

103RD GENERAL ASSEMBLY State of Illinois 2023 and 2024 HB1342

Introduced 1/31/2023, by Rep. Eva-Dina Delgado

SYNOPSIS AS INTRODUCED:

70 ILCS 3605/31 from Ch. 111 2/3, par. 331
70 ILCS 3610/5 from Ch. 111 2/3, par. 355
70 ILCS 3615/3A.09 from Ch. 111 2/3, par. 703A.09
70 ILCS 3615/3B.09c new

Amends the Metropolitan Transit Authority Act. Provides that the powers of the Chicago Transit Board include the power to pass ordinances or adopt rules and regulations concerning the suspension of riding privileges or confiscation of fare media. Amends the Local Mass Transit District Act and the Regional Transportation Authority Act. Provides that a local mass transit district's board and the Suburban Bus Board may adopt all ordinances and make all rules proper or necessary to regulate the use, operation, and maintenance of its property and facilities, and to carry into effect the powers granted to each board with any necessary fines or penalties, including ordinances, rules, or regulations concerning the suspension of riding privileges or confiscation of fare media, as each board deems proper. Includes similar provisions for the Chief of Police of the Metra Police Department.

LRB103 24929 AWJ 51263 b

1 AN ACT concerning local government.

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

- Section 5. The Metropolitan Transit Authority Act is amended by changing Section 31 as follows:
- 6 (70 ILCS 3605/31) (from Ch. 111 2/3, par. 331)
- Sec. 31. The Board shall have power to pass all ordinances and make all rules and regulations proper or necessary to 8 9 regulate the use, operation and maintenance of its property and facilities, and to carry into effect the powers granted to 10 11 the Authority, with such fines or penalties, including 12 ordinances, rules, and regulations concerning the suspension of riding privileges or confiscation of fare media, as may be 13 14 deemed proper. No fine or penalty shall exceed \$300.00, and no imprisonment shall exceed six (6) months for one offense. All 15 16 fines and penalties shall be imposed by ordinances, which shall be published in a newspaper of general circulation 17 published in the metropolitan area. No such ordinance shall 18 19 take effect until ten days after its publication.
- 20 (Source: P.A. 80-937.)
- 21 Section 10. The Local Mass Transit District Act is amended
- 22 by changing Section 5 as follows:

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1 (70 ILCS 3610/5) (from Ch. 111 2/3, par. 355)

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

(b) The Board of Trustees of every District may for the purposes of the District, acquire by gift, purchase, lease, legacy, condemnation, or otherwise and hold, use, improve, maintain, operate, own, manage or lease, as lessor or lessee, such cars, buses, equipment, buildings, structures, real and personal property, and interests therein, and services, lands for terminal and other related facilities, improvements and services, or any interest therein, including all or any part of the plant, land, buildings, equipment, vehicles, licenses, franchises, patents, property, service contracts agreements of every kind and nature. Real property may be so acquired if it is situated within or partially within the area served by the District or if it is outside the area if it is desirable or necessary for the purposes of the District.

- (c) The Board of Trustees of every District which establishes, provides, or acquires mass transit facilities or services may contract with any person or corporation or public or private entity for the operation or provision thereof upon such terms and conditions as the District shall determine.
- (d) The Board of Trustees of every District shall have the authority to contract for any and all purposes of the District, including with an interstate transportation authority, or with another local Mass Transit District or any other municipal, public, or private corporation entity in the transportation business including the authority to contract to lease its or otherwise provide land, buildings, and equipment, and other related facilities, improvements, and services, for the carriage of passengers beyond the territorial limits of the District or to subsidize transit operations by a public or private or municipal corporation operating entity providing mass transit facilities.
- (e) The Board of Trustees of every District shall have the authority to establish, alter and discontinue transportation routes and services and any or all ancillary or supporting facilities and services, and to establish and amend rate schedules for the transportation of persons thereon or for the public or private use thereof which rate schedules shall, together with any grants, receipts or income from other sources, be sufficient to pay the expenses of the District, the repair, maintenance and the safe and adequate operation of

- 1 its mass transit facilities and public mass transportation
- 2 system and to fulfill the terms of its debts, undertakings,
- 3 and obligations.

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- 4 (f) The Board of Trustees of every District shall have 5 perpetual succession and shall have the following powers in
- 6 addition to any others in this Act granted:
 - (1) to sue and be sued;
 - (2) to adopt and use a seal;
 - (3) to make and execute contracts loans, leases, subleases, installment purchase agreements, contracts, notes and other instruments evidencing financial obligations, and other instruments necessary or convenient in the exercise of its powers;
 - (4) to make, amend and repeal bylaws, rules and regulations not inconsistent with this Act, including rules and regulations proper or necessary to regulate the use, operation, and maintenance of its properties and facilities and to carry into effect the powers granted to the Board of Trustees, with any necessary fines or penalties, such as the suspension of riding privileges or confiscation of fare media, as the Board deems proper;
 - (5) to sell, lease, sublease, license, transfer, convey or otherwise dispose of any of its real or personal property, or interests therein, in whole or in part, at any time upon such terms and conditions as it may determine, with public bidding if the value exceeds \$1,000

at negotiated, competitive, public, or private sale;

- (6) to invest funds, not required for immediate disbursement, in property, agreements, or securities legal for investment of public funds controlled by savings banks under applicable law;
- (7) to mortgage, pledge, hypothecate or otherwise encumber all or any part of its real or personal property or other assets, or interests therein;
- (8) to apply for, accept and use grants, loans or other financial assistance from any private entity or municipal, county, State or Federal governmental agency or other public entity;
- (9) to borrow money from the United States Government or any agency thereof, or from any other public or private source, for the purposes of the District and, as evidence thereof, to issue its revenue bonds, payable solely from the revenue derived from the operation of the District. These bonds may be issued with maturities not exceeding 40 years from the date of the bonds, and in such amounts as may be necessary to provide sufficient funds, together with interest, for the purposes of the District. These bonds shall bear interest at a rate of not more than the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract of sale, payable semi-annually, may be made registerable as to principal, and may be made payable and callable as

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provided on any interest payment date at a price of par and accrued interest under such terms and conditions as may be fixed by the ordinance authorizing the issuance of the bonds. Bonds issued under this Section are negotiable instruments. They shall be executed by the chairman and members of the Board of Trustees, attested by secretary, and shall be sealed with the corporate seal of District. In case any Trustee or officer whose signature appears on the bonds or coupons ceases to hold that office before the bonds are delivered, such officer's signature, shall nevertheless be valid and sufficient for all purposes, the same as though such officer had remained in office until the bonds were delivered. The bonds shall be sold in such manner and upon such terms as the Board of Trustees shall determine, except that the selling price shall be such that the interest cost to the District of the proceeds of the bonds shall not exceed the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract of sale, payable semi-annually, computed to maturity according to the standard table of bond values.

The ordinance shall fix the amount of revenue bonds proposed to be issued, the maturity or maturities, the interest rate, which shall not exceed the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract of sale, and all the

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details in connection with the bonds. The ordinance may contain such covenants and restrictions upon the issuance of additional revenue bonds thereafter, which will share equally in the revenue of the District, as may be deemed necessary or advisable for the assurance of the payment of the bonds first issued. Any District may also provide in the ordinance authorizing the issuance of bonds under this Section that the bonds, or such ones thereof as may be specified, shall, to the extent and in the manner prescribed, be subordinated and be junior in standing, with respect to the payment of principal and interest and security thereof, to such other bonds as the are designated in the ordinance.

The ordinance shall pledge the revenue derived from the operations of the District for the purpose of paying the cost of operation and maintenance of the District, and, as applicable, providing adequate depreciation funds, and paying the principal of and interest on the bonds of the District issued under this Section;

- (10) subject to Section 5.1, to levy a tax on property within the District at the rate of not to exceed .25% on the assessed value of such property in the manner provided in the Illinois Municipal Budget Law;
 - (11) to issue tax anticipation warrants;
- (12) to contract with any school district in this State to provide for the transportation of pupils to and

from school within such district pursuant to the provisions of Section 29-15 of the School Code;

- (13) to provide for the insurance of any property, directors, officers, employees or operations of the District 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;
- (14) to use its established funds, personnel, and other resources to acquire, construct, operate, and maintain bikeways and trails. Districts may cooperate with other governmental and private agencies in bikeway and trail programs; and
- (15) to acquire, own, maintain, construct, reconstruct, improve, repair, operate or lease any light-rail public transportation system, terminal, terminal facility, public airport, or bridge or toll bridge across waters with any city, state, or both.

With respect to instruments for the payment of money issued under this Section either before, on, or after June 6, 1989 (the effective date of Public Act 86-4), it is and always has been the intention of the General Assembly (i) that the Omnibus Bond Acts are and always have been supplementary grants of power to issue instruments in accordance with the Omnibus Bond Acts, regardless of any provision of this Act that may appear to be or to have been more restrictive than those Acts, (ii) that the provisions of this Section are not a

- 1 limitation on the supplementary authority granted by the
- 2 Omnibus Bond Acts, and (iii) that instruments issued under
- 3 this Section within the supplementary authority granted by the
- 4 Omnibus Bond Acts are not invalid because of any provision of
- 5 this Act that may appear to be or to have been more restrictive
- 6 than those Acts.
- 7 This Section shall be liberally construed to give effect
- 8 to its purposes.
- 9 (Source: P.A. 99-642, eff. 7-28-16.)
- 10 Section 15. The Regional Transportation Authority Act is
- amended by changing Section 3A.09 and by adding Section 3B.09c
- 12 as follows:
- 13 (70 ILCS 3615/3A.09) (from Ch. 111 2/3, par. 703A.09)
- 14 Sec. 3A.09. General powers. In addition to any powers
- 15 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:
- 19 (a) to cooperate with the Regional Transportation
- 20 Authority in the exercise by the Regional Transportation
- 21 Authority of all the powers granted it by such Act;
- 22 (b) to receive funds from the Regional Transportation
- 23 Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and
- 4.10 of the Regional Transportation Authority Act, all as

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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;
- (d) to perform all functions necessary for the provision of paratransit services under Section 2.30 of this Act; and
- (e) to borrow money for the purposes of: (i) constructing a new garage in the northwestern Cook County suburbs, (ii) converting the South Cook garage in Markham to a Compressed Natural Gas facility, (iii) constructing a new paratransit garage in DuPage County, (iv) expanding North Shore garage in Evanston to accommodate the additional indoor bus parking, and (v) purchasing new transit buses. For the purpose of evidencing the obligation of the Suburban Bus Board to repay any money borrowed as provided in this subsection, the Suburban Bus Board may issue revenue bonds from time to time pursuant to ordinance adopted by the Suburban Bus Board, subject to the approval of the Regional Transportation Authority of

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each such issuance by the affirmative vote of 12 of its then Directors; provided that the Suburban Bus Board may issue bonds for the purpose of financing acquisition, construction, or improvement of any facility other than those listed in this subsection (e). All such bonds shall be payable solely from the revenues or income any other funds that the Suburban Bus Board may receive, provided that the Suburban Bus Board may not pledge as security for such bonds the moneys, if any, that the Suburban Bus Board receives from the Regional Transportation Authority pursuant to Section 4.03.3(f) of the Regional Transportation Authority Act. The bonds shall bear interest at a rate not to exceed the maximum rate authorized by the Bond Authorization Act and shall mature at such time or times not exceeding 25 years from their respective dates. Bonds issued pursuant to this paragraph must be issued with scheduled principal or mandatory redemption payments in equal amounts in each fiscal year over the term of the bonds, with the first principal or mandatory redemption payment scheduled within the fiscal year in which bonds are issued or within the next succeeding fiscal year. At least 25%, based on total principal amount, of all bonds authorized pursuant to this Section shall be sold pursuant to notice of sale and public bid. No more than 75%, based on total principal amount, of all bonds authorized pursuant to this Section

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shall be sold by negotiated sale. The maximum principal amount of the bonds that may be issued may not exceed \$100,000,000. The bonds shall have all the qualities of negotiable instruments under the laws of this State. To secure the payment of any or all of such bonds and for the purpose of setting forth the covenants and undertakings of the Suburban Bus Board in connection with the issuance thereof and the issuance of any additional bonds payable from such revenue or income as well as the use and application of the revenue or income received by the Suburban Bus Board, the Suburban Bus Board may execute and deliver a trust agreement or agreements; provided that no lien upon any physical property of the Suburban Bus Board shall be created thereby. A remedy for any breach or default of the terms of any such trust agreement by the Suburban Bus Board may be by mandamus proceedings in any court of competent jurisdiction to compel performance and compliance therewith, but the trust agreement may prescribe by whom or on whose behalf such action may be instituted. Under no circumstances shall any bonds issued by the Suburban Bus Board or any other obligation of the Suburban Bus Board in connection with the issuance of such bonds be or become an indebtedness or obligation of the State of Illinois, the Regional Transportation Authority, or any other political subdivision of or municipality within the State, nor shall any such bonds or obligations

be or become an indebtedness of the Suburban Bus Board within the purview of any constitutional limitation or provision, and it shall be plainly stated on the face of each bond that it does not constitute such an indebtedness or obligation but is payable solely from the revenues or income as aforesaid; and \div

(f) to adopt ordinances and make all rules and regulations proper or necessary to regulate the use, operation, and maintenance of its property and facilities and to carry into effect the powers granted to the Suburban Bus Board, with any necessary fines or penalties, such as the suspension of riding privileges or confiscation of fare media, as the Board deems proper.

(Source: P.A. 99-665, eff. 7-29-16.)

15 (70 ILCS 3615/3B.09c new)

Sec. 3B.09c. Regulation of the use, operation, and maintenance of property. The Chief of Police of the Metra Police Department may make rules and regulations proper or necessary to regulate the use, operation, and maintenance of the property and facilities of the Commuter Rail Board and to carry into effect the powers granted to the Chief by the Commuter Rail Board, with any necessary fines or penalties, such as the suspension of riding privileges or confiscation of fare media, that the Chief deems proper.