

AN ACT concerning local government.

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

Section 5. The Regional Transportation Authority Act is amended by changing Sections 3A.08, 3A.09, 3A.10, 4.01, 4.09 and 4.11 and by adding Section 2.30 as follows:

(70 ILCS 3615/2.30 new)

Sec. 2.30. Paratransit services.

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

(b) Beginning July 1, 2005, the Authority is responsible for the funding, financial review and oversight of all ADA paratransit services that are provided by the Authority or by any of the Service Boards. The Suburban Bus Board shall operate or provide for the operation of all ADA paratransit services by no later than July 1, 2006, except that this date may be extended to the extent necessary to obtain approval from the Federal Transit Administration of the plan prepared pursuant to subsection (c).

(c) No later than January 1, 2006, the Authority, in collaboration with the Suburban Bus Board and the Chicago Transit Authority, shall develop a plan for the provision of ADA paratransit services and submit such plan to the Federal Transit Administration for approval. Approval of such plan by the Authority shall require the affirmative votes of 9 of the then Directors. The Suburban Bus Board, the Chicago Transit

Authority and the Authority shall comply with the requirements of the Americans with Disabilities Act of 1990 and its implementing regulations in developing and approving such plan including, without limitation, consulting with individuals with disabilities and groups representing them in the community, and providing adequate opportunity for public comment and public hearings. The plan shall include the contents required for a paratransit plan pursuant to the Americans with Disabilities Act of 1990 and its implementing regulations. The plan shall also include, without limitation, provisions to:

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

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

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

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

procurement process;

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

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

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

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

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

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

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

(d) All revisions and annual updates to the ADA paratransit services plan developed pursuant to subsection (c) of this Section, or certifications of continued compliance in lieu of plan updates, that are required to be provided to the Federal Transit Administration shall be developed by the Authority, in

collaboration with the Suburban Bus Board and the Chicago Transit Authority, and the Authority shall submit such revision, update or certification to the Federal Transit Administration for approval. Approval of such revisions, updates or certifications by the Authority shall require the affirmative votes of 9 of the then Directors.

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

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

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

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

(70 ILCS 3615/3A.08) (from Ch. 111 2/3, par. 703A.08)

Sec. 3A.08. Jurisdiction. Any public transportation by bus within the metropolitan region, other than public transportation by commuter rail or public transportation provided by the Chicago Transit Authority pursuant to agreements in effect on the effective date of this amendatory Act of 1983 or in the City of Chicago and any ADA paratransit services provided pursuant to Section 2.30 of the Regional Transportation Authority Act, shall be subject to the jurisdiction of the Suburban Bus Board.

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

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

Sec. 3A.09. General Powers. In addition to any powers elsewhere provided to the Suburban Bus Board, it shall have all of the powers specified in Section 2.20 of this Act except for the powers specified in Section 2.20 (a) (v). The Board shall also have the power:

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

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

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

(d) to perform all functions necessary for the provision of

paratransit services under Section 2.30 of this Act.

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

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

Sec. 3A.10. Budget and Program. The Suburban Bus Board, subject to the powers of the Authority in Section 4.11, shall control the finances of the Division. It shall by ordinance appropriate money to perform the Division's purposes and provide for payment of debts and expenses of the Division. Each year the Suburban Bus Board shall prepare and publish a comprehensive annual budget and program document, and a financial plan for the 2 years thereafter describing the state of the Division and presenting for the forthcoming fiscal year and the 2 following years the Suburban Bus Board's plans for such operations and capital expenditures as it intends to undertake and the means by which it intends to finance them. The proposed budget and financial plan shall be based on the Authority's estimate of funds to be made available to the Suburban Bus Board by or through the Authority and shall conform in all respects to the requirements established by the Authority. The proposed program and budget shall contain a statement of the funds estimated to be on hand at the beginning of the fiscal year, the funds estimated to be received from all sources for such year and the funds estimated to be on hand at the end of such year. After adoption of the Authority's first Five-Year Program, as provided in Section 2.01 of this Act, the proposed program and budget shall specifically identify any respect in which the recommended program deviates from the Authority's then existing Five-Year Program, giving the reasons for such deviation. The fiscal year of the Division shall be the same as the fiscal year of the Authority. Before the proposed budget and program and financial plan are submitted to the Authority, the Suburban Bus Board shall hold at least one public hearing thereon in each of the counties in the metropolitan region in which the Division provides service. The Suburban Bus Board shall hold at least one meeting for

consideration of the proposed program and budget with the county board of each of the several counties in the metropolitan region in which the Division provides service. After conducting such hearings and holding such meetings and after making such changes in the proposed program and budget as the Suburban Bus Board deems appropriate, it shall adopt an annual budget ordinance at least by November 15 next preceding the beginning of each fiscal year. The budget and program, and financial plan shall then be submitted to the Authority as provided in Section 4.11. In the event that the Board of the Authority determines that the budget and program, and financial plan do not meet the standards of Section 4.11, the Suburban Bus Board shall make such changes as are necessary to meet such requirements and adopt an amended budget ordinance. The amended budget ordinance shall be resubmitted to the Authority pursuant to Section 4.11. The ordinance shall appropriate such sums of money as are deemed necessary to defray all necessary expenses and obligations of the Division, specifying purposes and the objects or programs for which appropriations are made and the amount appropriated for each object or program. Additional appropriations, transfers between items and other changes in such ordinance which do not alter the basis upon which the balanced budget determination was made by the Board of the Authority may be made from time to time by the Suburban Bus Board.

The budget shall:

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

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

(iii) provide for a level of fares or charges and operating

or administrative costs for the public transportation provided by or subject to the jurisdiction of the Suburban Bus Board sufficient to allow the Suburban Bus Board to meet its required system generated revenues recovery ratio and, beginning with the 2007 fiscal year, its system generated ADA paratransit services revenue recovery ratio;

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

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

(vi) meet such other uniform financial, budgetary, or fiscal requirements that the Board of the Authority may by rule or regulation establish.

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

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

Sec. 4.01. Budget and Program.

(a) The Board shall control the finances of the Authority. It shall by ordinance appropriate money to perform the Authority's purposes and provide for payment of debts and expenses of the Authority. Each year the Authority shall prepare and publish a comprehensive annual budget and program document describing the state of the Authority and presenting for the forthcoming fiscal year the Authority's plans for such operations and capital expenditures as the Authority intends to undertake and the means by which it intends to finance them. The proposed program and budget shall contain a statement of the funds estimated to be on hand at the beginning of the fiscal year, the funds estimated to be received from all sources for such year and the funds estimated to be on hand at the end of such year. After adoption of the Authority's first Five-Year Program, as provided in Section 2.01 of this Act, the proposed program and budget shall specifically identify any respect in which the recommended program deviates from the Authority's then existing Five-Year Program, giving the reasons for such deviation. The fiscal year of the Authority

shall begin on January 1st and end on the succeeding December 31st except that the fiscal year that began October 1, 1982, shall end December 31, 1983. By July 1st 1981 and July 1st of each year thereafter the Director of the Illinois Governor's Office of Management and Budget (formerly Bureau of the Budget) shall submit to the Authority an estimate of revenues for the next fiscal year to be collected from the taxes imposed by the Authority and the amounts to be available in the Public Transportation Fund and the Regional Transportation Authority Occupation and Use Tax Replacement Fund. For the fiscal year ending on December 31, 1983, the Board shall report its results from operations and financial condition to the General Assembly and the Governor by January 31. For the fiscal year beginning January 1, 1984, and thereafter, the budget and program shall be presented to the General Assembly and the Governor not later than the preceding December 31st. Before the proposed budget and program is adopted, the Authority shall hold at least one public hearing thereon in the metropolitan region. The Board shall hold at least one meeting for consideration of the proposed program and budget with the county board of each of the several counties in the metropolitan region. After conducting such hearings and holding such meetings and after making such changes in the proposed program and budget as the Board deems appropriate, the Board shall adopt its annual budget ordinance. The ordinance may be adopted only upon the affirmative votes of 9 of its then Directors. The ordinance shall appropriate such sums of money as are deemed necessary to defray all necessary expenses and obligations of the Authority, specifying purposes and the objects or programs for which appropriations are made and the amount appropriated for each object or program. Additional appropriations, transfers between items and other changes in such ordinance may be made from time to time by the Board upon the affirmative votes of 9 of its then Directors.

(b) The budget shall show a balance between anticipated revenues from all sources and anticipated expenses including

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

The annual budget and financial plan must show:

(i) that the level of fares and charges for mass transportation provided by, or under grant or purchase of service contracts of, the Service Boards is sufficient to cause the aggregate of all projected fare revenues from such fares and charges received in each fiscal year to equal at least 50% of the aggregate costs of providing such public transportation in such fiscal year. "Fare revenues" include the proceeds of all fares and charges for services provided, contributions received in connection with public transportation from units of local government other than the Authority and from the State pursuant to subsection (i) of Section 2705-305 of the Department of Transportation Law (20 ILCS 2705/2705-305), and all other operating revenues properly included consistent with generally accepted accounting principles but do not include: the proceeds of any borrowings, and, beginning with the 2007 fiscal year, all revenues and receipts, including but not limited to fares and grants received from the federal, State or any unit of local government or other entity, derived from providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act. "Costs" include all items properly included as operating costs consistent with generally accepted accounting principles, including administrative costs, but do not include: depreciation; payment of principal and interest on bonds, notes or other evidences of obligation for borrowed money issued by the Authority; payments with respect to public transportation facilities made pursuant to subsection (b) of Section 2.20 of this Act; any payments with respect to rate protection contracts, credit enhancements or

liquidity agreements made under Section 4.14; any other cost to which it is reasonably expected that a cash expenditure will not be made; costs up to \$5,000,000 annually for passenger security including grants, contracts, personnel, equipment and administrative expenses, except in the case of the Chicago Transit Authority, in which case the term does not include costs spent annually by that entity for protection against crime as required by Section 27a of the Metropolitan Transit Authority Act; ~~or~~ costs as exempted by the Board for projects pursuant to Section 2.09 of this Act; or, beginning with the 2007 fiscal year, expenses related to providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act; and

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

(c) The actual administrative expenses of the Authority for the fiscal year commencing January 1, 1985 may not exceed \$5,000,000. The actual administrative expenses of the Authority for the fiscal year commencing January 1, 1986, and for each fiscal year thereafter shall not exceed the maximum administrative expenses for the previous fiscal year plus 5%. "Administrative expenses" are defined for purposes of this Section as all expenses except: (1) capital expenses and purchases of the Authority on behalf of the Service Boards; (2) payments to Service Boards; and (3) payment of principal and interest on bonds, notes or other evidence of obligation for

borrowed money issued by the Authority; (4) costs for passenger security including grants, contracts, personnel, equipment and administrative expenses; (5) payments with respect to public transportation facilities made pursuant to subsection (b) of Section 2.20 of this Act; and (6) any payments with respect to rate protection contracts, credit enhancements or liquidity agreements made pursuant to Section 4.14.

(d) After withholding 15% of the proceeds of any tax imposed by the Authority and 15% of money received by the Authority from the Regional Transportation Authority Occupation and Use Tax Replacement Fund, the Board shall allocate the proceeds and money remaining to the Service Boards as follows: (1) an amount equal to 85% of the proceeds of those taxes collected within the City of Chicago and 85% of the money received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the County and Mass Transit District Fund attributable to retail sales within the City of Chicago shall be allocated to the Chicago Transit Authority; (2) an amount equal to 85% of the proceeds of those taxes collected within Cook County outside the City of Chicago and 85% of the money received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the County and Mass Transit District Fund attributable to retail sales within Cook County outside of the city of Chicago shall be allocated 30% to the Chicago Transit Authority, 55% to the Commuter Rail Board and 15% to the Suburban Bus Board; and (3) an amount equal to 85% of the proceeds of the taxes collected within the Counties of DuPage, Kane, Lake, McHenry and Will shall be allocated 70% to the Commuter Rail Board and 30% to the Suburban Bus Board.

(e) Moneys received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund shall be allocated among the Authority and the Service Boards as follows: 15% of such moneys shall be retained

by the Authority and the remaining 85% shall be transferred to the Service Boards as soon as may be practicable after the Authority receives payment. Moneys which are distributable to the Service Boards pursuant to the preceding sentence shall be allocated among the Service Boards on the basis of each Service Board's distribution ratio. The term "distribution ratio" means, for purposes of this subsection (e) of this Section 4.01, the ratio of the total amount distributed to a Service Board pursuant to subsection (d) of Section 4.01 for the immediately preceding calendar year to the total amount distributed to all of the Service Boards pursuant to subsection (d) of Section 4.01 for the immediately preceding calendar year.

To further and accomplish the preparation of the annual budget and program as well as the Five-Year Program provided for in Section 2.01 of this Act and to make such interim management decisions as may be necessary, the Board shall employ staff which shall: (1) evaluate for the Board public transportation programs operated or proposed by transportation agencies in terms of goals, costs and relative priorities; (2) keep the Board informed of the public transportation programs and accomplishments of such transportation agencies; and (3) coordinate the development and implementation of public transportation programs to the end that the monies available to the Authority may be expended in the most economical manner possible with the least possible duplication. Under such regulations as the Board may prescribe, all Service Boards, transportation agencies, comprehensive planning agencies or transportation planning agencies in the metropolitan region shall furnish to the Board such information pertaining to public transportation or relevant for plans therefor as it may from time to time require, upon payment to any such agency or Service Board of the reasonable additional cost of its so providing such information except as may otherwise be provided by agreement with the Authority, and the Board or any duly authorized employee of the Board shall, for the purpose of

securing such information, have access to, and the right to examine, all books, documents, papers or records of any such agency or Service Board pertaining to public transportation or relevant for plans therefor.

(Source: P.A. 91-51, eff. 6-30-99; 91-239, eff. 1-1-00; revised 8-23-03.)

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

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

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

amount paid out during that same month as refunds to taxpayers for overpayment of liability in the metropolitan region under Sections 4.03 and 4.03.1.

(b) (1) All moneys deposited in the Public Transportation Fund and the Regional Transportation Authority Occupation and Use Tax Replacement Fund, whether deposited pursuant to this Section or otherwise, are allocated to the Authority. Pursuant to appropriation, the Comptroller, as soon as possible after each monthly transfer provided in this Section and after each deposit into the Public Transportation Fund, shall order the Treasurer to pay to the Authority out of the Public Transportation Fund the amount so transferred or deposited. Such amounts paid to the Authority may be expended by it for its purposes as provided in this Act.

Subject to appropriation to the Department of Revenue, the Comptroller, as soon as possible after each deposit into the Regional Transportation Authority Occupation and Use Tax Replacement Fund provided in this Section and Section 6z-17 of the State Finance Act, shall order the Treasurer to pay to the Authority out of the Regional Transportation Authority Occupation and Use Tax Replacement Fund the amount so deposited. Such amounts paid to the Authority may be expended by it for its purposes as provided in this Act.

(2) Provided, however, no moneys deposited under subsection (a) of this Section shall be paid from the Public Transportation Fund to the Authority or its assignee for any fiscal year beginning after the effective date of this amendatory Act of 1983 until the Authority has certified to the Governor, the Comptroller, and the Mayor of the City of Chicago that it has adopted for that fiscal year a budget and financial plan meeting the requirements in Section 4.01(b).

(c) In recognition of the efforts of the Authority to enhance the mass transportation facilities under its control,

the State shall provide financial assistance ("Additional State Assistance") in excess of the amounts transferred to the Authority from the General Revenue Fund under subsection (a) of this Section. Additional State Assistance shall be calculated as provided in subsection (d), but shall in no event exceed the following specified amounts with respect to the following State fiscal years:

1990	\$5,000,000;
1991	\$5,000,000;
1992	\$10,000,000;
1993	\$10,000,000;
1994	\$20,000,000;
1995	\$30,000,000;
1996	\$40,000,000;
1997	\$50,000,000;
1998	\$55,000,000; and
each year thereafter	\$55,000,000.

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

2000	\$0;
2001	\$16,000,000;
2002	\$35,000,000;
2003	\$54,000,000;
2004	\$73,000,000;
2005	\$93,000,000; and
each year thereafter	\$100,000,000.

(d) Beginning with State fiscal year 1990 and continuing for each State fiscal year thereafter, the Authority shall annually certify to the State Comptroller and State Treasurer,

separately with respect to each of subdivisions (g)(2) and (g)(3) of Section 4.04 of this Act, the following amounts:

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

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

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

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

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

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

On the first day of each month of the State fiscal year in which there are bonds outstanding with respect to which the certification is made, the State Comptroller shall order

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

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

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

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

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

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

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

(i) whether the aggregate of all system generated revenues for public transportation in the metropolitan region which is provided by, or under grant or purchase of service contracts with, the Service Boards equals 50% of the aggregate of all costs of providing such public transportation. "System generated revenues" include all the proceeds of fares and charges for services provided, contributions received in connection with public transportation from units of local government other than the Authority and from the State pursuant to subsection (i) of Section 2705-305 of the Department of Transportation Law (20 ILCS 2705/2705-305), and all other revenues properly included consistent with generally accepted accounting principles but may not include: the proceeds from any borrowing, and, beginning with the 2007 fiscal year, all

revenues and receipts, including but not limited to fares and grants received from the federal, State or any unit of local government or other entity, derived from providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act. "Costs" include all items properly included as operating costs consistent with generally accepted accounting principles, including administrative costs, but do not include: depreciation; payment of principal and interest on bonds, notes or other evidences of obligations for borrowed money of the Authority; payments with respect to public transportation facilities made pursuant to subsection (b) of Section 2.20; any payments with respect to rate protection contracts, credit enhancements or liquidity agreements made under Section 4.14; any other cost as to which it is reasonably expected that a cash expenditure will not be made; costs up to \$5,000,000 annually for passenger security including grants, contracts, personnel, equipment and administrative expenses, except in the case of the Chicago Transit Authority, in which case the term does not include costs spent annually by that entity for protection against crime as required by Section 27a of the Metropolitan Transit Authority Act; ~~or~~ costs as exempted by the Board for projects pursuant to Section 2.09 of this Act; or, beginning with the 2007 fiscal year, expenses related to providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act. If said system generated revenues are less than 50% of said costs, the Board shall remit an amount equal to the amount of the deficit to the State. The Treasurer shall deposit any such payment in the General Revenue Fund; ~~and-~~

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

paratransit services.

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

(Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-239, eff. 1-1-00; 91-357, eff. 7-29-99; 92-16, eff. 6-28-01.)

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

Sec. 4.11. Budget Review Powers.

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

amounts will be available. The Board shall, at the same time, also advise each Service Board of its required system generated revenues recovery ratio for the next fiscal year which shall be the percentage of the aggregate costs of providing public transportation by or under jurisdiction of that Service Board which must be recovered from system generated revenues. The Board shall, at the same time, beginning with the 2007 fiscal year, also advise each Service Board that provides ADA paratransit services of its required system generated ADA paratransit services revenue recovery ratio for the next fiscal year which shall be the percentage of the aggregate costs of providing ADA paratransit services by or under jurisdiction of that Service Board which must be recovered from fares charged for such services, except that such required system generated ADA paratransit services revenue recovery ratio shall not exceed the minimum percentage established pursuant to Section 4.01(b)(ii) of this Act. In determining a Service Board's system generated revenue recovery ratio, the Board shall consider the historical system generated revenues recovery ratio for the services subject to the jurisdiction of that Service Board. The Board shall not increase a Service Board's system generated revenues recovery ratio for the next fiscal year over such ratio for the current fiscal year disproportionately or prejudicially to increases in such ratios for other Service Boards. The Board may, by ordinance, provide that (i) the cost of research and development projects in the fiscal year beginning January 1, 1986 and ending December 31, 1986 conducted pursuant to Section 2.09 of this Act, and (ii) up to \$5,000,000 annually of the costs for passenger security, may be exempted from the farebox recovery ratio or the system generated revenues recovery ratio of the Chicago Transit Authority, the Suburban Bus Board, and the Commuter Rail Board, or any of them. For the fiscal year beginning January 1, 1986 and ending December 31, 1986, and for the fiscal year beginning January 1, 1987 and ending December 31, 1987, the Board shall, by ordinance, provide that: (1) the

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

(b) (1) Not later than the next preceding November 15 prior to the commencement of such fiscal year, each Service Board shall submit to the Authority its proposed budget for such fiscal year and its proposed financial plan for the two following fiscal years. Such budget and financial plan shall not project or assume a receipt of revenues from the Authority in amounts greater than those set forth in the estimates provided by the Authority pursuant to subsection (a) of this Section.

(2) The Board shall review the proposed budget and financial plan submitted by each Service Board, and shall adopt a consolidated budget and financial plan. The Board shall approve the budget and plan if:

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

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

(iii) such budget and plan show cash balances including the proceeds of any anticipated cash flow borrowing

sufficient to pay with reasonable promptness all costs and expenses as incurred;

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

(v) such budget and plan are based upon and employ assumptions and projections which are reasonable and prudent;

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

(vii) such budget and plan meet such other financial, budgetary, or fiscal requirements that the Board may by rule or regulation establish.

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

(4) Unless the Board by an affirmative vote of 9 of the then Directors determines that the budget and financial plan of a Service Board meets the criteria specified in clauses (ii) through (vii) of subparagraph (2) of this paragraph (b), the Board shall not release to that Service Board any funds for the periods covered by such budget and financial plan except for the proceeds of taxes imposed by the Authority under Section 4.03 which are allocated to the Service Board under Section 4.01.

(5) If the Board has not found that the budget and financial plan of a Service Board meets the criteria specified in clauses (i) through (vii) of subparagraph (2) of this paragraph (b), the Board shall, five working days after the start of the Service Board's fiscal year adopt a budget and financial plan meeting such criteria for that Service Board.

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

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

(3) If the Board shall determine that a revised budget submitted by a Service Board pursuant to subparagraph (1) or (2) of this paragraph (c) does not meet the criteria specified

in clauses (ii) through (vii) of subparagraph (2) of paragraph (b) of this Section, the Board shall not release any monies to that Service Board except the proceeds of taxes imposed by the Authority under Section 4.03 or 4.03.1 which are allocated to the Service Board under Section 4.01. If the Service Board submits a revised financial plan and budget which plan and budget shows that the criteria will be met within a four quarter period, the Board shall continue to release funds to the Service Board. The Board by a 9 vote of its then Directors may require a Service Board to submit a revised financial plan and budget which shows that the criteria will be met in a time period less than four quarters.

(d) All budgets and financial plans, financial statements, audits and other information presented to the Authority pursuant to this Section or which may be required by the Board to permit it to monitor compliance with the provisions of this Section shall be prepared and presented in such manner and frequency and in such detail as shall have been prescribed by the Board, shall be prepared on both an accrual and cash flow basis as specified by the Board, and shall identify and describe the assumptions and projections employed in the preparation thereof to the extent required by the Board. Except when the Board adopts a budget and a financial plan for a Service Board under paragraph (b) (5), a Service Board shall provide for such levels of transportation services and fares or charges therefor as it deems appropriate and necessary in the preparation of a budget and financial plan meeting the criteria set forth in clauses (ii) through (vii) of subparagraph (2) of paragraph (b) of this Section. The Board shall have access to and the right to examine and copy all books, documents, papers, records, or other source data of a Service Board relevant to any information submitted pursuant to this Section.

(e) Whenever this Section requires the Board to make determinations with respect to estimates, budgets or financial plans, or rules or regulations with respect thereto such determinations shall be made upon the affirmative vote of at

least 9 of the then Directors and shall be incorporated in a written report of the Board and such report shall be submitted within 10 days after such determinations are made to the Governor, the Mayor of Chicago (if such determinations relate to the Chicago Transit Authority), and the Auditor General of Illinois.

(Source: P.A. 91-239, eff. 1-1-00; revised 8-23-03.)

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