

AN ACT concerning local government.

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

Section 5. The Airport Authorities Act is amended by changing Sections 1, 3.1, 14.1, 14.2, and 14.3 and by adding Sections 22.1, 22.2, 22.3, 22.4, 22.6, and 22.7 as follows:

(70 ILCS 5/1) (from Ch. 15 1/2, par. 68.1)

Sec. 1. Definitions. When used in this Act:

"Aeronautics" means the act or practice of the art and science of transportation by aircraft and instruction therein, and establishment, construction, extension, operation, improvement, repair or maintenance of airports and airport facilities and air navigation facilities, and the operation, construction, repair or maintenance of aircraft.

"Aircraft" means any contrivance now known or hereafter invented, used or designed for navigation of, or flight in, the air.

"Airport" means any locality, either land or water, which is used or designed for the landing and taking off of aircraft, or for the location of runways, landing fields, airdromes, hangars, buildings, structures, airport roadways and other facilities.

"Airport hazard" means any structure, or object of natural

growth, located on or in the vicinity of an airport, or any use of land near an airport, which is hazardous to the use of such airport for the landing and take-off of aircraft.

"Approach" means any path, course or zone defined by an ordinance of an Authority, or by other lawful regulation, on the ground or in the air, or both, for the use of aircraft in landing and taking off from an airport located within an Authority.

"Facilities" means and includes real estate and any and all forms of tangible and intangible personal property and services used or useful as an aid, or constituting an advantage or convenience to, the safe landing, taking off and navigation of aircraft, or the safe and efficient operation or maintenance of a public airport. In addition, for all airport authorities, "facilities" means and includes real estate, tangible and intangible personal property, and services used or useful for commercial and recreational purposes.

"Board of Commissioners" and "Board" mean the board of commissioners of an established authority or an authority proposed to be established.

"Commercial aircraft" means any aircraft other than public aircraft engaged in the business of transporting persons or property.

"Airport Authority" means a municipal corporation created and established under Section 2 of this Act, and includes Metropolitan Airport Authorities. "Authority" and "Airport

Authority" are synonymous, unless the context requires otherwise.

"Metropolitan Airport Authority" and "Metropolitan Authority" mean an airport authority established in the manner provided in Section 2.7 of this Act.

"Municipality" means any city, village or incorporated town of the State of Illinois.

"Public Agency" means any political subdivision, public corporation, quasi-municipal corporation or municipal corporation of the State of Illinois, excepting public corporations or agencies owning, operating or maintaining a college or university with funds of the State of Illinois.

"Private aircraft" means any aircraft other than public and commercial aircraft.

"Public aircraft" means an aircraft used exclusively in the governmental service of the United States, or of any state or of any public agency, including military and naval aircraft.

"Public airport" means an airport owned by an airport authority or other public agency which is used or is intended for use by public, commercial and private aircraft and by persons owning, managing, operating or desiring to use, inspect or repair any such aircraft or to use any such airport for aeronautical purposes.

"Public interest" means the protection, furtherance and advancement of the general welfare and of public health and safety and public necessity and convenience in respect to

aeronautics.

"Rail Authority" means a Rail Authority established as provided in Section 22.1 of this Act.

"Rail facility" has the meaning set forth in Section 22.2 of this Act.

"Related facility" has the meaning set forth in Section 22.2 of this Act.

(Source: P.A. 87-854.)

(70 ILCS 5/3.1) (from Ch. 15 1/2, par. 68.3a)

Sec. 3.1. Boards of commissioners - Appointment. The Boards of Commissioners of Authorities shall be appointed as follows:

(1) In case there are one or more municipalities having a population of 5,000 or more within the Authority, the commissioners shall be appointed as follows:

(a) Where there is only one such municipality, 3 commissioners shall be appointed from such municipality, and 2 commissioners shall be appointed at large.

(a-5) Within 30 days after the effective date of this amendatory Act of the 95th General Assembly, one additional commissioner shall be appointed to the board of the Springfield Airport Authority from each municipality having a population of 5,000 or more within the Authority, and one additional commissioner shall be appointed at large. The additional commissioners shall serve for a term of 4 or 5 years, as determined by lot. Their successors

shall serve for terms of 5 years.

(b) Where there are 2 or more such municipalities, one commissioner shall be appointed from each municipality with a population between 5,000 and 45,000, 2 commissioners shall be appointed from each municipality with a population of more than 45,000, ~~such municipality~~ and 3 commissioners shall be appointed at large; except that when the physical facilities of the airport of the Authority are located wholly within a single county with a population between 600,000 and 3,000,000 there shall be one commissioner appointed from each municipality within the corporate limits of the Authority having 5,000 or more population and 5 commissioners appointed at large. If the Authority is located wholly within the corporate limits of such municipalities, 2 commissioners shall be appointed from the one of such municipalities having the largest population, and one commissioner shall be appointed from each of the other such municipalities, and 2 commissioners shall be appointed at large.

(c) Commissioners representing the area within an Authority located outside of any municipality having 5,000 or more population and commissioners appointed at large when the authority is wholly contained within a single county shall be appointed by the presiding officer of the county board with the advice and consent of the county board, and when the physical facilities of the airport of

the Authority are located wholly within a single county with a population between 600,000 and 3,000,000 the commissioners appointed at large shall be appointed by the chairman of the county board of such county, and any commissioner representing the area within any such municipality shall be appointed by its mayor or the presiding officer of its governing body. If however the district is located in more than one county other than a county with a population between 600,000 and 3,000,000, the members of the General Assembly whose legislative districts encompass any portion of the Authority shall appoint the commissioners representing the area within an Authority located outside of any municipality having 5,000 or more population and commissioners at large but any commissioner representing the area within any such municipality shall be appointed by its mayor or the presiding officer of its governing body.

(d) A commissioner representing the area within any such municipality shall reside within its corporate limits. A commissioner appointed at large may reside either within or without any such municipality but must reside within the territory of the authority. Should any commissioner cease to reside within that part of the territory he represents, or should the territory in which he resides cease to be a part of the authority, then his office shall be deemed vacated, and shall be filled by

appointment for the remainder of the term as hereinafter provided.

(2) In case there are no municipalities having a population of 5,000 or more within such authority located wholly within a single county, such order shall so find, and in such case the Board shall consist of 5 commissioners who shall be appointed at large by the presiding officer of the county board with the advice and consent of the county board. If however the district is located in more than one county, the members of the General Assembly whose legislative districts encompass any portion of the Authority shall appoint the commissioners at large.

(3) Should a municipality which is wholly within an authority attain, or should such a municipality be established, having a population of 5,000 or more after the entry of said order by the circuit court, the presiding officer of such municipality may petition the circuit court for an order finding and determining the population of such municipality and, if it is found and determined upon the hearing of said petition that the population of such municipality is 5,000 or more, the board of commissioners of such authority as previously established shall be increased by one commissioner who shall reside within the corporate limits of such municipality and shall be appointed by its presiding officer. The initial commissioner so appointed shall serve for a term of 1, 2, 3, 4 or 5 years, as may be determined by lot, and his successors shall be similarly appointed and shall serve for

terms of 5 years. All provisions of this section applicable to commissioners representing municipal areas shall apply to any such commissioner. Each such commissioner shall reside within the authority and shall continue to reside therein.

(4) Notwithstanding any other provision of this Section, the Board of Commissioners of a Metropolitan Airport Authority shall consist of 9 commissioners.

Seven commissioners shall be residents of the county with a population between 600,000 and 3,000,000 within which the Metropolitan Airport Authority was established. These commissioners shall be appointed by the county board chairman of the county with a population between 600,000 and 3,000,000 within which the Metropolitan Airport Authority was established, with the advice and consent of the county board of that county.

Two commissioners shall be residents of the territory of the Authority located outside the county with a population between 600,000 and 3,000,000. These commissioners shall be appointed jointly by the mayors of the municipalities having a population over 5,000 that are located outside the county with a population between 600,000 and 3,000,000, with the advice and consent of the governing bodies of those municipalities.

The transition from the pre-existing composition of the Metropolitan Airport Authority Board of Commissioners to the composition specified in this amendatory Act of 1991 shall be accomplished as follows:

(A) The appointee who was required to be a resident of the area outside of the county with a population between 600,000 and 3,000,000 may serve until his or her term expires. The replacement shall be one of the 2 appointees who shall be residents of the territory of the Authority located outside the county with a population between 600,000 and 3,000,000.

(B) The other 8 commissioners may serve until their terms expire. Upon the occurrence of the second vacancy among these 8 commissioners after the effective date of this amendatory Act of 1991, the replacement shall be the second of the 2 appointees who shall be residents of the territory of the Authority located outside of the county with a population between 600,000 and 3,000,000. Upon the expiration of the terms of the other 7 commissioners, the replacements shall be residents of the county with a population between 600,000 and 3,000,000.

(C) All commissioners appointed after the effective date of this amendatory Act of 1991, and their successors, shall be appointed in the manner set forth in this amendatory Act of 1991.

(Source: P.A. 94-466, eff. 1-1-06.)

(70 ILCS 5/14.1) (from Ch. 15 1/2, par. 68.14a)

Sec. 14.1. Bond limitation. An Authority may secure the necessary funds to finance part or all of the cost of (i)

acquiring, establishing, constructing, developing, expanding, extending or further improving a public airport, public airports, or airport facilities within or without its corporate limits or within or upon any body of water adjacent thereto; and (ii) studying, designing, acquiring, constructing, developing, expanding, extending, or improving any rail facility or related facility as provided in this Act for a Rail Authority established by the Board of Commissioners of the Authority, upon a determination by the Board of Commissioners, that, in its judgment, the rail or other service to be provided by those rail facilities or related facilities will benefit the airport operated by the Airport Authority, through the issuance of bonds as hereinafter provided in Sections 14.1 to 14.5 inclusive, to the principal amount of which at any one time outstanding, together with other outstanding indebtedness of the Authority, shall not exceed 2.3% of the aggregate valuation of all taxable property within the Authority, as equalized or assessed by the Department of Revenue or, until January 1, 1983, if greater, the sum that is produced by multiplying the Authority's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979. No such airport project shall be financed by the issuance of bonds under this Section unless such proposed airport project has been approved by the Department of Transportation as to location and size and found by the Department to be in the public interest; provided that the approval of the Department

of Transportation as provided in Sections 14.1 through 14.5 is not required in the case of airport projects consisting solely of commercial or recreational facilities or rail facilities or related facilities.

(Source: P.A. 87-854.)

(70 ILCS 5/14.2) (from Ch. 15 1/2, par. 68.14b)

Sec. 14.2. General plans and cost estimate to be approved. Before the adoption of any ordinance providing for the issuance of such bonds, the board of commissioners of the authority shall cause a description and general plan for the project to be prepared and submitted to the Department of Transportation, together with an estimate of the cost of the project. The project and the plans and estimate of cost may be changed with the approval of the Department. Prior to undertaking the project, the final plans, specifications and estimate of cost must be approved by the Department. The requirements of this Section do not apply to airport projects consisting solely of commercial or recreational facilities or rail facilities or related facilities.

(Source: P.A. 87-854; 87-895.)

(70 ILCS 5/14.3) (from Ch. 15 1/2, par. 68.14c)

Sec. 14.3. Bond ordinance. Upon the approval of the general plan and cost estimate for any such project by the Department of Transportation, if required, the Board of Commissioners of

the authority shall provide by ordinance for the acquisition or undertaking of such project, and for the issuance of bonds of the authority payable from taxes to pay the cost of such project to the authority or for costs with respect to rail facilities or related facilities as provided in Section 14.1.

The ordinance shall prescribe all details of the bonds and shall state the time or times when bonds, and the interest thereon, shall become payable and the bonds shall be payable within not more than 20 years from the date thereof. Any authority may agree or contract to sell, issue or deliver bonds payable from taxes at such price and upon such terms as determined by the Board of Commissioners of the Authority and as will not cause the net effective interest rate to be paid by the Authority on the issue of which such bonds are a part to exceed the greater of (i) the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract, or (ii) the greater of 9% per annum or 125% of the rate for the most recent date shown in the 20 G.O. Bonds Index of average municipal bond yields as published in the most recent edition of The Bond Buyer, published in New York, New York, (or any successor publication or index, or if such publication or index is no longer published, then any index of long term municipal tax-exempt bond yields then selected by the Board of Commissioners of the Authority), at the time the contract is made for such sale of the bonds. Subject to such limitation, the interest rate or rates on such bonds may be

established by reference to an index or formula which may be implemented or administered by persons appointed or retained therefor by the Authority. A contract is made with respect to the sale of bonds when an Authority is contractually obligated to issue or deliver such bonds to a purchaser who is contractually obligated to purchase them, and, with respect to bonds bearing interest at a variable rate or subject to payment upon periodic demand or put or otherwise subject to remarketing by or for an Authority, a contract is made on each date of change in the variable rate or such demand, put or remarketing. The ordinance shall provide for the levy and collection of a direct annual tax upon all the taxable property within the corporate limits of such Authority, sufficient to meet the principal and interest of the bonds as same mature, which tax shall be in addition to and in excess of any other tax authorized to be levied by the Authority. The bonds may be issued in part under the authority of, and may be additionally secured as provided in, the Local Government Debt Reform Act. Proceeds of bonds issued with respect to rail facilities or related facilities shall be provided to, or expended by the Authority for the benefit of, the Rail Authority.

A certified copy of the ordinance providing for the issuance of bonds authorized by this Section shall be filed with the county clerk of each county in which the authority or any portion thereof is situated and shall constitute the basis for the extension and collection of the tax necessary to pay

the principal of and interest and premium, if any, upon the bonds issued under the ordinance as the same mature.

The provisions of this amendatory Act of 1985 shall be cumulative and in addition to any powers or authority granted in any other laws of the State, and shall not be deemed to have repealed any provisions of existing laws. This amendatory Act of 1985 shall be construed as a grant of power to public corporations and shall not act as a limitation upon any sale of bonds authorized pursuant to any other law. This amendatory Act of 1985 shall not be construed as a limit upon any home rule unit of government.

(Source: P.A. 86-1017; 87-854.)

(70 ILCS 5/22.1 new)

Sec. 22.1. Establishment of a Rail Authority.

(a) The Board of Commissioners of an airport authority in Winnebago County may, by resolution, establish a Rail Authority as provided in Sections 22.1 through 22.7 of this Act. A certified copy of that resolution shall be filed with the Secretary of State of Illinois. The Board of Commissioners of the airport authority shall not have the power to abolish such a Rail Authority.

(b) A Rail Authority established pursuant to this Section shall be a body politic and corporate and a public corporation.

(c) A Rail Authority shall be governed by a Board of Directors. Except as provided in paragraph (d) of this Section,

the Board of Directors shall consist of the members of the Board of Commissioners of the airport authority that establishes the Rail Authority. The Board of Directors of the Rail Authority shall establish by-laws and procedures for their actions and may elect such officers of the Rail Authority and its Board of Directors as they shall determine, who shall serve terms as set by the by-laws of the Rail Authority, not to exceed 5 years.

(d) The composition of the Board of Directors of the Rail Authority may be increased from time to time to include members appointed by the Chairman or President of the County Board of any county that has members on the Board of Directors, all as shall be agreed by the Board of Directors of the Rail Authority, the chairman of the county board of the county in which the establishing airport authority is located, and the county board of the county for which members shall be added; upon such agreement providing for financial contribution to the Rail Authority by the county for which members are added.

(e) All non-procedural actions of the Board of Directors of the Rail Authority shall require the concurrence of the majority of members of the Board of Directors. Members of the Board of Directors shall serve for terms as provided in the by-laws of the Rail Authority not to exceed 5 years, and until their successors are appointed and qualified.

(f) There shall be no prohibitions on members of the Board of Directors of the Rail Authority holding any other

governmental office or position.

(70 ILCS 5/22.2 new)

Sec. 22.2. Provision of rail and related transportation services. The Rail Authority shall also have the power to provide non-rail transportation services within the Counties, which may consist of shuttle bus service to or from an airport, needed storage facilities, and facilities to load, unload, or transfer freight from one mode of transportation to another such mode related to rail or highway transportation and any needed access roads for that service, as the Board of Directors shall determine are appropriate to advance economic development in the Counties. All property or facilities necessary or useful for such related transportation or economic development services are referred to in this Act as "related facilities". The Authority, in providing rail related facilities, may not operate or perform as a rail carrier.

(70 ILCS 5/22.3 new)

Sec. 22.3. Further powers of the Rail Authority.

(a) Except as otherwise limited by this Act, the Rail Authority shall have all powers to meet its responsibilities and to carry out its purposes, including, but not limited to, the following powers:

(i) To sue and be sued.

(ii) To invest any funds or any moneys not required for

immediate use or disbursement, as provided in the Public Funds Investment Act.

(iii) To make, amend, and repeal by-laws, rules and regulations, and resolutions not inconsistent with Sections 22.1 through 22.7 of this Act.

(iv) To set and collect fares or other charges for the use of rail or other facilities of the Rail Authority.

(v) To conduct or contract for studies as to the feasibility and costs of providing any particular service as authorized by this Act.

(vi) To publicize services of the Authority and to enter into cooperative agreements with non-rail transportation service providers, including airport operations.

(vii) To hold, sell, sell by installment contract, lease as lessor, transfer, or dispose of such real or personal property of the Rail Authority, including rail facilities or related facilities, as the Board of Directors deems appropriate in the exercise of its powers and to mortgage, pledge, or otherwise grant security interests in any such property.

(viii) To enter at reasonable times upon such lands, waters, or premises as, in the judgment of the Board of Directors of the Rail Authority, may be necessary, convenient, or desirable for the purpose of making surveys, soundings, borings, and examinations to accomplish any

purpose authorized by Sections 22.1 through 22.7 of this Act after having given reasonable notice of such proposed entry to the owners and occupants of such lands, waters, or premises, the Rail Authority being liable only for actual damage caused by such activity.

(ix) To enter into contracts of group insurance for the benefit of its employees and to provide for retirement or pensions or other employee benefit arrangements for such employees, and to assume obligations for pensions or other employee benefit arrangements for employees of transportation agencies, all or part of the facilities of which are acquired by the Rail Authority.

(x) To provide for the insurance of any property, directors, officers, employees, or operations of the Rail Authority against any risk or hazard, and to self-insure or participate in joint self-insurance pools or entities to insure against such risk or hazard.

(xi) To pass all resolutions and make all rules and regulations proper or necessary to regulate the use, operation, and maintenance of the property and facilities of the Rail Authority and, by resolution, to prescribe fines or penalties for violations of those rules and regulations. No fine or penalty shall exceed \$1,000 per offense. Any resolution providing for any fine or penalty shall be published in a newspaper of general circulation in the metropolitan region. No such resolution shall take

effect until 10 days after its publication.

(xii) To enter into arbitration arrangements, which may be final and binding.

(xiii) To make and execute all contracts and other instruments necessary or convenient to the exercise of its powers.

(b) In each case in which this Act gives the Rail Authority the power to construct or acquire rail facilities or related facilities or any other real or personal property, the Rail Authority shall have the power to acquire such property by contract, purchase, gift, grant, exchange for other property or rights in property, lease (or sublease), or installment or conditional purchase contracts, which leases or contracts may provide for consideration to be paid in installments during a period not exceeding 40 years, and to dispose of such property or rights by lease or sale as the Board of Directors shall determine. Property may be acquired subject to such conditions, restrictions, liens, or security or other interests of other parties as the Board of Directors may deem appropriate, and in each case the Rail Authority may acquire a joint, leasehold, easement, license, or other partial interest in such property. Any such acquisition may provide for the assumption of, or agreement to pay, perform, or discharge outstanding or continuing duties, obligations, or liabilities of the seller, lessor, donor, or other transferor of or of the trustee with regard to such property. In connection with the acquisition of

Rail Facilities or Related Facilities, including, but not limited to, vehicles, buses, or rapid transit equipment, the Rail Authority may also execute agreements concerning such equipment leases, equipment trust certificates, conditional purchase agreements, and such other security agreements and may make such agreements and covenants as required, in the form customarily used in such cases appropriate to effect such acquisition. The Rail Authority may not acquire property by eminent domain.

(70 ILCS 5/22.4 new)

Sec. 22.4. Bonds and notes.

(a) The Rail Authority shall have the power to borrow money and to issue its negotiable bonds or notes as provided in this Section. Unless otherwise indicated in this Section, the term "notes" also includes bond anticipation notes, which are notes that by their terms provide for their payment from the proceeds of bonds subsequently to be issued. Bonds or notes of the Rail Authority may be issued for any or all of the following purposes: to pay costs to the Rail Authority of constructing or acquiring any rail facilities or related facilities, to pay interest on bonds or notes during any period of construction or acquisition of rail facilities or related facilities, to establish a debt service reserve fund, to pay costs of issuance of the bonds or notes, and to refund its bonds or notes.

(b) The issuance of any bonds or notes shall be authorized

by a resolution of the Board of Directors of the Rail Authority. The resolution providing for the issuance of any such bonds or notes shall fix their date or dates of maturity, the dates on which interest is payable, any sinking fund account or reserve fund account provisions, and all other details of the bonds or notes and may provide for such covenants or agreements necessary or desirable with regard to the issue, sale, and security of the bonds or notes. The rate or rates of interest on the bonds or notes may be fixed or variable and the Rail Authority shall determine or provide for the determination of the rate or rates of interest of its bonds or notes issued under this Act in a resolution adopted prior to their issuance, none of which rates of interest shall exceed that permitted in the Bond Authorization Act. Bonds and notes issued under this Section may be issued as serial or term obligations, shall be of such denomination or denominations and form, shall be executed in such manner, shall be payable at such place or places and bear such date as the Rail Authority shall fix by the resolution authorizing such bonds or notes and shall mature at such time or times, within a period not to exceed 40 years from their date of issue, and may be redeemable prior to maturity, with or without premium, at the option of the Rail Authority, upon such terms and conditions as the Rail Authority shall fix by the resolution authorizing the issuance of the bonds or notes. In case any officer whose signature appears on any bonds or notes authorized pursuant to this

Section shall cease to be an officer before delivery of such bonds or notes, the signature shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until the delivery.

(c) Bonds or notes of the Rail Authority issued pursuant to this Section shall have a claim for payment as to principal and interest from such sources as provided by the resolution authorizing such bonds or notes. Such bonds or notes shall be secured as provided in the authorizing resolution of the Board of Directors of the Rail Authority, which may, notwithstanding any other provision of this Act, include in addition to any other security, a specific pledge or assignment of and lien on or security interest in any or all receipts of the Rail Authority and on any or all other revenues or money of the Rail Authority from whatever source, which may by law be utilized for debt service purposes, as well as any funds or accounts established or provided for the payment of such debt service, by the resolution of the Rail Authority authorizing the issuance of the bonds or notes. Any such pledge, assignment, lien, or security interest for the benefit of holders of bonds or notes of the Rail Authority shall be valid and binding from the time the bonds or notes are issued without any physical delivery or further act and shall be valid and binding as against and prior to the claims of all other parties having claims of any kind against the Rail Authority or any other person irrespective of whether such other parties have notice

of such pledge, assignment, lien, or security interest. The resolution of the Board of Directors of the Rail Authority authorizing the issuance of any bonds or notes may provide additional security for such bonds or notes by providing for appointment of a corporate trustee (which may be any trust company or bank having the powers of a trust company within Illinois) with respect to the bonds or notes. The resolution shall prescribe the rights, duties, and powers of the trustee to be exercised for the benefit of the Rail Authority and the protection of the owners of such bonds or notes. The resolution may provide for the trustee to hold in trust, invest, and use amounts in funds and accounts created as provided by the resolution with respect to the bonds or notes.

(70 ILCS 5/22.6 new)

Sec. 22.6. Exemption from taxation. The Rail Authority and the Rail Corporation shall be exempt from all State and unit of local government taxes and registration and license fees. All property of the Rail Authority or of the Rail Corporation shall be public property devoted to an essential public and governmental function and purpose and shall be exempt from all taxes and special assessments of the State, any subdivision of the State, or any unit of local government.

(70 ILCS 5/22.7 new)

Sec. 22.7. Federal, State, and other funds. The Rail

Authority shall have the power to apply for, receive, and expend grants, loans, or other funds from the State of Illinois or any of its departments or agencies, from any unit of local government, or from the federal government or any of its departments or agencies, for use in connection with any of the powers or purposes of the Rail Authority as set forth in this Act, and to enter into agreements with the lending or granting agency in connection with any such loan or grant.

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