



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3499

Introduced 2/5/2026, by Sen. Doris Turner

SYNOPSIS AS INTRODUCED:

New Act
55 ILCS 5/5-1030

from Ch. 34, par. 5-1030

Creates the Capital Area Tourism Authority Act. Establishes the Capital Area Tourism Authority as a political subdivision and unit of local government for the benefit of the general public and for the promotion of business, industry, commerce, and tourism in the City of Springfield, Sangamon County, and the State of Illinois. Provides that, if and only if the Sangamon County Board, by ordinance, imposes a tax under a specified provision of the Counties Code on all hotel operators who engage in business as a hotel operator within a STAR bond district that is established in the territory of the Authority and if the Sangamon County Board also resolves that all of the revenue generated from that tax, as well as all of the tax receipts generated from local sales tax within such a STAR bond district, shall be dedicated to the payment of the project costs for any STAR bond project in such a district and shall be considered pledged STAR revenues under the Statewide Innovation Development and Economy Act, then the Authority may exercise certain economic development powers. Contains provisions concerning the powers and duties of the Authority; the membership of the Board of the Authority; meetings and records of the Board of the Authority; the use of pledged tax revenue; ownership and control of projects financed by the Authority; the investigatory authority of the Board of the Authority; and other matters. Contains legislative findings. Defines terms. Effective immediately.

LRB104 20619 JDS 34112 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 1. Short title. This Act may be cited as the
5 Capital Area Tourism Authority Act.

6 Section 5. Findings; purpose.

7 (a) The General Assembly finds and declares that:

8 (1) The City of Springfield is the capital city of the
9 State of Illinois and the home of President Abraham
10 Lincoln.

11 (2) The City of Springfield and Sangamon County
12 welcome visitors from around the world and are the
13 cornerstone of State government.

14 (b) The purpose of this Act is to ensure that the City of
15 Springfield has a vibrant hospitality industry that is capable
16 of hosting visitors, legislative advocates, and those doing
17 business with the State.

18 Section 10. Definitions. In this Act:

19 "Authority" means the Capital Area Tourism Authority
20 established by this Act.

21 "Board" means the Board of Trustees of the Authority.

22 "Hotel operator" has the meaning given in the Hotel

1 Operators' Occupation Tax Act.

2 "Local sales taxes" has the meaning given in the Statewide
3 Innovation Development and Economy Act.

4 "Master developer" has the meaning given in the Statewide
5 Innovation Development and Economy Act.

6 "Project costs" has the meaning given in the Statewide
7 Innovation Development and Economy Act.

8 "STAR bond district" has the meaning given in the
9 Statewide Innovation Development and Economy Act.

10 "STAR bond project" has the meaning given in the Statewide
11 Innovation Development and Economy Act.

12 Section 15. Creation of the Authority. The Capital Area
13 Tourism Authority is hereby created as a political subdivision
14 and unit of local government for the benefit of the general
15 public and the promotion of business, industry, commerce, and
16 tourism in the City of Springfield, Sangamon County, and the
17 State of Illinois. The Authority shall have only those powers
18 described in Section 20 of this Act, and its territorial
19 jurisdiction shall extend over all territory in the City of
20 Springfield that is located within the boundaries of Walnut
21 Street on the west, North Grand Avenue on the north, 11th
22 Street on the east, and South Grand Avenue on the south.

23 Section 20. Powers and duties of the Authority.

24 (a) If and only if the Sangamon County Board, by

1 ordinance, imposes a tax under subsection (b-5) of Section
2 5-1030 of the Counties Code on all hotel operators who engage
3 in business as a hotel operator within any STAR bond district
4 that is established in the territory of the Authority and if
5 the Sangamon County Board also resolves that all of the
6 revenue generated from the tax under subsection (b-5) of
7 Section 5-1030 of the Counties Code, as well as all of the tax
8 receipts generated from local sales taxes within such a STAR
9 bond district, shall be dedicated to the payment of the
10 project costs for any STAR bond project in such a district and
11 shall be considered pledged STAR revenues under the Statewide
12 Innovation Development and Economy Act, then the Authority may
13 exercise the powers set forth in subsection (c), as well as
14 those powers ordinarily authorized by law, body politic, or
15 municipal corporation for a political subdivision, for the
16 purposes described in subsection (b).

17 (b) The Authority shall use the powers conferred on it
18 under this Section to assist in the development, construction,
19 and acquisition of industrial or commercial projects within
20 its territorial jurisdiction and to promote business,
21 industry, commerce, and tourism within Sangamon County and the
22 State of Illinois.

23 (c) If and only if the conditions described in subsection
24 (a) are satisfied, then the Authority shall possess all powers
25 of a body politic or municipal corporation necessary and
26 convenient to accomplish the purpose of this Act, including,

1 but not limited to, the power:

2 (1) to exercise all of the powers afforded to a
3 political subdivision pursuant to Section 5-100 of the
4 Statewide Innovation Development and Economy Act in
5 connection with a STAR bond district, including, but not
6 limited to, establishing a STAR bond district and issuing
7 STAR bonds to finance a STAR bond project;

8 (2) to enter into loans, contracts, agreements, and
9 mortgages;

10 (3) to acquire by purchase, donation, or lease; to
11 own, convey, lease, sell, mortgage, or otherwise dispose
12 of interests in and to real or personal property; and to
13 grant or acquire licenses, easements, and options with
14 respect to property;

15 (4) to sue and be sued;

16 (5) to employ agents and employees necessary to carry
17 out this Act's purposes;

18 (6) to have, use, and alter a common seal;

19 (7) to acquire, own, construct, equip, finance, lease,
20 operate, and maintain grounds, buildings, facilities,
21 property or any portion of a building, facility, or
22 property owned or leased by the Authority to carry out the
23 purposes and duties of this Act and to fix, charge, and
24 collect fees, rents, and charges for the use of any
25 building, facility, property or portion thereof;

26 (8) to adopt all ordinances, resolutions, by-laws,

1 rules, and regulations necessary or proper to carry into
2 effect the purpose of this Act and the powers granted to
3 the Authority;

4 (9) to apply for, accept, and expend grants,
5 appropriations, guarantees, donations of property or
6 labor, or any other thing of value;

7 (10) to exercise the right of eminent domain by
8 condemnation proceedings in the manner provided by the
9 Eminent Domain Act;

10 (11) to finance, construct, equip, own, operate, and
11 maintain any STAR bond project and to determine and direct
12 the use of the local tax contribution and the State tax
13 contribution for the approved STAR bond projects in the
14 STAR bond district;

15 (12) to pay or cause to be paid STAR bond project costs
16 and the principal and interest of any revenue bonds issued
17 by the Authority;

18 (13) to borrow money and to issue revenue bonds,
19 notes, or other evidences of indebtedness as provided for
20 in the Statewide Innovation Development and Economy Act;
21 and

22 (14) to exercise any and all other powers necessary to
23 effectuate the purposes of this Act.

24 Section 25. Board members; officers; governance.

25 (a) The governing and administrative powers of the

1 Authority shall be vested in its Board, which shall consist of
2 5 members appointed as follows:

3 (1) 3 members appointed by the Sangamon County Board;

4 (2) one member appointed by the Springfield City
5 Council; and

6 (3) one member appointed by the Springfield
7 Metropolitan Exposition and Auditorium Authority.

8 (b) All persons appointed as members of the Board shall be
9 residents of Sangamon County and shall have recognized ability
10 and experience in one or more of the following areas: economic
11 development, finance, banking, commercial development, small
12 business management, real estate development, community
13 development, organized labor, units of local government, or
14 civic, community, or neighborhood organization.

15 (c) The Chairperson of the Board shall be selected by a
16 majority vote of the Board.

17 (d) The Sangamon County Board may remove any member of the
18 Board in case of incompetency, neglect of duty, or malfeasance
19 in office by a simple majority vote.

20 (e) Members of the Board shall hold office until their
21 respective successors have been appointed. Any member may
22 resign from his or her office. Vacancies shall be filled in the
23 same manner as original appointments.

24 (f) Members of the Board shall serve without compensation
25 for their services as members but may be reimbursed for all
26 necessary expenses incurred in connection with the performance

1 of their duties as members.

2 (g) The Board shall hold meetings quarterly or upon the
3 call of the Chairperson of the Board or written notice of 3
4 members of the Board.

5 (h) A majority of the appointed members of the Board shall
6 constitute a quorum for the transaction of business, and the
7 Board may not meet or take any action without a quorum present.
8 The affirmative vote of a majority of the members present at a
9 meeting at which a quorum is present shall be necessary for any
10 official act of the Authority.

11 (i) All members of the Board and employees of the
12 Authority are subject to the Illinois Governmental Ethics Act,
13 in accordance with its terms, and shall submit a statement of
14 economic interests in accordance with Article 4A of the
15 Illinois Governmental Ethics Act. Additionally, each Board
16 member shall disclose to the Board outside sources of income
17 and any business relationships in economic development
18 consulting or lobbying. Reporting shall include the source of
19 income, services provided, and timeline of when services were
20 provided. If the source of income is a firm or organization
21 with multiple clients, the report shall list all of the
22 entities for which the individual provided services.

23 (j) The Board may appoint an Executive Director who shall
24 have a background in finance, real estate or economic
25 development, or administration. The Executive Director shall
26 hold office at the discretion of the Board. The Executive

1 Director shall be the chief administrative and operational
2 officer of the Authority, shall direct and supervise its
3 administrative affairs and general management, shall perform
4 such other duties as may be prescribed from time to time by the
5 Board, and shall receive compensation fixed by the Board. The
6 Executive Director shall attend all meetings of the Board;
7 however, no action of the Board or the Authority shall be
8 invalid on account of the absence of the Executive Director
9 from a meeting.

10 Section 30. Open meetings; record disclosure.

11 (a) The Authority is subject to the Open Meetings Act and
12 the Freedom of Information Act. All rules, regulations,
13 ordinances, resolutions and all proceedings of the Authority
14 and all documents and records in its possession shall be
15 public records, and open to public inspection, except such
16 documents and records as shall be kept or prepared by the Board
17 for use in negotiations, actions, or proceedings to which the
18 Authority is a party.

19 (b) A contract or agreement entered into by the Authority
20 must be posted on the Authority's website. The Authority shall
21 provide a detailed report of the Authority's financial
22 information on the Authority's website.

23 Section 35. Limitations. If any of the Authority's powers
24 are exercised within the territorial jurisdiction of any

1 municipality, all ordinances of that municipality shall remain
2 in full force and effect and shall be controlling.

3 Section 40. Approval of STAR bond districts and STAR bond
4 project.

5 (a) Notwithstanding any other provision of law, all real
6 property in the territorial jurisdiction of the Authority
7 shall automatically constitute an eligible area for purposes
8 of approving a STAR bond district or STAR bond project in that
9 jurisdiction under the Statewide Innovation Development and
10 Economy Act, and the territorial boundaries of the STAR bond
11 district may be entirely within the corporate limits of the
12 City of Springfield.

13 (b) Notwithstanding any other provision of law, any number
14 of STAR bond projects may be undertaken in a STAR bond district
15 located in the territorial jurisdiction of the Authority
16 provided that:

17 (1) each STAR bond project is approved under the
18 Statewide Innovation Development and Economy Act; and

19 (2) the local tax contribution and the State tax
20 contribution to the STAR bond projects are sufficient,
21 together with other pledged STAR revenues, to support the
22 financing of the STAR bond projects.

23 (c) Notwithstanding any other provision of law, to the
24 extent that the local tax contribution and the State tax
25 contribution, together with other available funds, aggregate

1 an amount that exceeds those funds required to pay any project
2 costs, including debt service on the STAR bonds issued in
3 connection with the STAR bond project, the Authority may
4 direct such excess local tax contribution and State tax
5 contribution to finance additional STAR bond projects in the
6 same STAR bond district.

7 Section 45. State tax contribution. Notwithstanding any
8 other provision of law, any State sales tax increment pledged
9 to pay STAR bonds in any STAR bond district located in the
10 territorial jurisdiction of the Authority shall not be limited
11 to 50% of the total project costs in the STAR bond district but
12 rather will cover up to 100% of the total project costs.

13 Section 50. Master developer. Notwithstanding any other
14 provision of law, the Authority shall own and control any STAR
15 bond project and acreage on which the project is located in any
16 STAR Bond district created in the territorial jurisdiction of
17 the Authority instead of the Master Developer as required in
18 the Statewide Innovation Development and Economy Act. The
19 Master Developer shall not be required to provide equity in
20 such STAR bond project.

21 Section 55. Reports; commitment notice. The Authority
22 shall annually submit a report of its finances to the Auditor
23 General. The Authority shall annually submit a report of its

1 activities to the Governor and General Assembly.

2 The Authority shall provide notice to the General
3 Assembly, the Department of Commerce and Economic Opportunity,
4 and the Governor once the Authority enters into a commitment
5 to support the financing of a project. The notice to the
6 General Assembly shall be filed with the Clerk of the House of
7 Representatives and the Secretary of the Senate, in electronic
8 form only, in the manner that the Clerk and the Secretary shall
9 direct.

10 Section 60. Exemption from taxation. All property of the
11 Authority is exempt from taxation by the State or taxing units
12 of the State.

13 Section 65. Investigatory authority. The Board may
14 investigate conditions in which it has an interest within the
15 territorial jurisdiction of the Authority, the enforcement of
16 its ordinances, rules and regulations, and the action,
17 conduct, and efficiency of all officers, agents and employees
18 of the Authority. In the conduct of such investigations the
19 Board may hold public hearings on its own motion. Each member
20 of the Board shall have power to administer oaths, and the
21 secretary, by order of the Board, shall issue subpoenas to
22 secure the attendance and testimony of witnesses, and the
23 production of books and papers relevant to such investigations
24 and to any hearing before the Board or any member of the Board.

1 Any circuit court of this State, upon application of the
2 Board or any Board member, may in its discretion compel the
3 attendance of witnesses, the production of books and papers,
4 and the giving of testimony before the Board or before any
5 Board member or any officers' committee appointed by the
6 Board, by attachment for contempt or otherwise in the same
7 manner as the production of evidence may be compelled before
8 the court.

9 Section 95. The Counties Code is amended by changing
10 Section 5-1030 as follows:

11 (55 ILCS 5/5-1030) (from Ch. 34, par. 5-1030)

12 Sec. 5-1030. Hotel rooms, tax on gross rental receipts.

13 (a) The corporate authorities of any county may by
14 ordinance impose a tax upon all persons engaged in such county
15 in the business of renting, leasing or letting rooms in a hotel
16 which is not located within a city, village, or incorporated
17 town that imposes a tax under Section 8-3-14 of the Illinois
18 Municipal Code, as defined in "The Hotel Operators' Occupation
19 Tax Act", at a rate not to exceed 5% of the gross rental
20 receipts from such renting, leasing or letting, excluding,
21 however, from gross rental receipts, the proceeds of such
22 renting, leasing or letting to permanent residents of that
23 hotel, and may provide for the administration and enforcement
24 of the tax, and for the collection thereof from the persons

1 subject to the tax, as the corporate authorities determine to
2 be necessary or practicable for the effective administration
3 of the tax.

4 (b) With the consent of municipalities representing at
5 least 67% of the population of Winnebago County, as determined
6 by the 2010 federal decennial census and as expressed by
7 resolution of the corporate authorities of those
8 municipalities, the county board of Winnebago County may, by
9 ordinance, impose a tax upon all persons engaged in the county
10 in the business of renting, leasing, or letting rooms in a
11 hotel that imposes a tax under Section 8-3-14 of the Illinois
12 Municipal Code, as defined in the Hotel Operators' Occupation
13 Tax Act, at a rate not to exceed 2% of the gross rental
14 receipts from renting, leasing, or letting, excluding,
15 however, from gross rental receipts, the proceeds of the
16 renting, leasing, or letting to permanent residents of that
17 hotel, and may provide for the administration and enforcement
18 of the tax, and for the collection thereof from the persons
19 subject to the tax, as the county board determines to be
20 necessary or practicable for the effective administration of
21 the tax. The tax shall be instituted on a county-wide basis and
22 shall be in addition to any tax imposed by this or any other
23 provision of law. The revenue generated under this subsection
24 shall be accounted for and segregated from all other funds of
25 the county and shall be utilized solely for either: (1)
26 encouraging, supporting, marketing, constructing, or

1 operating, either directly by the county or through other
2 taxing bodies within the county, sports, arts, or other
3 entertainment or tourism facilities or programs for the
4 purpose of promoting tourism, competitiveness, job growth, and
5 for the general health and well-being of the citizens of the
6 county; or (2) payment towards debt services on bonds issued
7 for the purposes set forth in this subsection.

8 (b-5) The county board of Sangamon County may, by
9 ordinance, impose a tax upon all persons engaged in the county
10 in the business of renting, leasing, or letting rooms in a
11 hotel that imposes a tax under Section 8-3-14 of the Illinois
12 Municipal Code, as defined in the Hotel Operators' Occupation
13 Tax Act, at a rate not to exceed 3% of the gross rental
14 receipts from renting, leasing, or letting, excluding,
15 however, from gross rental receipts, the proceeds of the
16 renting, leasing, or letting to permanent residents of that
17 hotel, and may provide for the administration and enforcement
18 of the tax, and for the collection thereof from the persons
19 subject to the tax, as the county board determines to be
20 necessary or practicable for the effective administration of
21 the tax. The tax shall be instituted on a county-wide basis and
22 shall be in addition to any tax imposed by this or any other
23 provision of law. The revenue generated under this subsection
24 shall be accounted for and segregated from all other funds of
25 the county and shall be used solely for ~~either~~: (1)
26 encouraging, supporting, marketing, constructing, or

1 operating, either directly by the county or through other
2 taxing bodies within the county, sports, arts, or other
3 entertainment or tourism facilities or programs for the
4 purpose of promoting tourism, competitiveness, job growth, and
5 for the general health and well-being of the citizens of the
6 county; ~~or~~ (2) payment towards debt services on bonds issued
7 for the purposes set forth in this subsection; or (3) the
8 purposes described in the Capital Area Tourism Authority Act.

9 (c) A Tourism Facility Board shall be established,
10 comprised of a representative from the county and from each
11 municipality that has approved the imposition of the tax under
12 subsection (b) of this Section.

13 (1) A Board member's vote is weighted based on the
14 municipality's population relative to the population of
15 the county, with the county representing the population
16 within unincorporated areas of the county. Representatives
17 from the Rockford Park District and Rockford Area
18 Convention and Visitors Bureau shall serve as ex-officio
19 members with no voting rights.

20 (2) The Board must meet not less frequently than once
21 per year to direct the use of revenues collected from the
22 tax imposed under subsection (b) of this Section that are
23 not already directed for use pursuant to an
24 intergovernmental agreement between the county and another
25 entity represented on the Board, including the ex-officio
26 members, and for any other reason the Board deems

1 necessary. Affirmative actions of the Board shall require
2 a weighted vote of Board members representing not less
3 than 67% of the population of the county.

4 (3) The Board shall not be a separate unit of local
5 government, shall have no paid staff, and members of the
6 Board shall receive no compensation or reimbursement of
7 expenses from proceeds of the tax imposed under subsection
8 (b) of this Section.

9 (d) Persons subject to any tax imposed pursuant to
10 authority granted by this Section may reimburse themselves for
11 their tax liability for such tax by separately stating such
12 tax as an additional charge, which charge may be stated in
13 combination, in a single amount, with State tax imposed under
14 "The Hotel Operators' Occupation Tax Act".

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

19 An ordinance or resolution imposing a tax hereunder or
20 effecting a change in the rate thereof shall be effective on
21 the first day of the calendar month next following its passage
22 and required publication.

23 The amounts collected by any county pursuant to this
24 Section shall be expended to promote tourism; conventions;
25 expositions; theatrical, sports and cultural activities within
26 that county or otherwise to attract nonresident overnight

1 visitors to the county.

2 Any county may agree with any unit of local government,
3 including any authority defined as a metropolitan exposition,
4 auditorium and office building authority, fair and exposition
5 authority, exposition and auditorium authority, or civic
6 center authority created pursuant to provisions of Illinois
7 law and the territory of which unit of local government or
8 authority is co-extensive with or wholly within such county,
9 to impose and collect for a period not to exceed 40 years, any
10 portion or all of the tax authorized pursuant to this Section
11 and to transmit such tax so collected to such unit of local
12 government or authority. The amount so paid shall be expended
13 by any such unit of local government or authority for the
14 purposes for which such tax is authorized. Any such agreement
15 must be authorized by resolution or ordinance, as the case may
16 be, of such county and unit of local government or authority,
17 and such agreement may provide for the irrevocable imposition
18 and collection of said tax at such rate, or amount as limited
19 by a given rate, as may be agreed upon for the full period of
20 time set forth in such agreement; and such agreement may
21 further provide for any other terms as deemed necessary or
22 advisable by such county and such unit of local government or
23 authority. Any such agreement shall be binding and enforceable
24 by either party to such agreement. Such agreement entered into
25 pursuant to this Section shall not in any event constitute an
26 indebtedness of such county subject to any limitation imposed

1 by statute or otherwise.

2 (Source: P.A. 103-781, eff. 8-5-24.)

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

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