who
20 resides in the City of Chicago, a Director shall be
21 appointed under this subparagraph.

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

24 (i) One Director who resides in Cook County outside
25 of the City of Chicago, appointed by the President of
26 the Cook County Board with the advice and consent of a

1 majority of the members of the Cook County Board.

2 (ii) One Director who resides in the township of
3 Barrington, Palatine, Wheeling, Hanover, Schaumburg,
4 or Elk Grove. To implement the changes in appointing
5 authority under this Section, upon the expiration of
6 the term of or vacancy in office of the Director
7 appointed under paragraph (3) of subsection (a) of this
8 Section who resides in the geographic area described in
9 this subparagraph, a Director shall be appointed under
10 this subparagraph.

11 (iii) One Director who resides in the township of
12 Northfield, New Trier, Maine, Nilas, Evanston, Leyden,
13 Norwood Park, River Forest, or Oak Park.

14 (iv) One Director who resides in the township of
15 Proviso, Riverside, Berwyn, Cicero, Lyons, Stickney,
16 Lemont, Palos, or Orland. To implement the changes in
17 appointing authority under this Section, upon the
18 expiration of the term of or vacancy in office of the
19 Director appointed under paragraph (3) of subsection
20 (a) of this Section who resides in the geographic area
21 described in this subparagraph and whose term of office
22 had not expired as of August 1, 2007, a Director shall
23 be appointed under this subparagraph.

24 (v) One Director who resides in the township of
25 Worth, Calumet, Bremen, Thornton, Rich, or Bloom. To
26 implement the changes in appointing authority under

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

8 (vi) The Directors identified under the provisions
9 of subparagraphs (ii) through (v) of this paragraph (7)
10 shall be appointed by the members of the Cook County
11 Board. Each individual Director shall be appointed by
12 those members of the Cook County Board 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 subparagraphs (ii) through (v) of this paragraph (7)
18 shall be weighted by the number of electors residing in
19 those portions of their Board districts within the
20 geographic territory described in the relevant
21 subparagraph (ii) through (v) of this paragraph (7). In
22 the event that the geographic territory of an election
23 precinct overlaps with more than one of the geographic
24 territories described in subparagraphs (ii) through
25 (v) of this paragraph (7), then for purposes of
26 establishing the weighted vote in this subparagraph

1 (vi) the electors for such precinct shall be allocated
2 to the geographic territory in which the majority of
3 the electors in that precinct reside.

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

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

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

26 ~~Appointments to the Commuter Rail Board shall be~~

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

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

19 (70 ILCS 3615/3B.03) (from Ch. 111 2/3, par. 703B.03)

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

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

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

19 (70 ILCS 3615/3B.05) (from Ch. 111 2/3, par. 703B.05)

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

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

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

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

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

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

8 (70 ILCS 3615/3B.07) (from Ch. 111 2/3, par. 703B.07)

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

18 A majority of the members shall constitute a quorum for the
19 conduct of business. The affirmative votes of at least 6 4
20 members shall be necessary for any action required by this Act
21 to be taken by ordinance.

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

23 (70 ILCS 3615/3B.09) (from Ch. 111 2/3, par. 703B.09)

24 Sec. 3B.09. General Powers. In addition to any powers

1 elsewhere provided to the Commuter Rail Board, it shall have
2 all of the powers specified in Section 2.20 of this Act except
3 for the powers specified in Section 2.20(a)(v). The Board shall
4 also have the power:

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

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

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

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

1 to repay any money borrowed as provided in this subsection, the
2 Commuter Rail Board may issue revenue bonds from time to time
3 pursuant to ordinance adopted by the Commuter Rail Board,
4 subject to the approval of the Regional Transportation
5 Authority of each such issuance by the affirmative vote of 12
6 of its then Directors; provided that the Commuter Rail Board
7 may not issue bonds for the purpose of financing the
8 acquisition, construction, or improvement of a corporate
9 headquarters building. All such bonds shall be payable solely
10 from the revenues or income or any other funds that the
11 Commuter Rail Board may receive, provided that the Commuter
12 Rail Board may not pledge as security for such bonds the
13 moneys, if any, that the Commuter Rail Board receives from the
14 Regional Transportation Authority pursuant to Section
15 4.03.3(f) of the Regional Transportation Authority Act. The
16 bonds shall bear interest at a rate not to exceed the maximum
17 rate authorized by the Bond Authorization Act. Bond issues
18 pursuant to this Section must be issues with principal or
19 mandatory redemption amounts in equal amounts, with the first
20 maturity issued occurring within the fiscal year in which the
21 bonds are issued or within the next succeeding fiscal year,
22 with bonds issued maturing or subject to mandatory redemption
23 each fiscal year thereafter up to 25 years. At least 25%, based
24 on total principal amount, of all bonds issued pursuant to this
25 Section shall be sold pursuant to notice of sale and public
26 bid. No more than 75%, based on total principal amount, of all

1 bonds issued pursuant to this Section 12c shall be sold by
2 negotiated sale. The maximum principal amount of the bonds that
3 may be issued and outstanding at any time may not exceed
4 \$1,000,000,000. The bonds shall have all the qualities of
5 negotiable instruments under the laws of this State. To secure
6 the payment of any or all of such bonds and for the purpose of
7 setting forth the covenants and undertakings of the Commuter
8 Rail Board in connection with the issuance thereof and the
9 issuance of any additional bonds payable from such revenue or
10 income as well as the use and application of the revenue or
11 income received by the Commuter Rail Board, the Commuter Rail
12 Board may execute and deliver a trust agreement or agreements;
13 provided that no lien upon any physical property of the
14 Commuter Rail Board shall be created thereby. A remedy for any
15 breach or default of the terms of any such trust agreement by
16 the Commuter Rail Board may be by mandamus proceedings in any
17 court of competent jurisdiction to compel performance and
18 compliance therewith, but the trust agreement may prescribe by
19 whom or on whose behalf such action may be instituted. Under no
20 circumstances shall any bonds issued by the Commuter Rail Board
21 or any other obligation of the Commuter Rail Board in
22 connection with the issuance of such bonds be or become an
23 indebtedness or obligation of the State of Illinois, the
24 Regional Transportation Authority, or any other political
25 subdivision of or municipality within the State, nor shall any
26 such bonds or obligations be or become an indebtedness of the

1 Commuter Rail Board within the purview of any constitutional
2 limitation or provision, and it shall be plainly stated on the
3 face of each bond that it does not constitute such an
4 indebtedness or obligation but is payable solely from the
5 revenues or income as aforesaid.

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

7 (70 ILCS 3615/3B.10) (from Ch. 111 2/3, par. 703B.10)

8 Sec. 3B.10. Budget and Program. The Commuter Rail Board,
9 subject to the powers of the Authority in Section 4.11, shall
10 control the finances of the Division. It shall by ordinance
11 appropriate money to perform the Division's purposes and
12 provide for payment of debts and expenses of the Division. Each
13 year the Commuter Rail Board shall prepare and publish a
14 comprehensive annual budget and proposed five-year capital
15 program document, and a financial plan for the two years
16 thereafter describing the state of the Division and presenting
17 for the forthcoming fiscal year and the two following years the
18 Commuter Rail Board's plans for such operations and capital
19 expenditures as the Commuter Rail Board intends to undertake
20 and the means by which it intends to finance them. The proposed
21 budget, ~~and financial plan,~~ and five-year capital program shall
22 be based on the Authority's estimate of funds to be made
23 available to the Commuter Rail Board by or through the
24 Authority and shall conform in all respects to the requirements
25 established by the 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 Authority's first~~
6 ~~Five Year Program, as provided in Section 2.01 of this Act, the~~
7 ~~proposed program and budget shall specifically identify any~~
8 ~~respect in which the recommended program deviates from the~~
9 ~~Authority's then existing Five Year Program, giving the~~
10 ~~reasons for such deviation.~~ The fiscal year of the Division
11 shall be the same as the fiscal year of the Authority. Before
12 the proposed budget, ~~and program and~~ financial plan, and
13 five-year capital program are submitted to the Authority, the
14 Commuter Rail Board shall hold at least one public hearing
15 thereon in each of the counties in the metropolitan region in
16 which the Division provides service. The Commuter Rail Board
17 shall hold at least one meeting for consideration of the
18 proposed ~~program and~~ budget, financial plan, and five-year
19 capital plan with the county board of each of the several
20 counties in the metropolitan region in which the Division
21 provides service. After conducting such hearings and holding
22 such meetings and after making such changes in the proposed
23 ~~program and~~ budget, financial plan, and five-year capital plan
24 as the Commuter Rail Board deems appropriate, the board shall
25 adopt its annual budget ordinance at least by November 15 next
26 preceding the beginning of each fiscal year. The budget, ~~and~~

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

19 The budget shall:

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

26 (ii) show cash balances including the proceeds of any

1 anticipated cash flow borrowing sufficient to pay with
2 reasonable promptness all costs and expenses as incurred;

3 (iii) provide for a level of fares or charges for the
4 public transportation provided by or subject to the
5 jurisdiction of such Commuter Rail Board sufficient to allow
6 the Commuter Rail Board to meet its required system generated
7 revenue recovery ratio;

8 (iv) be based upon and employ assumptions and projections
9 which the Board of the Authority finds to be reasonable and
10 prudent;

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

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

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

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

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

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

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

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

10 (70 ILCS 3615/3B.12) (from Ch. 111 2/3, par. 703B.12)

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

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

23 (70 ILCS 3615/3B.13) (from Ch. 111 2/3, par. 703B.13)

24 Sec. 3B.13. Labor.

1 (a) The provisions of this Section apply to collective
2 bargaining agreements (including extensions and amendments of
3 existing agreements) entered into on or after January 1, 1984.
4 This Section does not apply to collective bargaining agreements
5 that are subject to the provisions of the Railway Labor Act, as
6 now or hereafter amended.

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

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

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

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

1 Authority for its approval in like manner.

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

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

4 Sec. 4.01. Budget and Program.

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

1 Authority and each Service Board for all purposes, including
2 expenses for contributions to be made with respect to pension
3 and other employee benefits, and the funds estimated to be on
4 hand at the end of such year. ~~After adoption of the Authority's~~
5 ~~first Five Year Program, as provided in Section 2.01 of this~~
6 ~~Act, the proposed program and budget shall specifically~~
7 ~~identify any respect in which the recommended program deviates~~
8 ~~from the Authority's then existing Five Year Program, giving~~
9 ~~the reasons for such deviation.~~ The fiscal year of the
10 Authority and each Service Board shall begin on January 1st and
11 end on the succeeding December 31st ~~except that the fiscal year~~
12 ~~that began October 1, 1982, shall end December 31, 1983.~~ By
13 ~~July 1st 1981 and July 1st of each year thereafter~~ the Director
14 of the Illinois Governor's Office of Management and Budget
15 (formerly Bureau of the Budget) shall submit to the Authority
16 an estimate of revenues for the next fiscal year of the
17 Authority to be collected from the taxes imposed by the
18 Authority and the amounts to be available in the Public
19 Transportation Fund and the Regional Transportation Authority
20 Occupation and Use Tax Replacement Fund and the amounts
21 otherwise to be appropriated by the State to the Authority for
22 its purposes. The Authority shall file a copy of its Annual
23 Budget and Two-Year Financial Plan with ~~For the fiscal year~~
24 ~~ending on December 31, 1983, the Board shall report its results~~
25 ~~from operations and financial condition to the General Assembly~~
26 ~~and the Governor by January 31. For the fiscal year beginning~~

1 ~~January 1, 1984, and thereafter, the budget and program shall~~
2 ~~be presented to~~ the General Assembly and the Governor after its
3 adoption not later than the preceding December 31st. Before the
4 proposed Annual Budget and Two-Year Financial Plan ~~budget and~~
5 ~~program~~ is adopted, the Authority shall hold at least one
6 public hearing thereon in the metropolitan region, and shall
7 meet . ~~The Board shall hold at least one meeting for~~
8 ~~consideration of the proposed program and budget~~ with the
9 county board or its designee of each of the several counties in
10 the metropolitan region. After conducting such hearings and
11 holding such meetings and after making such changes in the
12 proposed Annual Budget and Two-Year Financial Plan ~~program and~~
13 ~~budget~~ as the Board deems appropriate, the Board shall adopt
14 its annual appropriation and Annual Budget and Two-Year
15 Financial Plan ~~budget~~ ordinance. The ordinance may be adopted
16 only upon the affirmative votes of 12 ~~9~~ of its then Directors.
17 The ordinance shall appropriate such sums of money as are
18 deemed necessary to defray all necessary expenses and
19 obligations of the Authority, specifying purposes and the
20 objects or programs for which appropriations are made and the
21 amount appropriated for each object or program. Additional
22 appropriations, transfers between items and other changes in
23 such ordinance may be made from time to time by the Board upon
24 the affirmative votes of 12 ~~9~~ of its then Directors.

25 (b) The Annual Budget and Two-Year Financial Plan ~~budget~~
26 shall show a balance between anticipated revenues from all

1 sources and anticipated expenses including funding of
2 operating deficits or the discharge of encumbrances incurred in
3 prior periods and payment of principal and interest when due,
4 and shall show cash balances sufficient to pay with reasonable
5 promptness all obligations and expenses as incurred.

6 The Annual Budget and Two-Year Financial Plan ~~annual budget~~
7 ~~and financial plan~~ must show:

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

1 with the 2007 fiscal year, all revenues and receipts,
2 including but not limited to fares and grants received from
3 the federal, State or any unit of local government or other
4 entity, derived from providing ADA paratransit service
5 pursuant to Section 2.30 of the Regional Transportation
6 Authority Act. "Costs" include all items properly included
7 as operating costs consistent with generally accepted
8 accounting principles, including administrative costs, but
9 do not include: depreciation; payment of principal and
10 interest on bonds, notes or other evidences of obligation
11 for borrowed money issued by the Authority; payments with
12 respect to public transportation facilities made pursuant
13 to subsection (b) of Section 2.20 of this Act; any payments
14 with respect to rate protection contracts, credit
15 enhancements or liquidity agreements made under Section
16 4.14; any other cost to which it is reasonably expected
17 that a cash expenditure will not be made; costs ~~up to~~
18 ~~\$5,000,000 annually~~ for passenger security including
19 grants, contracts, personnel, equipment and administrative
20 expenses, except in the case of the Chicago Transit
21 Authority, in which case the term does not include costs
22 spent annually by that entity for protection against crime
23 as required by Section 27a of the Metropolitan Transit
24 Authority Act; the payment by the Chicago Transit Authority
25 of Debt Service, as defined in Section 12c of the
26 Metropolitan Transit Authority Act, on bonds or notes

1 issued pursuant to that Section; the payment by the
2 Commuter Rail Division of debt service on bonds issued
3 pursuant to Section 3B.09; expenses incurred by the
4 Suburban Bus Division for the cost of new public
5 transportation services funded from grants pursuant to
6 Section 2.01e of this amendatory Act of the 95th General
7 Assembly for a period of 2 years from the date of
8 initiation of each such service; costs as exempted by the
9 Board for projects pursuant to Section 2.09 of this Act;
10 or, beginning with the 2007 fiscal year, expenses related
11 to providing ADA paratransit service pursuant to Section
12 2.30 of the Regional Transportation Authority Act; and in
13 fiscal years 2008 through 2017 inclusive, costs in the
14 amount of \$200,000,000 in fiscal year 2008, reducing by
15 \$20,000,000 in each fiscal year thereafter until this
16 exemption is eliminated; and

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

1 services revenue recovery ratio".

2 (c) The actual administrative expenses of the Authority for
3 the fiscal year commencing January 1, 1985 may not exceed
4 \$5,000,000. The actual administrative expenses of the
5 Authority for the fiscal year commencing January 1, 1986, and
6 for each fiscal year thereafter shall not exceed the maximum
7 administrative expenses for the previous fiscal year plus 5%.
8 "Administrative expenses" are defined for purposes of this
9 Section as all expenses except: (1) capital expenses and
10 purchases of the Authority on behalf of the Service Boards; (2)
11 payments to Service Boards; and (3) payment of principal and
12 interest on bonds, notes or other evidence of obligation for
13 borrowed money issued by the Authority; (4) costs for passenger
14 security including grants, contracts, personnel, equipment and
15 administrative expenses; (5) payments with respect to public
16 transportation facilities made pursuant to subsection (b) of
17 Section 2.20 of this Act; and (6) any payments with respect to
18 rate protection contracts, credit enhancements or liquidity
19 agreements made pursuant to Section 4.14.

20 (d) This subsection applies only until the Department
21 begins administering and enforcing an increased tax under
22 Section 4.03(m) as authorized by this amendatory Act of the
23 95th General Assembly. After withholding 15% of the proceeds of
24 any tax imposed by the Authority and 15% of money received by
25 the Authority from the Regional Transportation Authority
26 Occupation and Use Tax Replacement Fund, the Board shall

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

21 (e) This subsection applies only until the Department
22 begins administering and enforcing an increased tax under
23 Section 4.03(m) as authorized by this amendatory Act of the
24 95th General Assembly. Moneys received by the Authority on
25 account of transfers to the Regional Transportation Authority
26 Occupation and Use Tax Replacement Fund from the State and

1 Local Sales Tax Reform Fund shall be allocated among the
2 Authority and the Service Boards as follows: 15% of such moneys
3 shall be retained by the Authority and the remaining 85% shall
4 be transferred to the Service Boards as soon as may be
5 practicable after the Authority receives payment. Moneys which
6 are distributable to the Service Boards pursuant to the
7 preceding sentence shall be allocated among the Service Boards
8 on the basis of each Service Board's distribution ratio. The
9 term "distribution ratio" means, for purposes of this
10 subsection (e) of this Section 4.01, the ratio of the total
11 amount distributed to a Service Board pursuant to subsection
12 (d) of Section 4.01 for the immediately preceding calendar year
13 to the total amount distributed to all of the Service Boards
14 pursuant to subsection (d) of Section 4.01 for the immediately
15 preceding calendar year.

16 (f) To carry out its duties and responsibilities under this
17 Act, further and accomplish the preparation of the annual
18 budget and program as well as the Five Year Program provided
19 for in Section 2.01 of this Act and to make such interim
20 management decisions as may be necessary, the Board shall
21 employ staff which shall: (1) propose for adoption by the Board
22 of the Authority rules for the Service Boards that establish
23 (i) forms and schedules to be used and information required to
24 be provided with respect to a five-year capital program, annual
25 budgets, and two-year financial plans and regular reporting of
26 actual results against adopted budgets and financial plans,

1 (ii) financial practices to be followed in the budgeting and
2 expenditure of public funds, (iii) assumptions and projections
3 that must be followed in preparing and submitting its annual
4 budget and two-year financial plan or a five-year capital
5 program; (2) evaluate for the Board public transportation
6 programs operated or proposed by the Service Boards and
7 transportation agencies in terms of the goals and objectives
8 set out in the Strategic Plan , costs and relative priorities;
9 (3) ~~(2)~~ keep the Board and the public informed of the extent to
10 which the Service Boards and transportation agencies are
11 meeting the goals and objectives adopted by the Authority in
12 the Strategic Plan public transportation programs and
13 accomplishments of such transportation agencies; and (4)
14 assess the efficiency or adequacy of public transportation
15 services provided by a Service Board and make recommendations
16 for change in that service ~~(3) coordinate the development and~~
17 implementation of public transportation programs to the end
18 that the moneys monies available to the Authority may be
19 expended in the most economical manner possible with the least
20 possible duplication.

21 (g) All Under such regulations as the Board may prescribe,
22 all Service Boards, transportation agencies, comprehensive
23 planning agencies, including the Chicago Metropolitan Agency
24 for Planning, or transportation planning agencies in the
25 metropolitan region shall furnish to the Authority Board such
26 information pertaining to public transportation or relevant

1 for plans therefor as it may from time to time require. The
2 Executive Director, or his or her designee, upon payment to any
3 such agency or Service Board of the reasonable additional cost
4 of its so providing such information except as may otherwise be
5 provided by agreement with the Authority, and the Board or any
6 duly authorized employee of the Board shall, for the purpose of
7 securing any such information necessary or appropriate to carry
8 out any of the powers and responsibilities of the Authority
9 under this Act, have access to, and the right to examine, all
10 books, documents, papers or records of a Service Board or any
11 transportation such agency receiving funds from the Authority
12 or Service Board, and such Service Board or transportation
13 agency shall comply with any request by the Executive Director,
14 or his or her designee, within 30 days or an extended time
15 provided by the Executive Director pertaining to public
16 transportation or relevant for plans therefor.

17 (h) No Service Board shall undertake any capital
18 improvement which is not identified in the Five-Year Capital
19 Program.

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

21 (70 ILCS 3615/4.02) (from Ch. 111 2/3, par. 704.02)

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

23 (a) The Authority shall have the power to apply for,
24 receive and expend grants, loans or other funds from the State
25 of Illinois or any department or agency thereof, from any unit

1 of local government, from the federal government or any
2 department or agency thereof, for use in connection with any of
3 the powers or purposes of the Authority as set forth in this
4 Act. The Authority shall have power to make such studies as may
5 be necessary and to enter into contracts or agreements with the
6 State of Illinois or any department or agency thereof, with any
7 unit of local government, or with the federal government or any
8 department or agency thereof, concerning such grants, loans or
9 other funds, or any conditions relating thereto, including
10 obligations to repay such funds. The Authority may make such
11 covenants concerning such grants, loans and funds as it deems
12 proper and necessary in carrying out its responsibilities,
13 purposes and powers as provided in this Act.

14 (b) The Authority shall be the primary public body in the
15 metropolitan region with authority to apply for and receive any
16 grants, loans or other funds relating to public transportation
17 programs from the State of Illinois or any department or agency
18 thereof, or from the federal government or any department or
19 agency thereof. Any unit of local government, Service Board or
20 transportation agency may apply for and receive any such
21 federal or state capital grants, loans or other funds,
22 provided, however that a Service Board may not apply for or
23 receive any grant or loan which is not identified in the
24 Five-Year Capital Program. Any Service Board, unit of local
25 government or transportation agency shall notify the Authority
26 prior to making any such application and shall file a copy

1 thereof with the Authority. Nothing in this Section shall be
2 construed to impose any limitation on the ability of the State
3 of Illinois or any department or agency thereof, any unit of
4 local government or Service Board or transportation agency to
5 make any grants or to enter into any agreement or contract with
6 the National Rail Passenger Corporation. Nor shall anything in
7 this Section impose any limitation on the ability of any school
8 district to apply for or receive any grant, loan or other funds
9 for transportation of school children.

10 (c) The Authority shall provide to the Service Board any
11 monies received relating to public transportation services
12 under the jurisdiction of the Service Boards as provided in
13 Section 4.03.3 of this Act. ~~follows:~~

14 ~~(1) As soon as may be practicable after the Authority~~
15 ~~receives payment, under Section 4.03(m) or Section~~
16 ~~4.03.1(d), of the proceeds of those taxes levied by the~~
17 ~~Authority, the Authority shall transfer to each Service~~
18 ~~Board the amount to which it is entitled under Section~~
19 ~~4.01(d);~~

20 ~~(2) The Authority by ordinance adopted by 9 of its then~~
21 ~~Directors shall establish a formula apportioning any~~
22 ~~federal funds for operating assistance purposes the~~
23 ~~Authority receives to each Service Board. In establishing~~
24 ~~the formula, the Board shall consider, among other factors:~~
25 ~~ridership levels, the efficiency with which the service is~~
26 ~~provided, the degree of transit dependence of the area~~

1 ~~served and the cost of service. That portion of any federal~~
2 ~~funds for operating assistance received by the Authority~~
3 ~~shall be paid to each Service Board as soon as may be~~
4 ~~practicable upon their receipt provided the Authority has~~
5 ~~adopted a balanced budget as required by Section 4.01 and~~
6 ~~further provided that the Service Boards are in compliance~~
7 ~~with the requirements in Section 4.11.~~

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

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

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

22 (70 ILCS 3615/4.02a)

23 Sec. 4.02a. Chicago Transit Authority contributions to
24 pension funds.

25 (a) The Authority shall continually review the Chicago

1 Transit Authority's payment of the required contributions to
2 its retirement system under Section 22-101 of the Illinois
3 Pension Code.

4 (b) Beginning January 1, 2009, if at any time the Authority
5 determines that the Chicago Transit Authority's payment of any
6 portion of the required contributions to its retirement system
7 under Section 22-101 of the Illinois Pension Code is more than
8 one month overdue, it shall as soon as possible pay the amount
9 of those overdue contributions to the Board of Trustees ~~trustee~~
10 of the Retirement Plan ~~retirement system~~ on behalf of the
11 Chicago Transit Authority out of moneys otherwise payable to
12 the Chicago Transit Authority under ~~subsection (c) of~~ Section
13 4.03.3 ~~4.02~~ of this Act. The Authority shall thereafter have no
14 liability to the Chicago Transit Authority for amounts paid to
15 the Board of Trustees ~~trustee~~ of the Retirement Plan ~~retirement~~
16 ~~system~~ under this Section.

17 (c) Whenever the Authority acts or determines that it is
18 required to act under subsection (b), it shall so notify the
19 Chicago Transit Authority, the Mayor of Chicago, the Governor,
20 the Auditor General of the State of Illinois, and the General
21 Assembly.

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

23 (70 ILCS 3615/4.02b)

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

25 (a) The Authority shall continually review the payment of

1 the required employer contributions to affected pension plans
2 under Section 22-103 of the Illinois Pension Code.

3 (b) Beginning January 1, 2009, if at any time the Authority
4 determines that the Commuter Rail Board's or Suburban Bus
5 Board's payment of any portion of the required contributions to
6 an affected pension plan under Section 22-103 of the Illinois
7 Pension Code is more than one month overdue, it shall as soon
8 as possible pay the amount of those overdue contributions to
9 the trustee of the affected pension plan on behalf of that
10 Service Board out of moneys otherwise payable to that Service
11 Board under Section 4.03.3 ~~subsection (c) of Section 4.02~~ of
12 this Act. The Authority shall thereafter have no liability to
13 the Service Board for amounts paid to the trustee of the
14 affected pension plan under this Section.

15 (c) Whenever the Authority acts or determines that it is
16 required to act under subsection (b), it shall so notify the
17 affected Service Board, the Mayor of Chicago, the Governor, the
18 Auditor General of the State of Illinois, and the General
19 Assembly.

20 (d) Beginning January 1, 2009, if the Authority fails to
21 pay to an affected pension fund within 30 days after it is due
22 any employer contribution that it is required to make as a
23 contributing employer under Section 22-103 of the Illinois
24 Pension Code, it shall promptly so notify the Commission on
25 Government Forecasting and Accountability, the Mayor of
26 Chicago, the Governor, and the General Assembly, and it shall

1 promptly pay the overdue amount out of the first money
2 available to the Authority for its administrative expenses, as
3 that term is defined in Section 4.01(c).

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

5 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

6 Sec. 4.03. Taxes.

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

17 (b) The Board may impose a public transportation tax upon
18 all persons engaged in the metropolitan region in the business
19 of selling at retail motor fuel for operation of motor vehicles
20 upon public highways. The tax shall be at a rate not to exceed
21 5% of the gross receipts from the sales of motor fuel in the
22 course of the business. As used in this Act, the term "motor
23 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
24 The Board may provide for details of the tax. The provisions of
25 any tax shall conform, as closely as may be practicable, to the

1 provisions of the Municipal Retailers Occupation Tax Act,
2 including without limitation, conformity to penalties with
3 respect to the tax imposed and as to the powers of the State
4 Department of Revenue to promulgate and enforce rules and
5 regulations relating to the administration and enforcement of
6 the provisions of the tax imposed, except that reference in the
7 Act to any municipality shall refer to the Authority and the
8 tax shall be imposed only with regard to receipts from sales of
9 motor fuel in the metropolitan region, at rates as limited by
10 this Section.

11 (c) In connection with the tax imposed under paragraph (b)
12 of this Section the Board may impose a tax upon the privilege
13 of using in the metropolitan region motor fuel for the
14 operation of a motor vehicle upon public highways, the tax to
15 be at a rate not in excess of the rate of tax imposed under
16 paragraph (b) of this Section. The Board may provide for
17 details of the tax.

18 (d) The Board may impose a motor vehicle parking tax upon
19 the privilege of parking motor vehicles at off-street parking
20 facilities in the metropolitan region at which a fee is
21 charged, and may provide for reasonable classifications in and
22 exemptions to the tax, for administration and enforcement
23 thereof and for civil penalties and refunds thereunder and may
24 provide criminal penalties thereunder, the maximum penalties
25 not to exceed the maximum criminal penalties provided in the
26 Retailers' Occupation Tax Act. The Authority may collect and

1 enforce the tax itself or by contract with any unit of local
2 government. The State Department of Revenue shall have no
3 responsibility for the collection and enforcement unless the
4 Department agrees with the Authority to undertake the
5 collection and enforcement. As used in this paragraph, the term
6 "parking facility" means a parking area or structure having
7 parking spaces for more than 2 vehicles at which motor vehicles
8 are permitted to park in return for an hourly, daily, or other
9 periodic fee, whether publicly or privately owned, but does not
10 include parking spaces on a public street, the use of which is
11 regulated by parking meters.

12 (e) The Board may impose a Regional Transportation
13 Authority Retailers' Occupation Tax upon all persons engaged in
14 the business of selling tangible personal property at retail in
15 the metropolitan region. In Cook County the tax rate shall be
16 1.25% ~~1%~~ of the gross receipts from sales of food for human
17 consumption that is to be consumed off the premises where it is
18 sold (other than alcoholic beverages, soft drinks and food that
19 has been prepared for immediate consumption) and prescription
20 and nonprescription medicines, drugs, medical appliances and
21 insulin, urine testing materials, syringes and needles used by
22 diabetics, and 1% ~~3/4%~~ of the gross receipts from other taxable
23 sales made in the course of that business. In DuPage, Kane,
24 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
25 ~~1/4%~~ of the gross receipts from all taxable sales made in the
26 course of that business. The tax imposed under this Section and

1 all civil penalties that may be assessed as an incident thereof
2 shall be collected and enforced by the State Department of
3 Revenue. The Department shall have full power to administer and
4 enforce this Section; to collect all taxes and penalties so
5 collected in the manner hereinafter provided; and to determine
6 all rights to credit memoranda arising on account of the
7 erroneous payment of tax or penalty hereunder. In the
8 administration of, and compliance with this Section, the
9 Department and persons who are subject to this Section shall
10 have the same rights, remedies, privileges, immunities, powers
11 and duties, and be subject to the same conditions,
12 restrictions, limitations, penalties, exclusions, exemptions
13 and definitions of terms, and employ the same modes of
14 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
15 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
16 therein other than the State rate of tax), 2c, 3 (except as to
17 the disposition of taxes and penalties collected), 4, 5, 5a,
18 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
19 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
20 Section 3-7 of the Uniform Penalty and Interest Act, as fully
21 as if those provisions were set forth herein.

22 Persons subject to any tax imposed under the authority
23 granted in this Section may reimburse themselves for their
24 seller's tax liability hereunder by separately stating the tax
25 as an additional charge, which charge may be stated in
26 combination in a single amount with State taxes that sellers

1 are required to collect under the Use Tax Act, under any
2 bracket schedules the Department may prescribe.

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

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

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

22 No tax shall be imposed or collected under this subsection
23 on the sale of a motor vehicle in this State to a resident of
24 another state if that motor vehicle will not be titled in this
25 State.

26 Nothing in this Section shall be construed to authorize the

1 Regional Transportation Authority to impose a tax upon the
2 privilege of engaging in any business that under the
3 Constitution of the United States may not be made the subject
4 of taxation by this State.

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

1 0.75% ~~1/4%~~ of the selling price of all tangible personal
2 property transferred.

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

1 Tax Act), 13 (except that any reference to the State shall mean
2 the Authority), the first paragraph of Section 15, 16, 17, 18,
3 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
4 the Uniform Penalty and Interest Act, as fully as if those
5 provisions were set forth herein.

6 Persons subject to any tax imposed under the authority
7 granted in this paragraph may reimburse themselves for their
8 serviceman's tax liability hereunder by separately stating the
9 tax as an additional charge, that charge may be stated in
10 combination in a single amount with State tax that servicemen
11 are authorized to collect under the Service Use Tax Act, under
12 any bracket schedules the Department may prescribe.

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

25 (g) If a tax has been imposed under paragraph (e), a tax
26 shall also be imposed upon the privilege of using in the

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

24 The Department shall have full power to administer and
25 enforce this paragraph; to collect all taxes, penalties and
26 interest due hereunder; to dispose of taxes, penalties and

1 interest collected in the manner hereinafter provided; and to
2 determine all rights to credit memoranda or refunds arising on
3 account of the erroneous payment of tax, penalty or interest
4 hereunder. In the administration of and compliance with this
5 paragraph, the Department and persons who are subject to this
6 paragraph shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties, exclusions,
9 exemptions and definitions of terms and employ the same modes
10 of procedure, as are prescribed in Sections 2 (except the
11 definition of "retailer maintaining a place of business in this
12 State"), 3 through 3-80 (except provisions pertaining to the
13 State rate of tax, and except provisions concerning collection
14 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
15 19 (except the portions pertaining to claims by retailers and
16 except the last paragraph concerning refunds), 20, 21 and 22 of
17 the Use Tax Act, and are not inconsistent with this paragraph,
18 as fully as if those provisions were set forth herein.

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

1 (h) The Authority may impose a replacement vehicle tax of
2 \$50 on any passenger car as defined in Section 1-157 of the
3 Illinois Vehicle Code purchased within the metropolitan region
4 by or on behalf of an insurance company to replace a passenger
5 car of an insured person in settlement of a total loss claim.
6 The tax imposed may not become effective before the first day
7 of the month following the passage of the ordinance imposing
8 the tax and receipt of a certified copy of the ordinance by the
9 Department of Revenue. The Department of Revenue shall collect
10 the tax for the Authority in accordance with Sections 3-2002
11 and 3-2003 of the Illinois Vehicle Code.

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

26 (i) The Board may not impose any other taxes except as it

1 may from time to time be authorized by law to impose.

2 (j) A certificate of registration issued by the State
3 Department of Revenue to a retailer under the Retailers'
4 Occupation Tax Act or under the Service Occupation Tax Act
5 shall permit the registrant to engage in a business that is
6 taxed under the tax imposed under paragraphs (b), (e), (f) or
7 (g) of this Section and no additional registration shall be
8 required under the tax. A certificate issued under the Use Tax
9 Act or the Service Use Tax Act shall be applicable with regard
10 to any tax imposed under paragraph (c) of this Section.

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

20 (l) The Board in imposing any tax as provided in paragraphs
21 (b) and (c) of this Section, shall, after seeking the advice of
22 the State Department of Revenue, provide means for retailers,
23 users or purchasers of motor fuel for purposes other than those
24 with regard to which the taxes may be imposed as provided in
25 those paragraphs to receive refunds of taxes improperly paid,
26 which provisions may be at variance with the refund provisions

1 as applicable under the Municipal Retailers Occupation Tax Act.
2 The State Department of Revenue may provide for certificates of
3 registration for users or purchasers of motor fuel for purposes
4 other than those with regard to which taxes may be imposed as
5 provided in paragraphs (b) and (c) of this Section to
6 facilitate the reporting and nontaxability of the exempt sales
7 or uses.

8 (m) Any ordinance imposing or discontinuing any tax under
9 this Section shall be adopted and a certified copy thereof
10 filed with the Department on or before June 1, whereupon the
11 Department of Revenue shall proceed to administer and enforce
12 this Section on behalf of the Regional Transportation Authority
13 as of September 1 next following such adoption and filing.
14 Beginning January 1, 1992, an ordinance or resolution imposing
15 or discontinuing the tax hereunder shall be adopted and a
16 certified copy thereof filed with the Department on or before
17 the first day of July, whereupon the Department shall proceed
18 to administer and enforce this Section as of the first day of
19 October next following such adoption and filing. Beginning
20 January 1, 1993, an ordinance or resolution imposing,
21 increasing, decreasing, or discontinuing the tax hereunder
22 shall be adopted and a certified copy thereof filed with the
23 Department ~~on or before the first day of October,~~ whereupon the
24 Department shall proceed to administer and enforce this Section
25 as of the first day of the first month to occur not less than 60
26 days ~~January next~~ following such adoption and filing. Any

1 ordinance or resolution of the Authority imposing a tax under
2 this Section and in effect on August 1, 2007 shall remain in
3 full force and effect and shall be administered by the
4 Department of Revenue under the terms and conditions and rates
5 of tax established by such ordinance or resolution until the
6 Department begins administering and enforcing an increased tax
7 under this Section as authorized by this amendatory Act of the
8 95th General Assembly. The tax rates authorized by this
9 amendatory Act of the 95th General Assembly are effective only
10 if imposed by ordinance of the Authority.

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

1 ~~necessary for the payment of refunds to taxpayers in the City~~
2 ~~of Chicago~~ and (iii) the amount collected in that portion of
3 Cook County outside of Chicago, each amount less the amount
4 necessary for the payment of refunds to taxpayers located in
5 those areas described in items (i), (ii), and (iii) in that
6 ~~portion of Cook County outside of Chicago~~. Within 10 days after
7 receipt by the Comptroller of the certification of the amounts
8 ~~amount to be paid to the Authority~~, the Comptroller shall cause
9 an order to be drawn for the payment of two-thirds of the
10 amounts certified in item (i) of this subsection to the
11 Authority and one-third of the amounts certified in item (i) of
12 this subsection to the respective counties other than Cook
13 County and the amount certified in items (ii) and (iii) of this
14 subsection to the Authority ~~for the amount in accordance with~~
15 ~~the direction in the certification.~~

16 In addition to the disbursement required by the preceding
17 paragraph, an allocation shall be made in July 1991 and each
18 year thereafter to the Regional Transportation Authority. The
19 allocation shall be made in an amount equal to the average
20 monthly distribution during the preceding calendar year
21 (excluding the 2 months of lowest receipts) and the allocation
22 shall include the amount of average monthly distribution from
23 the Regional Transportation Authority Occupation and Use Tax
24 Replacement Fund. The distribution made in July 1992 and each
25 year thereafter under this paragraph and the preceding
26 paragraph shall be reduced by the amount allocated and

1 disbursed under this paragraph in the preceding calendar year.
2 The Department of Revenue shall prepare and certify to the
3 Comptroller for disbursement the allocations made in
4 accordance with this paragraph.

5 (o) Failure to adopt a budget ordinance or otherwise to
6 comply with Section 4.01 of this Act or to adopt a Five-year
7 Capital Program or otherwise to comply with paragraph (b) of
8 Section 2.01 of this Act shall not affect the validity of any
9 tax imposed by the Authority otherwise in conformity with law.

10 (p) At no time shall a public transportation tax or motor
11 vehicle parking tax authorized under paragraphs (b), (c) and
12 (d) of this Section be in effect at the same time as any
13 retailers' occupation, use or service occupation tax
14 authorized under paragraphs (e), (f) and (g) of this Section is
15 in effect.

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

25 (q) Any existing rights, remedies and obligations
26 (including enforcement by the Regional Transportation

1 Authority) arising under any tax imposed under paragraphs (b),
2 (c) or (d) of this Section shall not be affected by the
3 imposition of a tax under paragraphs (e), (f) or (g) of this
4 Section.

5 (Source: P.A. 92-221, eff. 8-2-01; 92-651, eff. 7-11-02;
6 93-1068, eff. 1-15-05.)

7 (70 ILCS 3615/4.03.3 new)

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

19 (a) With respect to taxes imposed by the Authority under
20 Section 4.03, after withholding 15% of 80% of the receipts from
21 those taxes collected in Cook County at a rate of 1.25%, 15% of
22 75% of the receipts from those taxes collected in Cook County
23 at the rate of 1%, 15% of one-half of the receipts from those
24 taxes collected in DuPage, Kane, Lake, McHenry, and Will
25 Counties, and 15% of money received by the Authority from the

1 Regional Transportation Authority Occupation and Use Tax
2 Replacement Fund or from the Regional Transportation Authority
3 Sales Tax Fund, the Board shall allocate the proceeds and money
4 remaining to the Service Boards as follows:

5 (1) an amount equal to (i) 85% of 80% of the receipts
6 from those taxes collected within the City of Chicago at a
7 rate of 1.25%, (ii) 85% of 75% of the receipts from those
8 taxes collected in the City of Chicago at the rate of 1%,
9 and (iii) 85% of the money received by the Authority on
10 account of transfers to the Regional Transportation
11 Authority Occupation and Use Tax Replacement Fund or to the
12 Regional Transportation Authority Sales Tax Fund from the
13 County and Mass Transit District Fund attributable to
14 retail sales within the City of Chicago shall be allocated
15 to the Chicago Transit Authority;

16 (2) an amount equal to (i) 85% of 80% of the receipts
17 from those taxes collected within Cook County outside of
18 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of
19 the receipts from those taxes collected within Cook County
20 outside the City of Chicago at a rate of 1%, and (iii) 85%
21 of the money received by the Authority on account of
22 transfers to the Regional Transportation Authority
23 Occupation and Use Tax Replacement Fund from the County and
24 Mass Transit District Fund attributable to retail sales
25 within Cook County outside of the City of Chicago shall be
26 allocated 30% to the Chicago Transit Authority, 55% to the

1 Commuter Rail Board, and 15% to the Suburban Bus Board; and

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

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

23 (c) (i) 20% of the receipts from those taxes collected in
24 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%
25 of the receipts from those taxes collected in Cook County under
26 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from

1 those taxes collected in DuPage, Kane, Lake, McHenry, and Will
2 Counties under Section 4.03, and (iv) amounts received from the
3 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)
4 of Section 4.09 (a) (3) shall be allocated as follows: in 2008,
5 \$100,000,000 shall be deposited in the ADA Paratransit Fund
6 described in Section 2.01d, \$20,000,000 shall be deposited in
7 the Suburban Community Mobility Fund described in Section
8 2.01e, and \$10,000,000 shall be deposited in the Innovation,
9 Coordination and Enhancement Fund described in Section 2.01c,
10 and the balance shall be allocated 48% to the Chicago Transit
11 Authority, 39% to the Commuter Rail Board, and 13% to the
12 Suburban Bus Board; and in 2009 and each year thereafter, the
13 amounts deposited in the ADA Paratransit Fund, the Suburban
14 Community Mobility Fund and the Innovation, Coordination and
15 Enhancement Fund respectively shall equal the amount deposited
16 in the previous year increased or decreased by the percentage
17 growth or decline in revenues received by the Authority from
18 taxes imposed under Section 4.03 in the previous year, and the
19 balance shall be allocated 48% to the Chicago Transit
20 Authority, 39% to the Commuter Rail Board and 13% to the
21 Suburban Bus Board.

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

25 (e) With respect to those taxes collected in DuPage, Kane,
26 Lake, McHenry, and Will Counties and paid directly to the

1 counties under Section 4.03, the County Board of each county
2 shall use those amounts to fund operating and capital costs of
3 public transportation services or facilities or to fund
4 operating, capital, right-of-way, construction, and
5 maintenance costs of other transportation purposes, including
6 road, bridge, public safety, and transit purposes intended to
7 improve mobility or reduce congestion in the county. The
8 receipt of funding by such counties pursuant to this paragraph
9 shall not be used as the basis for reducing any funds that such
10 counties would otherwise have received from the State of
11 Illinois, any agency or instrumentality thereof, the
12 Authority, or the Service Boards.

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

21 (g) Beginning January 1, 2009, before making any payments,
22 transfers, or expenditures under this Section to a Service
23 Board, the Authority must first comply with Section 4.02a or
24 4.02b of this Act, whichever may be applicable.

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

2 (a) The Authority shall have the continuing power to borrow
3 money and to issue its negotiable bonds or notes as provided in
4 this Section. Unless otherwise indicated in this Section, the
5 term "notes" also includes bond anticipation notes, which are
6 notes which by their terms provide for their payment from the
7 proceeds of bonds thereafter to be issued. Bonds or notes of
8 the Authority may be issued for any or all of the following
9 purposes: to pay costs to the Authority or a Service Board of
10 constructing or acquiring any public transportation facilities
11 (including funds and rights relating thereto, as provided in
12 Section 2.05 of this Act); to repay advances to the Authority
13 or a Service Board made for such purposes; to pay other
14 expenses of the Authority or a Service Board incident to or
15 incurred in connection with such construction or acquisition;
16 to provide funds for any transportation agency to pay principal
17 of or interest or redemption premium on any bonds or notes,
18 whether as such amounts become due or by earlier redemption,
19 issued prior to the date of this amendatory Act by such
20 transportation agency to construct or acquire public
21 transportation facilities or to provide funds to purchase such
22 bonds or notes; and to provide funds for any transportation
23 agency to construct or acquire any public transportation
24 facilities, to repay advances made for such purposes, and to
25 pay other expenses incident to or incurred in connection with
26 such construction or acquisition; and to provide funds for

1 payment of obligations, including the funding of reserves,
2 under any self-insurance plan or joint self-insurance pool or
3 entity.

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

1 that the Board of the Authority may determine to issue, the
2 Suburban Bus Board, the Commuter Rail Board or the Board of the
3 Chicago Transit Authority may demand and direct that the
4 Authority issue its Working Cash Notes in such amounts and
5 having such maturities as the Service Board may determine.

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

1 service reserve fund with respect to any or all of its bonds or
2 notes. The Authority may also issue and deliver its bonds or
3 notes in exchange for any public transportation facilities,
4 (including funds and rights relating thereto, as provided in
5 Section 2.05 of this Act) or in exchange for outstanding bonds
6 or notes of the Authority, including any accrued interest or
7 redemption premium thereon, without advertising or submitting
8 such notes or bonds for public bidding.

9 (b) The ordinance providing for the issuance of any such
10 bonds or notes shall fix the date or dates of maturity, the
11 dates on which interest is payable, any sinking fund account or
12 reserve fund account provisions and all other details of such
13 bonds or notes and may provide for such covenants or agreements
14 necessary or desirable with regard to the issue, sale and
15 security of such bonds or notes. The rate or rates of interest
16 on its bonds or notes may be fixed or variable and the
17 Authority shall determine or provide for the determination of
18 the rate or rates of interest of its bonds or notes issued
19 under this Act in an ordinance adopted by the Authority prior
20 to the issuance thereof, none of which rates of interest shall
21 exceed that permitted in the Bond Authorization Act. Interest
22 may be payable at such times as are provided for by the Board.
23 Bonds and notes issued under this Section may be issued as
24 serial or term obligations, shall be of such denomination or
25 denominations and form, including interest coupons to be
26 attached thereto, be executed in such manner, shall be payable

1 at such place or places and bear such date as the Authority
2 shall fix by the ordinance authorizing such bond or note and
3 shall mature at such time or times, within a period not to
4 exceed forty years from the date of issue, and may be
5 redeemable prior to maturity with or without premium, at the
6 option of the Authority, upon such terms and conditions as the
7 Authority shall fix by the ordinance authorizing the issuance
8 of such bonds or notes. No bond anticipation note or any
9 renewal thereof shall mature at any time or times exceeding 5
10 years from the date of the first issuance of such note. The
11 Authority may provide for the registration of bonds or notes in
12 the name of the owner as to the principal alone or as to both
13 principal and interest, upon such terms and conditions as the
14 Authority may determine. The ordinance authorizing bonds or
15 notes may provide for the exchange of such bonds or notes which
16 are fully registered, as to both principal and interest, with
17 bonds or notes which are registerable as to principal only. All
18 bonds or notes issued under this Section by the Authority other
19 than those issued in exchange for property or for bonds or
20 notes of the Authority shall be sold at a price which may be at
21 a premium or discount but such that the interest cost
22 (excluding any redemption premium) to the Authority of the
23 proceeds of an issue of such bonds or notes, computed to stated
24 maturity according to standard tables of bond values, shall not
25 exceed that permitted in the Bond Authorization Act. The
26 Authority shall notify the Governor's Office of Management and

1 Budget and the State Comptroller at least 30 days before any
2 bond sale and shall file with the Governor's Office of
3 Management and Budget and the State Comptroller a certified
4 copy of any ordinance authorizing the issuance of bonds at or
5 before the issuance of the bonds. After December 31, 1994, any
6 such bonds or notes shall be sold to the highest and best
7 bidder on sealed bids as the Authority shall deem. As such
8 bonds or notes are to be sold the Authority shall advertise for
9 proposals to purchase the bonds or notes which advertisement
10 shall be published at least once in a daily newspaper of
11 general circulation published in the metropolitan region at
12 least 10 days before the time set for the submission of bids.
13 The Authority shall have the right to reject any or all bids.
14 Notwithstanding any other provisions of this Section, Working
15 Cash Notes or bonds or notes to provide funds for
16 self-insurance or a joint self-insurance pool or entity may be
17 sold either upon competitive bidding or by negotiated sale
18 (without any requirement of publication of intention to
19 negotiate the sale of such Notes), as the Board shall determine
20 by ordinance adopted with the affirmative votes of at least 9 ~~7~~
21 Directors. In case any officer whose signature appears on any
22 bonds, notes or coupons authorized pursuant to this Section
23 shall cease to be such officer before delivery of such bonds or
24 notes, such signature shall nevertheless be valid and
25 sufficient for all purposes, the same as if such officer had
26 remained in office until such delivery. Neither the Directors

1 of the Authority nor any person executing any bonds or notes
2 thereof shall be liable personally on any such bonds or notes
3 or coupons by reason of the issuance thereof.

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

1 Section shall be superior to and have priority over any other
2 obligations of the Authority.

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

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

1 accounts created by the ordinance with respect to bonds or
2 notes or used for paying bonds or notes to be paid by the
3 trustee to the Authority.

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

21 (f) The State of Illinois pledges to and agrees with the
22 holders of the bonds and notes of the Authority issued pursuant
23 to this Section that the State will not limit or alter the
24 rights and powers vested in the Authority by this Act so as to
25 impair the terms of any contract made by the Authority with
26 such holders or in any way impair the rights and remedies of

1 such holders until such bonds and notes, together with interest
2 thereon, with interest on any unpaid installments of interest,
3 and all costs and expenses in connection with any action or
4 proceedings by or on behalf of such holders, are fully met and
5 discharged. In addition, the State pledges to and agrees with
6 the holders of the bonds and notes of the Authority issued
7 pursuant to this Section that the State will not limit or alter
8 the basis on which State funds are to be paid to the Authority
9 as provided in this Act, or the use of such funds, so as to
10 impair the terms of any such contract. The Authority is
11 authorized to include these pledges and agreements of the State
12 in any contract with the holders of bonds or notes issued
13 pursuant to this Section.

14 (g) (1) Except as provided in subdivisions (g)(2) and
15 (g)(3) of Section 4.04 of this Act, the Authority shall not
16 at any time issue, sell or deliver any bonds or notes
17 (other than Working Cash Notes) pursuant to this Section
18 4.04 which will cause it to have issued and outstanding at
19 any time in excess of \$800,000,000 of such bonds and notes
20 (other than Working Cash Notes). The Authority shall not at
21 any time issue, sell, or deliver any Working Cash Notes
22 pursuant to this Section that will cause it to have issued
23 and outstanding at any time in excess of \$100,000,000.
24 Notwithstanding the foregoing, before January 1, 2009, the
25 Authority may issue and have outstanding an additional
26 \$300,000,000 in Working Cash Notes, provided that no such

1 note shall mature later than December 31, 2010. ~~The~~
2 ~~Authority shall not at any time issue, sell or deliver any~~
3 ~~Working Cash Notes pursuant to this Section which will~~
4 ~~cause it to have issued and outstanding at any time in~~
5 ~~excess of \$100,000,000 of Working Cash Notes.~~ Bonds or
6 notes which are being paid or retired by such issuance,
7 sale or delivery of bonds or notes, and bonds or notes for
8 which sufficient funds have been deposited with the paying
9 agency of such bonds or notes to provide for payment of
10 principal and interest thereon or to provide for the
11 redemption thereof, all pursuant to the ordinance
12 authorizing the issuance of such bonds or notes, shall not
13 be considered to be outstanding for the purposes of the
14 first two sentences of this subsection.

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

19 \$100,000,000 is authorized to be issued on or after
20 January 1, 1990;

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

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

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

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

3 the aggregate total authorization of bonds and notes
4 for Strategic Capital Improvement Projects as of January 1,
5 1994, shall be \$500,000,000.

6 The Authority is also authorized to issue, sell, and
7 deliver bonds or notes in such amounts as are necessary to
8 provide for the refunding or advance refunding of bonds or
9 notes issued for Strategic Capital Improvement Projects
10 under this subdivision (g)(2), provided that no such
11 refunding bond or note shall mature later than the final
12 maturity date of the series of bonds or notes being
13 refunded, and provided further that the debt service
14 requirements for such refunding bonds or notes in the
15 current or any future fiscal year shall not exceed the debt
16 service requirements for that year on the refunded bonds or
17 notes.

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

23 \$260,000,000 is authorized to be issued on or after
24 January 1, 2000;

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

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

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

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

7 the aggregate total authorization of bonds and notes
8 for Strategic Capital Improvement Projects pursuant to
9 this paragraph (3) as of January 1, 2004 shall be
10 \$1,300,000,000.

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

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

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

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

7 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

8 Sec. 4.09. Public Transportation Fund and the Regional
9 Transportation Authority Occupation and Use Tax Replacement
10 Fund.

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

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

1 deposited into the Regional Transportation Authority Tax Fund
2 created by Section 4.03 of this Act from the County and Mass
3 Transit District Fund as provided in Section 6z-20 of the State
4 Finance Act, and 25% of the amounts deposited into the Regional
5 Transportation Authority Occupation and Use Tax Replacement
6 Fund from the State and Local Sales Tax Reform Fund as provided
7 in Section 6z-17 of the State Finance Act. As used in this
8 Section, net ~~Net~~ revenue realized for a month shall be the
9 revenue collected by the State pursuant to Sections 4.03 and
10 4.03.1 during the previous month from within the metropolitan
11 region, less the amount paid out during that same month as
12 refunds to taxpayers for overpayment of liability in the
13 metropolitan region under Sections 4.03 and 4.03.1.

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

1 Chicago Transit Authority as financial assistance from the City
2 of Chicago from the proceeds of any tax imposed by the City
3 under Section 8-3-19 of the Illinois Municipal Code.

4 (3) As soon as possible after the first day of January,
5 2009 and each month thereafter, upon certification of the
6 Department of Revenue with respect to the taxes collected under
7 Section 4.03, the Comptroller shall order transferred and the
8 Treasurer shall transfer from the General Revenue Fund to the
9 Public Transportation Fund an amount equal to 25% of the net
10 revenue, before the deduction of the serviceman and retailer
11 discounts pursuant to Section 9 of the Service Occupation Tax
12 Act and Section 3 of the Retailers' Occupation Tax Act,
13 realized from (i) 20% of the proceeds of any tax imposed by the
14 Authority at a rate of 1.25% in Cook County, (ii) 25% of the
15 proceeds of any tax imposed by the Authority at the rate of 1%
16 in Cook County, and (iii) one-third of the proceeds of any tax
17 imposed by the Authority at the rate of 0.75% in the Counties
18 of DuPage, Kane, Lake, McHenry, and Will, all pursuant to
19 Section 4.03, and the Comptroller shall order transferred and
20 the Treasurer shall transfer from the General Revenue Fund to
21 the Public Transportation Fund (iv) an amount equal to 25% of
22 the revenue realized by the Chicago Transit Authority as
23 financial assistance from the City of Chicago from the proceeds
24 of any tax imposed by the City under Section 8-3-19 of the
25 Municipal Code.

26 (b) (1) All moneys deposited in the Public Transportation

1 Fund and the Regional Transportation Authority Occupation and
2 Use Tax Replacement Fund, whether deposited pursuant to this
3 Section or otherwise, are allocated to the Authority. Pursuant
4 to appropriation, the Comptroller, as soon as possible after
5 each monthly transfer provided in this Section and after each
6 deposit into the Public Transportation Fund, shall order the
7 Treasurer to pay to the Authority out of the Public
8 Transportation Fund the amount so transferred or deposited. Any
9 additional State assistance and additional financial
10 assistance paid to the Authority under this Section shall be
11 expended by the Authority for its purposes as provided in this
12 Act. The balance of the amounts paid to the Authority from the
13 Public Transportation Fund shall be expended by the Authority
14 as provided in Section 4.03.3. ~~Such amounts paid to the~~
15 ~~Authority may be expended by it for its purposes as provided in~~
16 ~~this Act.~~ Subject to appropriation to the Department of
17 Revenue, the Comptroller, as soon as possible after each
18 deposit into the Regional Transportation Authority Occupation
19 and Use Tax Replacement Fund provided in this Section and
20 Section 6z-17 of the State Finance Act, shall order the
21 Treasurer to pay to the Authority out of the Regional
22 Transportation Authority Occupation and Use Tax Replacement
23 Fund the amount so deposited. Such amounts paid to the
24 Authority may be expended by it for its purposes as provided in
25 this Act. (2) Provided, however, no moneys deposited under
26 subsection (a) of this Section shall be paid from the Public

1 Transportation Fund to the Authority or its assignee for any
2 fiscal year ~~beginning after the effective date of this~~
3 ~~amendatory Act of 1983~~ until the Authority has certified to the
4 Governor, the Comptroller, and the Mayor of the City of Chicago
5 that it has adopted for that fiscal year an Annual Budget and
6 Two-Year Financial Plan ~~a budget and financial plan~~ meeting the
7 requirements in Section 4.01(b).

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

17	1990	\$5,000,000;
18	1991	\$5,000,000;
19	1992	\$10,000,000;
20	1993	\$10,000,000;
21	1994	\$20,000,000;
22	1995	\$30,000,000;
23	1996	\$40,000,000;
24	1997	\$50,000,000;
25	1998	\$55,000,000; and
26	each year thereafter	\$55,000,000.

1 (c-5) The State shall provide financial assistance
2 ("Additional Financial Assistance") in addition to the
3 Additional State Assistance provided by subsection (c) and the
4 amounts transferred to the Authority from the General Revenue
5 Fund under subsection (a) of this Section. Additional Financial
6 Assistance provided by this subsection shall be calculated as
7 provided in subsection (d), but shall in no event exceed the
8 following specified amounts with respect to the following State
9 fiscal years:

10	2000	\$0;
11	2001	\$16,000,000;
12	2002	\$35,000,000;
13	2003	\$54,000,000;
14	2004	\$73,000,000;
15	2005	\$93,000,000; and
16	each year thereafter	\$100,000,000.

17 (d) Beginning with State fiscal year 1990 and continuing
18 for each State fiscal year thereafter, the Authority shall
19 annually certify to the State Comptroller and State Treasurer,
20 separately with respect to each of subdivisions (g)(2) and
21 (g)(3) of Section 4.04 of this Act, the following amounts:

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

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

6 (3) Its debt service savings during the preceding State
7 fiscal year from refunding or advance refunding of bonds or
8 notes issued under subdivisions (g) (2) and (g) (3) of
9 Section 4.04.

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

15 The certification shall include a specific schedule of debt
16 service payments, including the date and amount of each payment
17 for all outstanding bonds or notes and an estimated schedule of
18 anticipated debt service for all bonds and notes it intends to
19 issue, if any, during that State fiscal year, including the
20 estimated date and estimated amount of each payment.

21 Immediately upon the issuance of bonds for which an
22 estimated schedule of debt service payments was prepared, the
23 Authority shall file an amended certification with respect to
24 item (2) above, to specify the actual schedule of debt service
25 payments, including the date and amount of each payment, for
26 the remainder of the State fiscal year.

1 On the first day of each month of the State fiscal year in
2 which there are bonds outstanding with respect to which the
3 certification is made, the State Comptroller shall order
4 transferred and the State Treasurer shall transfer from the
5 General Revenue Fund to the Public Transportation Fund the
6 Additional State Assistance and Additional Financial
7 Assistance in an amount equal to the aggregate of (i)
8 one-twelfth of the sum of the amounts certified under items (1)
9 and (3) above less the amount certified under item (4) above,
10 plus (ii) the amount required to pay debt service on bonds and
11 notes issued during the fiscal year, if any, divided by the
12 number of months remaining in the fiscal year after the date of
13 issuance, or some smaller portion as may be necessary under
14 subsection (c) or (c-5) of this Section for the relevant State
15 fiscal year, plus (iii) any cumulative deficiencies in
16 transfers for prior months, until an amount equal to the sum of
17 the amounts certified under items (1) and (3) above, plus the
18 actual debt service certified under item (2) above, less the
19 amount certified under item (4) above, has been transferred;
20 except that these transfers are subject to the following
21 limits:

22 (A) In no event shall the total transfers in any State
23 fiscal year relating to outstanding bonds and notes issued
24 by the Authority under subdivision (g)(2) of Section 4.04
25 exceed the lesser of the annual maximum amount specified in
26 subsection (c) or the sum of the amounts certified under

1 items (1) and (3) above, plus the actual debt service
2 certified under item (2) above, less the amount certified
3 under item (4) above, with respect to those bonds and
4 notes.

5 (B) In no event shall the total transfers in any State
6 fiscal year relating to outstanding bonds and notes issued
7 by the Authority under subdivision (g)(3) of Section 4.04
8 exceed the lesser of the annual maximum amount specified in
9 subsection (c-5) or the sum of the amounts certified under
10 items (1) and (3) above, plus the actual debt service
11 certified under item (2) above, less the amount certified
12 under item (4) above, with respect to those bonds and
13 notes.

14 The term "outstanding" does not include bonds or notes for
15 which refunding or advance refunding bonds or notes have been
16 issued.

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

26 (f) The certification required under subsection (d) with

1 respect to outstanding bonds and notes of the Authority shall
2 be filed as early as practicable before the beginning of the
3 State fiscal year to which it relates. The certification shall
4 be revised as may be necessary to accurately state the debt
5 service requirements of the Authority.

6 (g) Within 6 months of the end of ~~the 3 month period ending~~
7 ~~December 31, 1983,~~ and each fiscal year ~~thereafter,~~ the
8 Authority shall determine:

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

1 fiscal year, all revenues and receipts, including but not
2 limited to fares and grants received from the federal,
3 State or any unit of local government or other entity,
4 derived from providing ADA paratransit service pursuant to
5 Section 2.30 of the Regional Transportation Authority Act.
6 "Costs" include all items properly included as operating
7 costs consistent with generally accepted accounting
8 principles, including administrative costs, but do not
9 include: depreciation; payment of principal and interest
10 on bonds, notes or other evidences of obligations for
11 borrowed money of the Authority; payments with respect to
12 public transportation facilities made pursuant to
13 subsection (b) of Section 2.20; any payments with respect
14 to rate protection contracts, credit enhancements or
15 liquidity agreements made under Section 4.14; any other
16 cost as to which it is reasonably expected that a cash
17 expenditure will not be made; costs ~~up to \$5,000,000~~
18 ~~annually~~ for passenger security including grants,
19 contracts, personnel, equipment and administrative
20 expenses, except in the case of the Chicago Transit
21 Authority, in which case the term does not include costs
22 spent annually by that entity for protection against crime
23 as required by Section 27a of the Metropolitan Transit
24 Authority Act; the costs of Debt Service paid by the
25 Chicago Transit Authority, as defined in Section 12c of the
26 Metropolitan Transit Authority Act, or bonds or notes

1 issued pursuant to that Section; the payment by the
2 Commuter Rail Division of debt service on bonds issued
3 pursuant to Section 3B.09; expenses incurred by the
4 Suburban Bus Division for the cost of new public
5 transportation services funded from grants pursuant to
6 Section 2.01e of this amendatory Act of the 95th General
7 Assembly for a period of 2 years from the date of
8 initiation of each such service; costs as exempted by the
9 Board for projects pursuant to Section 2.09 of this Act;
10 or, beginning with the 2007 fiscal year, expenses related
11 to providing ADA paratransit service pursuant to Section
12 2.30 of the Regional Transportation Authority Act; or in
13 fiscal years 2008 through 2017 inclusive, costs in the
14 amount of \$200,000,000 in fiscal year 2008, reducing by
15 \$20,000,000 in each fiscal year thereafter until this
16 exemption is eliminated. If said system generated revenues
17 are less than 50% of said costs, the Board shall remit an
18 amount equal to the amount of the deficit to the State. The
19 Treasurer shall deposit any such payment in the General
20 Revenue Fund; and

21 (ii) whether, beginning with the 2007 fiscal year, the
22 aggregate of all fares charged and received for ADA
23 paratransit services equals the system generated ADA
24 paratransit services revenue recovery ratio percentage of
25 the aggregate of all costs of providing such ADA
26 paratransit services.

1 (h) If the Authority makes any payment to the State under
2 paragraph (g), the Authority shall reduce the amount provided
3 to a Service Board from funds transferred under paragraph (a)
4 in proportion to the amount by which that Service Board failed
5 to meet its required system generated revenues recovery ratio.
6 A Service Board which is affected by a reduction in funds under
7 this paragraph shall submit to the Authority concurrently with
8 its next due quarterly report a revised budget incorporating
9 the reduction in funds. The revised budget must meet the
10 criteria specified in clauses (i) through (vi) of Section
11 4.11(b)(2). The Board shall review and act on the revised
12 budget as provided in Section 4.11(b)(3).

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

14 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

15 Sec. 4.11. Budget Review Powers.

16 ~~(a) The provisions of this Section shall only be applicable~~
17 ~~to financial periods beginning after December 31, 1983. The~~
18 ~~Transition Board shall adopt a timetable governing the~~
19 ~~certification of estimates and any submissions required under~~
20 ~~this Section for fiscal year 1984 which shall control over the~~
21 ~~provisions of this Act.~~ Based upon estimates which shall be
22 given to the Authority by the Director of the Governor's Office
23 of Management and Budget (formerly Bureau of the Budget) of the
24 receipts to be received by the Authority from the taxes imposed
25 by the Authority and the authorized estimates of amounts to be

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

1 generated revenues recovery ratio for the services subject to
2 the jurisdiction of that Service Board. The Board shall not
3 increase a Service Board's system generated revenues recovery
4 ratio for the next fiscal year over such ratio for the current
5 fiscal year disproportionately or prejudicially to increases
6 in such ratios for other Service Boards. The Board may, by
7 ordinance, provide that (i) the cost of research and
8 development projects in the fiscal year beginning January 1,
9 1986 and ending December 31, 1986 conducted pursuant to Section
10 2.09 of this Act, ~~and (ii) up to \$5,000,000 annually of the~~
11 ~~costs for passenger security, and (iii) expenditures of amounts~~
12 granted to a Service Board from the Innovation, Coordination,
13 and Enhancement Fund for operating purposes may be exempted
14 from the farebox recovery ratio or the system generated
15 revenues recovery ratio of the Chicago Transit Authority, the
16 Suburban Bus Board, and the Commuter Rail Board, or any of
17 them. During fiscal years 2008 through 2017, the Board may also
18 allocate the exemption of \$200,000,000 and the reducing amounts
19 of costs provided by this amendatory Act of the 95th General
20 Assembly from the farebox recovery ratio or system generated
21 revenues recovery ratio of each Service Board. ~~For the fiscal~~
22 ~~year beginning January 1, 1986 and ending December 31, 1986,~~
23 ~~and for the fiscal year beginning January 1, 1987 and ending~~
24 ~~December 31, 1987, the Board shall, by ordinance, provide that:~~
25 ~~(1) the amount of a grant, pursuant to Section 2705-310 of the~~
26 ~~Department of Transportation Law (20 ILCS 2705/2705-310), from~~

1 ~~the Department of Transportation for the cost of services for~~
2 ~~the mobility limited provided by the Chicago Transit Authority,~~
3 ~~and (2) the amount of a grant, pursuant to Section 2705-310 of~~
4 ~~the Department of Transportation Law (20 ILCS 2705/2705-310),~~
5 ~~from the Department of Transportation for the cost of services~~
6 ~~for the mobility limited by the Suburban Bus Board or the~~
7 ~~Commuter Rail Board, be exempt from the farebox recovery ratio~~
8 ~~or the system generated revenues recovery ratio.~~

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

20 (2) The Board shall review the proposed budget and two-year
21 financial plan submitted by each Service Board, and shall adopt
22 a consolidated budget and financial plan. The Board shall
23 approve the budget and two-year financial plan of a Service
24 Board if:

25 ~~(i) the Board has approved the proposed budget and cash~~
26 ~~flow plan for such fiscal year of each Service Board,~~

1 ~~pursuant to the conditions set forth in clauses (ii)~~
2 ~~through (vii) of this paragraph;~~

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

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

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

22 (iv) ~~(v)~~ such budget and plan are based upon and employ
23 assumptions and projections which are reasonable and
24 prudent;

25 (v) ~~(vi)~~ such budget and plan have been prepared in
26 accordance with sound financial practices as determined by

1 the Board; ~~and~~

2 (vi) ~~(vii)~~ such budget and plan meet such other
3 financial, budgetary, or fiscal requirements that the
4 Board may by rule or regulation establish; and -

5 (vii) such budget and plan are consistent with the
6 goals and objectives adopted by the Authority in the
7 Strategic Plan.

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

16 (4) Unless the Board by an affirmative vote of 12 ~~9~~ of the
17 then Directors determines that the budget and financial plan of
18 a Service Board meets the criteria specified in clauses (i)
19 ~~(ii)~~ through (vii) of subparagraph (2) of this paragraph (b),
20 the Board shall withhold from ~~not release to~~ that Service Board
21 25% of any funds for the periods covered by such budget and
22 financial plan except for the cash proceeds of taxes imposed by
23 the Authority under Section 4.03 and Section 4.03.1 and
24 received after February 1 and 25% of the amounts transferred to
25 the Authority from the Public Transportation Fund under Section
26 4.09(a) after February 1 (but not including Section

1 4.09(a)(3)(iv)) that the Board has estimated to be available to
2 that Service Board under Section 4.11(a). Such funding shall be
3 released to the Service Board only upon approval of a budget
4 and financial plan under this Section or adoption of a budget
5 and financial plan on behalf of the Service Board by the
6 Authority ~~which are allocated to the Service Board under~~
7 ~~Section 4.01.~~

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

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

1 required ratio, the Board shall advise any such Service Board
2 of its revised ratio and such Service Board shall within 30
3 days after receipt of such advice submit a revised budget
4 incorporating such revised estimates or ratio.

5 (2) Each Service Board shall, within such period after the
6 end of each fiscal quarter as shall be specified by the Board,
7 report to the Authority its financial condition and results of
8 operations and the financial condition and results of
9 operations of the public transportation services subject to its
10 jurisdiction, as at the end of and for such quarter. If in the
11 judgment of the Board such condition and results are not
12 substantially in accordance with such Service Board's budget
13 for such period, the Board shall so advise such Service Board
14 and such Service Board shall within the period specified by the
15 Board submit a revised budget incorporating such results.

16 (3) If the Board shall determine that a revised budget
17 submitted by a Service Board pursuant to subparagraph (1) or
18 (2) of this paragraph (c) does not meet the criteria specified
19 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of
20 paragraph (b) of this Section, the Board shall withhold from
21 ~~not release any monies to~~ that Service Board 25% of ~~except~~ the
22 cash proceeds of taxes imposed by the Authority under Section
23 4.03 or 4.03.1 and received by the Authority after February 1
24 and 25% of the amounts transferred to the Authority from the
25 Public Transportation Fund under Section 4.09(a) after
26 February 1 (but not including Section 4.09(a)(3)(iv)) that the

1 Board has estimated to be available ~~which are allocated~~ to that
2 ~~the~~ Service Board under Section 4.11(a) ~~4.01~~. If the Service
3 Board submits a revised financial plan and budget which plan
4 and budget shows that the criteria will be met within a four
5 quarter period, the Board shall ~~continue to~~ release any such
6 withheld funds to the Service Board. The Board by the
7 affirmative vote of at least 12 ~~a 9 vote~~ of its then Directors
8 may require a Service Board to submit a revised financial plan
9 and budget which shows that the criteria will be met in a time
10 period less than four quarters.

11 (d) All budgets and financial plans, financial statements,
12 audits and other information presented to the Authority
13 pursuant to this Section or which may be required by the Board
14 to permit it to monitor compliance with the provisions of this
15 Section shall be prepared and presented in such manner and
16 frequency and in such detail as shall have been prescribed by
17 the Board, shall be prepared on both an accrual and cash flow
18 basis as specified by the Board, shall present such information
19 as the Authority shall prescribe that fairly presents the
20 condition of any pension plan or trust for health care benefits
21 with respect to retirees established by the Service Board and
22 describes the plans of the Service Board to meet the
23 requirements of Sections 4.02a and 4.02b, and shall identify
24 and describe the assumptions and projections employed in the
25 preparation thereof to the extent required by the Board. If the
26 Executive Director certifies that a Service Board has not

1 presented its budget and two-year financial plan in conformity
2 with the rules adopted by the Authority under the provisions of
3 Section 4.01(f) and this subsection (d), and such certification
4 is accepted by the affirmative vote of at least 12 of the then
5 Directors of the Authority, the Authority shall not distribute
6 to that Service Board any funds for operating purposes in
7 excess of the amounts distributed for such purposes to the
8 Service Board in the previous fiscal year. Except when the
9 Board adopts a budget and a financial plan for a Service Board
10 under paragraph (b) (5), a Service Board shall provide for such
11 levels of transportation services and fares or charges therefor
12 as it deems appropriate and necessary in the preparation of a
13 budget and financial plan meeting the criteria set forth in
14 clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of paragraph
15 (b) of this Section. The Authority Board shall have access to
16 and the right to examine and copy all books, documents, papers,
17 records, or other source data of a Service Board relevant to
18 any information submitted pursuant to this Section.

19 (e) Whenever this Section requires the Board to make
20 determinations with respect to estimates, budgets or financial
21 plans, or rules or regulations with respect thereto such
22 determinations shall be made upon the affirmative vote of at
23 least 12 ~~9~~ of the then Directors and shall be incorporated in a
24 written report of the Board and such report shall be submitted
25 within 10 days after such determinations are made to the
26 Governor, the Mayor of Chicago (if such determinations relate

1 to the Chicago Transit Authority), and the Auditor General of
2 Illinois.

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

4 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

5 Sec. 4.13. Annual Capital Improvement Plan.

6 (a) With respect to each calendar year, the Authority shall
7 prepare as part of its Five Year Program an Annual Capital
8 Improvement Plan (the "Plan") which shall describe its intended
9 development and implementation of the Strategic Capital
10 Improvement Program. The Plan shall include the following
11 information:

12 (i) a list of projects for which approval is sought
13 from the Governor, with a description of each project
14 stating at a minimum the project cost, its category, its
15 location and the entity responsible for its
16 implementation;

17 (ii) a certification by the Authority that the
18 Authority and the Service Boards have applied for all
19 grants, loans and other moneys made available by the
20 federal government or the State of Illinois during the
21 preceding federal and State fiscal years for financing its
22 capital development activities;

23 (iii) a certification that, as of September 30 of the
24 preceding calendar year or any later date, the balance of
25 all federal capital grant funds and all other funds to be

1 used as matching funds therefor which were committed to or
2 possessed by the Authority or a Service Board but which had
3 not been obligated was less than \$350,000,000, or a greater
4 amount as authorized in writing by the Governor (for
5 purposes of this subsection (a), "obligated" means
6 committed to be paid by the Authority or a Service Board
7 under a contract with a nongovernmental entity in
8 connection with the performance of a project or committed
9 under a force account plan approved by the federal
10 government);

11 (iv) a certification that the Authority has adopted a
12 balanced budget with respect to such calendar year under
13 Section 4.01 of this Act;

14 (v) a schedule of all bonds or notes previously issued
15 for Strategic Capital Improvement Projects and all debt
16 service payments to be made with respect to all such bonds
17 and the estimated additional debt service payments through
18 June 30 of the following calendar year expected to result
19 from bonds to be sold prior thereto;

20 (vi) a long-range summary of the Strategic Capital
21 Improvement Program describing the projects to be funded
22 through the Program with respect to project cost, category,
23 location, and implementing entity, and presenting a
24 financial plan including an estimated time schedule for
25 obligating funds for the performance of approved projects,
26 issuing bonds, expending bond proceeds and paying debt

1 service throughout the duration of the Program; and

2 (vii) the source of funding for each project in the
3 Plan. For any project for which full funding has not yet
4 been secured and which is not subject to a federal full
5 funding contract, the Authority must identify alternative,
6 dedicated funding sources available to complete the
7 project. The Governor may waive this requirement on a
8 project by project basis.

9 (b) The Authority shall submit the Plan with respect to any
10 calendar year to the Governor on or before January 15 of that
11 year, or as soon as possible thereafter; provided, however,
12 that the Plan shall be adopted on the affirmative votes of 12 ~~9~~
13 of the then Directors. The Plan may be revised or amended at
14 any time, but any revision in the projects approved shall
15 require the Governor's approval.

16 (c) The Authority shall seek approval from the Governor
17 only through the Plan or an amendment thereto. The Authority
18 shall not request approval of the Plan from the Governor in any
19 calendar year in which it is unable to make the certifications
20 required under items (ii), (iii) and (iv) of subsection (a). In
21 no event shall the Authority seek approval of the Plan from the
22 Governor for projects in an aggregate amount exceeding the
23 proceeds of bonds or notes for Strategic Capital Improvement
24 Projects issued under Section 4.04 of this Act.

25 (d) The Governor may approve the Plan for which approval is
26 requested. The Governor's approval is limited to the amount of

1 the project cost stated in the Plan. The Governor shall not
2 approve the Plan in a calendar year if the Authority is unable
3 to make the certifications required under items (ii), (iii) and
4 (iv) of subsection (a). In no event shall the Governor approve
5 the Plan for projects in an aggregate amount exceeding the
6 proceeds of bonds or notes for Strategic Capital Improvement
7 Projects issued under Section 4.04 of this Act.

8 (e) With respect to capital improvements, only those
9 capital improvements which are in a Plan approved by the
10 Governor shall be financed with the proceeds of bonds or notes
11 issued for Strategic Capital Improvement Projects.

12 (f) Before the Authority or a Service Board obligates any
13 funds for a project for which the Authority or Service Board
14 intends to use the proceeds of bonds or notes for Strategic
15 Capital Improvement Projects, but which project is not included
16 in an approved Plan, the Authority must notify the Governor of
17 the intended obligation. No project costs incurred prior to
18 approval of the Plan including that project may be paid from
19 the proceeds of bonds or notes for Strategic Capital
20 Improvement Projects issued under Section 4.04 of this Act.

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

22 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

23 Sec. 4.14. Rate Protection Contract. "Rate Protection
24 Contract" means interest rate price exchange agreements;
25 currency exchange agreements; forward payment conversion

1 agreements; contracts providing for payment or receipt of funds
2 based on levels of, or changes in, interest rates, currency
3 exchange rates, stock or other indices; contracts to exchange
4 cash flows or a series of payments; contracts, including
5 without limitation, interest rate caps; interest rate floor;
6 interest rate locks; interest rate collars; rate of return
7 guarantees or assurances, to manage payment, currency, rate,
8 spread or similar exposure; the obligation, right, or option to
9 issue, put, lend, sell, grant a security interest in, buy,
10 borrow or otherwise acquire, a bond, note or other security or
11 interest therein as an investment, as collateral, as a hedge,
12 or otherwise as a source or assurance of payment to or by the
13 Authority or as a reduction of the Authority's or an obligor's
14 risk exposure; repurchase agreements; securities lending
15 agreements; and other agreements or arrangements similar to the
16 foregoing.

17 Notwithstanding any provision in Section 2.20 (a) (ii) of
18 this Act to the contrary, in connection with or incidental to
19 the issuance by the Authority of its bonds or notes under the
20 provisions of Section 4.04 or the exercise of its powers under
21 subsection (b) of Section 2.20, the Authority, for its own
22 benefit or for the benefit of the holders of its obligations or
23 their trustee, may enter into rate protection contracts. The
24 Authority may enter into rate protection contracts only
25 pursuant to a determination by a vote of 12 9 of the then
26 Directors that the terms of the contracts and any related

1 agreements reduce the risk of loss to the Authority, or
2 protect, preserve or enhance the value of its assets, or
3 provide compensation to the Authority for losses resulting from
4 changes in interest rates. The Authority's obligations under
5 any rate protection contract or credit enhancement or liquidity
6 agreement shall not be considered bonds or notes for purposes
7 of this Act. For purposes of this Section a rate protection
8 contract is a contract determined by the Authority as necessary
9 or appropriate to permit it to manage payment, currency or
10 interest rate risks or levels.

11 (Source: P.A. 87-764.)

12 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

13 Sec. 5.01. Hearings and Citizen Participation.

14 (a) The Authority shall provide for and encourage
15 participation by the public in the development and review of
16 public transportation policy, and in the process by which major
17 decisions significantly affecting the provision of public
18 transportation are made. The Authority shall coordinate such
19 public participation processes with the Chicago Metropolitan
20 Agency for Planning to the extent practicable.

21 (b) The Authority shall hold such public hearings as may be
22 required by this Act or as the Authority may deem appropriate
23 to the performance of any of its functions. The Authority shall
24 coordinate such public hearings with the Chicago Metropolitan
25 Agency for Planning to the extent practicable.

1 (c) Unless such items are specifically provided for either
2 in the Five-Year Capital Program or in the annual budget
3 program which has been the subject of public hearings as
4 provided in Sections 2.01 or 4.01 of this Act, the Board shall
5 hold public hearings at which citizens may be heard prior to:

6 (i) the construction or acquisition of any public
7 transportation facility, the aggregate cost of which exceeds \$5
8 million; and

9 (ii) the extension of, or major addition to services
10 provided by the Authority or by any transportation agency
11 pursuant to a purchase of service agreement with the Authority.

12 (d) Unless such items are specifically provided for in the
13 annual budget and program which has been the subject of public
14 hearing, as provided in Section 4.01 of this Act, the Board
15 shall hold public hearings at which citizens may be heard prior
16 to the providing for or allowing, by means of any purchase of
17 service agreement or any grant pursuant to Section 2.02 of this
18 Act, any general increase or series of increases in fares or
19 charges for public transportation, whether by the Authority or
20 by any transportation agency, which increase or series of
21 increases within any twelve months affects more than 25% of the
22 consumers of service of the Authority or of the transportation
23 agency; or so providing for or allowing any discontinuance of
24 any public transportation route, or major portion thereof,
25 which has been in service for more than a year.

26 (e) At least twenty days prior notice of any public

1 hearing, as required in this Section, shall be given by public
2 advertisement in a newspaper of general circulation in the
3 metropolitan region.

4 (f) The Authority may designate one or more Directors or
5 may appoint one or more hearing officers to preside over any
6 hearing pursuant to this Act. The Authority shall have the
7 power in connection with any such hearing to issue subpoenas to
8 require the attendance of witnesses and the production of
9 documents, and the Authority may apply to any circuit court in
10 the State to require compliance with such subpoenas.

11 (g) The Authority may require any Service Board to hold one
12 or more public hearings with respect to any item described in
13 paragraphs (c) and (d) of this Section 5.01, notwithstanding
14 whether such item has been the subject of a public hearing
15 under this Section 5.01 or Section 2.01 or 4.01 of this Act.

16 (Source: P.A. 78-3rd S.S.-5.)

17 (70 ILCS 3615/2.12a rep.)

18 (70 ILCS 3615/3.09 rep.)

19 (70 ILCS 3615/3.10 rep.)

20 Section 25. The Regional Transportation Authority Act is
21 amended by repealing Sections 2.12a, 3.09, and 3.10.

22 Section 97. Severability. The provisions of this Act are
23 severable under Section 1.31 of the Statute on Statutes.

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