

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

7 (70 ILCS 5/1) (from Ch. 15 1/2, par. 68.1)

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

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

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

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

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

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

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

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

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

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

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

1 Authority" are synonymous, unless the context requires
2 otherwise.

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

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

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

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

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

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

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

1 aeronautics.

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

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

6 "Related facility" has the meaning set forth in Section
7 22.2 of this Act.

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

9 (70 ILCS 5/3.1) (from Ch. 15 1/2, par. 68.3a)

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

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

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

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

1 shall serve for terms of 5 years.

2 (b) Where there are 2 or more such municipalities, one
3 commissioner shall be appointed from each municipality
4 with a population between 5,000 and 45,000, 2 commissioners
5 shall be appointed from each municipality with a population
6 of more than 45,000, ~~such municipality~~ and 3 commissioners
7 shall be appointed at large; except that when the physical
8 facilities of the airport of the Authority are located
9 wholly within a single county with a population between
10 600,000 and 3,000,000 there shall be one commissioner
11 appointed from each municipality within the corporate
12 limits of the Authority having 5,000 or more population and
13 5 commissioners appointed at large. If the Authority is
14 located wholly within the corporate limits of such
15 municipalities, 2 commissioners shall be appointed from
16 the one of such municipalities having the largest
17 population, and one commissioner shall be appointed from
18 each of the other such municipalities, and 2 commissioners
19 shall be appointed at large.

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

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

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

1 appointment for the remainder of the term as hereinafter
2 provided.

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

12 (3) Should a municipality which is wholly within an
13 authority attain, or should such a municipality be established,
14 having a population of 5,000 or more after the entry of said
15 order by the circuit court, the presiding officer of such
16 municipality may petition the circuit court for an order
17 finding and determining the population of such municipality
18 and, if it is found and determined upon the hearing of said
19 petition that the population of such municipality is 5,000 or
20 more, the board of commissioners of such authority as
21 previously established shall be increased by one commissioner
22 who shall reside within the corporate limits of such
23 municipality and shall be appointed by its presiding officer.
24 The initial commissioner so appointed shall serve for a term of
25 1, 2, 3, 4 or 5 years, as may be determined by lot, and his
26 successors shall be similarly appointed and shall serve for

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

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

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

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

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

1 (A) The appointee who was required to be a resident of
2 the area outside of the county with a population between
3 600,000 and 3,000,000 may serve until his or her term
4 expires. The replacement shall be one of the 2 appointees
5 who shall be residents of the territory of the Authority
6 located outside the county with a population between
7 600,000 and 3,000,000.

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

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

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

23 (70 ILCS 5/14.1) (from Ch. 15 1/2, par. 68.14a)

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

1 acquiring, establishing, constructing, developing, expanding,
2 extending or further improving a public airport, public
3 airports, or airport facilities within or without its corporate
4 limits or within or upon any body of water adjacent thereto;
5 and (ii) studying, designing, acquiring, constructing,
6 developing, expanding, extending, or improving any rail
7 facility or related facility as provided in this Act for a Rail
8 Authority established by the Board of Commissioners of the
9 Authority, upon a determination by the Board of Commissioners,
10 that, in its judgment, the rail or other service to be provided
11 by those rail facilities or related facilities will benefit the
12 airport operated by the Airport Authority, through the issuance
13 of bonds as hereinafter provided in Sections 14.1 to 14.5
14 inclusive, to the principal amount of which at any one time
15 outstanding, together with other outstanding indebtedness of
16 the Authority, shall not exceed 2.3% of the aggregate valuation
17 of all taxable property within the Authority, as equalized or
18 assessed by the Department of Revenue or, until January 1,
19 1983, if greater, the sum that is produced by multiplying the
20 Authority's 1978 equalized assessed valuation by the debt
21 limitation percentage in effect on January 1, 1979. No such
22 airport project shall be financed by the issuance of bonds
23 under this Section unless such proposed airport project has
24 been approved by the Department of Transportation as to
25 location and size and found by the Department to be in the
26 public interest; provided that the approval of the Department

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

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

6 (70 ILCS 5/14.2) (from Ch. 15 1/2, par. 68.14b)

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

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

21 (70 ILCS 5/14.3) (from Ch. 15 1/2, par. 68.14c)

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

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

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

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

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

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

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

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

13 (70 ILCS 5/22.1 new)

14 Sec. 22.1. Establishment of a Rail Authority.

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

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

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

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

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

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

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

1 governmental office or position.

2 (70 ILCS 5/22.2 new)

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

17 (70 ILCS 5/22.3 new)

18 Sec. 22.3. Further powers of the Rail Authority.

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

23 (i) To sue and be sued.

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

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

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

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

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

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

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

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

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

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

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

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

1 effect until 10 days after its publication.

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

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

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

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

10 (70 ILCS 5/22.4 new)

11 Sec. 22.4. Bonds and notes.

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

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

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

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

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

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

14 (70 ILCS 5/22.6 new)

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

23 (70 ILCS 5/22.7 new)

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

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

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