



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4110

Introduced 10/15/2025, by Rep. Katie Stuart

SYNOPSIS AS INTRODUCED:

70 ILCS 3610/5

from Ch. 111 2/3, par. 355

Amends the Local Mass Transit District Act. Provides that the Board of Trustees of every local mass transit district may initiate transit-oriented developments and trail-oriented developments, including, but not limited to, residential, commercial, mixed-use, governmental, institutional, or childcare facilities located near a transit station, bus stop, transit hub, transit node, or trail. Provides that local mass transit district may partner with public bodies, private entities, non-profit organizations, or institutions for the purpose of those transit-oriented developments and trail-oriented developments.

LRB104 15125 RTM 28269 b

1 AN ACT concerning local government.

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

4 Section 5. The Local Mass Transit District Act is amended
5 by changing Section 5 as follows:

6 (70 ILCS 3610/5) (from Ch. 111 2/3, par. 355)

7 Sec. 5. (a) The Board of Trustees of every District may
8 establish or acquire any or all manner of mass transit
9 facility. The Board may engage in the business of
10 transportation of passengers on scheduled routes and by
11 contract on nonscheduled routes within the territorial limits
12 of the counties or municipalities creating the District, by
13 whatever means it may decide. Its routes may be extended
14 beyond such territorial limits with the consent of the
15 governing bodies of the municipalities or counties into which
16 such operation is extended.

17 (b) The Board of Trustees of every District may for the
18 purposes of the District, acquire by gift, purchase, lease,
19 legacy, condemnation, or otherwise and hold, use, improve,
20 maintain, operate, own, manage or lease, as lessor or lessee,
21 such cars, buses, equipment, buildings, structures, real and
22 personal property, and interests therein, and services, lands
23 for terminal and other related facilities, improvements and

1 services, or any interest therein, including all or any part
2 of the plant, land, buildings, equipment, vehicles, licenses,
3 franchises, patents, property, service contracts and
4 agreements of every kind and nature. Real property may be so
5 acquired if it is situated within or partially within the area
6 served by the District or if it is outside the area if it is
7 desirable or necessary for the purposes of the District.

8 (c) The Board of Trustees of every District which
9 establishes, provides, or acquires mass transit facilities or
10 services may contract with any person or corporation or public
11 or private entity for the operation or provision thereof upon
12 such terms and conditions as the District shall determine.

13 (d) The Board of Trustees of every District shall have the
14 authority to contract for any and all purposes of the
15 District, including with an interstate transportation
16 authority, or with another local Mass Transit District or any
17 other municipal, public, or private corporation entity in the
18 transportation business including the authority to contract to
19 lease its or otherwise provide land, buildings, and equipment,
20 and other related facilities, improvements, and services, for
21 the carriage of passengers beyond the territorial limits of
22 the District or to subsidize transit operations by a public or
23 private or municipal corporation operating entity providing
24 mass transit facilities.

25 (e) The Board of Trustees of every District shall have the
26 authority to establish, alter and discontinue transportation

1 routes and services and any or all ancillary or supporting
2 facilities and services, and to establish and amend rate
3 schedules for the transportation of persons thereon or for the
4 public or private use thereof which rate schedules shall,
5 together with any grants, receipts or income from other
6 sources, be sufficient to pay the expenses of the District,
7 the repair, maintenance and the safe and adequate operation of
8 its mass transit facilities and public mass transportation
9 system and to fulfill the terms of its debts, undertakings,
10 and obligations.

11 (f) The Board of Trustees of every District shall have
12 perpetual succession and shall have the following powers in
13 addition to any others in this Act granted:

14 (1) to sue and be sued;

15 (2) to adopt and use a seal;

16 (3) to make and execute contracts loans, leases,
17 subleases, installment purchase agreements, contracts,
18 notes and other instruments evidencing financial
19 obligations, and other instruments necessary or convenient
20 in the exercise of its powers;

21 (4) to make, amend and repeal bylaws, rules and
22 regulations not inconsistent with this Act, including
23 rules and regulations proper or necessary to regulate the
24 use, operation, and maintenance of its properties and
25 facilities and to carry into effect the powers granted to
26 the Board of Trustees, with any necessary fines or

1 penalties, such as the suspension of riding privileges or
2 confiscation of fare media under Section 5.6, as the Board
3 deems proper;

4 (5) to sell, lease, sublease, license, transfer,
5 convey or otherwise dispose of any of its real or personal
6 property, or interests therein, in whole or in part, at
7 any time upon such terms and conditions as it may
8 determine, with public bidding if the value exceeds \$1,000
9 at negotiated, competitive, public, or private sale;

10 (6) to invest funds, not required for immediate
11 disbursement, in property, agreements, or securities legal
12 for investment of public funds controlled by savings banks
13 under applicable law;

14 (7) to mortgage, pledge, hypothecate or otherwise
15 encumber all or any part of its real or personal property
16 or other assets, or interests therein;

17 (8) to apply for, accept and use grants, loans or
18 other financial assistance from any private entity or
19 municipal, county, State or Federal governmental agency or
20 other public entity;

21 (9) to borrow money from the United States Government
22 or any agency thereof, or from any other public or private
23 source, for the purposes of the District and, as evidence
24 thereof, to issue its revenue bonds, payable solely from
25 the revenue derived from the operation of the District.
26 These bonds may be issued with maturities not exceeding 40

1 years from the date of the bonds, and in such amounts as
2 may be necessary to provide sufficient funds, together
3 with interest, for the purposes of the District. These
4 bonds shall bear interest at a rate of not more than the
5 maximum rate authorized by the Bond Authorization Act, as
6 amended at the time of the making of the contract of sale,
7 payable semi-annually, may be made registerable as to
8 principal, and may be made payable and callable as
9 provided on any interest payment date at a price of par and
10 accrued interest under such terms and conditions as may be
11 fixed by the ordinance authorizing the issuance of the
12 bonds. Bonds issued under this Section are negotiable
13 instruments. They shall be executed by the chairman and
14 members of the Board of Trustees, attested by the
15 secretary, and shall be sealed with the corporate seal of
16 the District. In case any Trustee or officer whose
17 signature appears on the bonds or coupons ceases to hold
18 that office before the bonds are delivered, such officer's
19 signature, shall nevertheless be valid and sufficient for
20 all purposes, the same as though such officer had remained
21 in office until the bonds were delivered. The bonds shall
22 be sold in such manner and upon such terms as the Board of
23 Trustees shall determine, except that the selling price
24 shall be such that the interest cost to the District of the
25 proceeds of the bonds shall not exceed the maximum rate
26 authorized by the Bond Authorization Act, as amended at

1 the time of the making of the contract of sale, payable
2 semi-annually, computed to maturity according to the
3 standard table of bond values.

4 The ordinance shall fix the amount of revenue bonds
5 proposed to be issued, the maturity or maturities, the
6 interest rate, which shall not exceed the maximum rate
7 authorized by the Bond Authorization Act, as amended at
8 the time of the making of the contract of sale, and all the
9 details in connection with the bonds. The ordinance may
10 contain such covenants and restrictions upon the issuance
11 of additional revenue bonds thereafter, which will share
12 equally in the revenue of the District, as may be deemed
13 necessary or advisable for the assurance of the payment of
14 the bonds first issued. Any District may also provide in
15 the ordinance authorizing the issuance of bonds under this
16 Section that the bonds, or such ones thereof as may be
17 specified, shall, to the extent and in the manner
18 prescribed, be subordinated and be junior in standing,
19 with respect to the payment of principal and interest and
20 the security thereof, to such other bonds as are
21 designated in the ordinance.

22 The ordinance shall pledge the revenue derived from
23 the operations of the District for the purpose of paying
24 the cost of operation and maintenance of the District,
25 and, as applicable, providing adequate depreciation funds,
26 and paying the principal of and interest on the bonds of

1 the District issued under this Section;

2 (10) subject to Section 5.1, to levy a tax on property
3 within the District at the rate of not to exceed .25% on
4 the assessed value of such property in the manner provided
5 in the Illinois Municipal Budget Law;

6 (11) to issue tax anticipation warrants;

7 (12) to contract with any school district in this
8 State to provide for the transportation of pupils to and
9 from school within such district pursuant to the
10 provisions of Section 29-15 of the School Code;

11 (13) to provide for the insurance of any property,
12 directors, officers, employees or operations of the
13 District against any risk or hazard, and to self-insure or
14 participate in joint self-insurance pools or entities to
15 insure against such risk or hazard;

16 (14) to use its established funds, personnel, and
17 other resources to acquire, construct, operate, and
18 maintain bikeways and trails. Districts may cooperate with
19 other governmental and private agencies in bikeway and
20 trail programs; ~~and~~

21 (15) to acquire, own, maintain, construct,
22 reconstruct, improve, repair, operate or lease any
23 light-rail public transportation system, terminal,
24 terminal facility, public airport, or bridge or toll
25 bridge across waters with any city, state, or both; and

26 (16) to initiate transit-oriented developments and

1 trail-oriented developments, including, but not limited
2 to, residential, commercial, mixed-use, governmental,
3 institutional, or childcare facilities located near a
4 transit station, bus stop, transit hub, transit node, or
5 trail; districts may partner with public bodies, private
6 entities, non-profit organizations, or institutions for
7 the purpose of developments described in this item (16).

8 With respect to instruments for the payment of money
9 issued under this Section either before, on, or after June 6,
10 1989 (the effective date of Public Act 86-4), it is and always
11 has been the intention of the General Assembly (i) that the
12 Omnibus Bond Acts are and always have been supplementary
13 grants of power to issue instruments in accordance with the
14 Omnibus Bond Acts, regardless of any provision of this Act
15 that may appear to be or to have been more restrictive than
16 those Acts, (ii) that the provisions of this Section are not a
17 limitation on the supplementary authority granted by the
18 Omnibus Bond Acts, and (iii) that instruments issued under
19 this Section within the supplementary authority granted by the
20 Omnibus Bond Acts are not invalid because of any provision of
21 this Act that may appear to be or to have been more restrictive
22 than those Acts.

23 This Section shall be liberally construed to give effect
24 to its purposes.

25 (Source: P.A. 103-281, eff. 1-1-24.)