



Sen. Terry Link

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1 AMENDMENT TO HOUSE BILL 4

2 AMENDMENT NO. _____. Amend House Bill 4, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

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

8 (70 ILCS 5/1) (from Ch. 15 1/2, par. 68.1)

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

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

16 "Aircraft" means any contrivance now known or hereafter

1 invented, used or designed for navigation of, or flight in, the
2 air.

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

8 "Airport hazard" means any structure, or object of natural
9 growth, located on or in the vicinity of an airport, or any use
10 of land near an airport, which is hazardous to the use of such
11 airport for the landing and take-off of aircraft.

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

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

26 "Board of Commissioners" and "Board" mean the board of

1 commissioners of an established authority or an authority
2 proposed to be established.

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

6 "Airport Authority" means a municipal corporation created
7 and established under Section 2 of this Act, and includes
8 Metropolitan Airport Authorities. "Authority" and "Airport
9 Authority" are synonymous, unless the context requires
10 otherwise.

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

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

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

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

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

26 "Public airport" means an airport owned by an airport

1 authority or other public agency which is used or is intended
2 for use by public, commercial and private aircraft and by
3 persons owning, managing, operating or desiring to use, inspect
4 or repair any such aircraft or to use any such airport for
5 aeronautical purposes.

6 "Public interest" means the protection, furtherance and
7 advancement of the general welfare and of public health and
8 safety and public necessity and convenience in respect to
9 aeronautics.

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

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

14 "Related facility" has the meaning set forth in Section
15 22.2 of this Act.

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

17 (70 ILCS 5/3.1) (from Ch. 15 1/2, par. 68.3a)

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

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

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

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

10 (b) Where there are 2 or more such municipalities, one
11 commissioner shall be appointed from each municipality
12 with a population between 5,000 and 45,000, 2 commissioners
13 shall be appointed from each municipality with a population
14 of more than 45,000, ~~such municipality~~ and 3 commissioners
15 shall be appointed at large; except that when the physical
16 facilities of the airport of the Authority are located
17 wholly within a single county with a population between
18 600,000 and 3,000,000 there shall be one commissioner
19 appointed from each municipality within the corporate
20 limits of the Authority having 5,000 or more population and
21 5 commissioners appointed at large. If the Authority is
22 located wholly within the corporate limits of such
23 municipalities, 2 commissioners shall be appointed from
24 the one of such municipalities having the largest
25 population, and one commissioner shall be appointed from
26 each of the other such municipalities, and 2 commissioners

1 shall be appointed at large.

2 (c) Commissioners representing the area within an
3 Authority located outside of any municipality having 5,000
4 or more population and commissioners appointed at large
5 when the authority is wholly contained within a single
6 county shall be appointed by the presiding officer of the
7 county board with the advice and consent of the county
8 board, and when the physical facilities of the airport of
9 the Authority are located wholly within a single county
10 with a population between 600,000 and 3,000,000 the
11 commissioners appointed at large shall be appointed by the
12 chairman of the county board of such county, and any
13 commissioner representing the area within any such
14 municipality shall be appointed by its mayor or the
15 presiding officer of its governing body. If however the
16 district is located in more than one county other than a
17 county with a population between 600,000 and 3,000,000, the
18 members of the General Assembly whose legislative
19 districts encompass any portion of the Authority shall
20 appoint the commissioners representing the area within an
21 Authority located outside of any municipality having 5,000
22 or more population and commissioners at large but any
23 commissioner representing the area within any such
24 municipality shall be appointed by its mayor or the
25 presiding officer of its governing body.

26 (d) A commissioner representing the area within any

1 such municipality shall reside within its corporate
2 limits. A commissioner appointed at large may reside either
3 within or without any such municipality but must reside
4 within the territory of the authority. Should any
5 commissioner cease to reside within that part of the
6 territory he represents, or should the territory in which
7 he resides cease to be a part of the authority, then his
8 office shall be deemed vacated, and shall be filled by
9 appointment for the remainder of the term as hereinafter
10 provided.

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

20 (3) Should a municipality which is wholly within an
21 authority attain, or should such a municipality be established,
22 having a population of 5,000 or more after the entry of said
23 order by the circuit court, the presiding officer of such
24 municipality may petition the circuit court for an order
25 finding and determining the population of such municipality
26 and, if it is found and determined upon the hearing of said

1 petition that the population of such municipality is 5,000 or
2 more, the board of commissioners of such authority as
3 previously established shall be increased by one commissioner
4 who shall reside within the corporate limits of such
5 municipality and shall be appointed by its presiding officer.
6 The initial commissioner so appointed shall serve for a term of
7 1, 2, 3, 4 or 5 years, as may be determined by lot, and his
8 successors shall be similarly appointed and shall serve for
9 terms of 5 years. All provisions of this section applicable to
10 commissioners representing municipal areas shall apply to any
11 such commissioner. Each such commissioner shall reside within
12 the authority and shall continue to reside therein.

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

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

24 Two commissioners shall be residents of the territory of
25 the Authority located outside the county with a population
26 between 600,000 and 3,000,000. These commissioners shall be

1 appointed jointly by the mayors of the municipalities having a
2 population over 5,000 that are located outside the county with
3 a population between 600,000 and 3,000,000, with the advice and
4 consent of the governing bodies of those municipalities.

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

9 (A) The appointee who was required to be a resident of
10 the area outside of the county with a population between
11 600,000 and 3,000,000 may serve until his or her term
12 expires. The replacement shall be one of the 2 appointees
13 who shall be residents of the territory of the Authority
14 located outside the county with a population between
15 600,000 and 3,000,000.

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

26 (C) All commissioners appointed after the effective

1 date of this amendatory Act of 1991, and their successors,
2 shall be appointed in the manner set forth in this
3 amendatory Act of 1991.

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

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

6 Sec. 14.1. Bond limitation. An Authority may secure the
7 necessary funds to finance part or all of the cost of (i)
8 acquiring, establishing, constructing, developing, expanding,
9 extending or further improving a public airport, public
10 airports, or airport facilities within or without its corporate
11 limits or within or upon any body of water adjacent thereto;
12 and (ii) studying, designing, acquiring, constructing,
13 developing, expanding, extending, or improving any rail
14 facility or related facility as provided in this Act for a Rail
15 Authority established by the Board of Commissioners of the
16 Authority, upon a determination by the Board of Commissioners,
17 that, in its judgment, the rail or other service to be provided
18 by those rail facilities or related facilities will benefit the
19 airport operated by the Airport Authority, through the issuance
20 of bonds as hereinafter provided in Sections 14.1 to 14.5
21 inclusive, to the principal amount of which at any one time
22 outstanding, together with other outstanding indebtedness of
23 the Authority, shall not exceed 2.3% of the aggregate valuation
24 of all taxable property within the Authority, as equalized or
25 assessed by the Department of Revenue or, until January 1,

1 1983, if greater, the sum that is produced by multiplying the
2 Authority's 1978 equalized assessed valuation by the debt
3 limitation percentage in effect on January 1, 1979. No such
4 airport project shall be financed by the issuance of bonds
5 under this Section unless such proposed airport project has
6 been approved by the Department of Transportation as to
7 location and size and found by the Department to be in the
8 public interest; provided that the approval of the Department
9 of Transportation as provided in Sections 14.1 through 14.5 is
10 not required in the case of airport projects consisting solely
11 of commercial or recreational facilities or rail facilities or
12 related facilities.

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

14 (70 ILCS 5/14.2) (from Ch. 15 1/2, par. 68.14b)

15 Sec. 14.2. General plans and cost estimate to be approved.
16 Before the adoption of any ordinance providing for the issuance
17 of such bonds, the board of commissioners of the authority
18 shall cause a description and general plan for the project to
19 be prepared and submitted to the Department of Transportation,
20 together with an estimate of the cost of the project. The
21 project and the plans and estimate of cost may be changed with
22 the approval of the Department. Prior to undertaking the
23 project, the final plans, specifications and estimate of cost
24 must be approved by the Department. The requirements of this
25 Section do not apply to airport projects consisting solely of

1 commercial or recreational facilities or rail facilities or
2 related facilities.

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

4 (70 ILCS 5/14.3) (from Ch. 15 1/2, par. 68.14c)

5 Sec. 14.3. Bond ordinance. Upon the approval of the general
6 plan and cost estimate for any such project by the Department
7 of Transportation, if required, the Board of Commissioners of
8 the authority shall provide by ordinance for the acquisition or
9 undertaking of such project, and for the issuance of bonds of
10 the authority payable from taxes to pay the cost of such
11 project to the authority or for costs with respect to rail
12 facilities or related facilities as provided in Section 14.1.

13 The ordinance shall prescribe all details of the bonds and
14 shall state the time or times when bonds, and the interest
15 thereon, shall become payable and the bonds shall be payable
16 within not more than 20 years from the date thereof. Any
17 authority may agree or contract to sell, issue or deliver bonds
18 payable from taxes at such price and upon such terms as
19 determined by the Board of Commissioners of the Authority and
20 as will not cause the net effective interest rate to be paid by
21 the Authority on the issue of which such bonds are a part to
22 exceed the greater of (i) the maximum rate authorized by the
23 Bond Authorization Act, as amended at the time of the making of
24 the contract, or (ii) the greater of 9% per annum or 125% of
25 the rate for the most recent date shown in the 20 G.O. Bonds

1 Index of average municipal bond yields as published in the most
2 recent edition of *The Bond Buyer*, published in New York, New
3 York, (or any successor publication or index, or if such
4 publication or index is no longer published, then any index of
5 long term municipal tax-exempt bond yields then selected by the
6 Board of Commissioners of the Authority), at the time the
7 contract is made for such sale of the bonds. Subject to such
8 limitation, the interest rate or rates on such bonds may be
9 established by reference to an index or formula which may be
10 implemented or administered by persons appointed or retained
11 therefor by the Authority. A contract is made with respect to
12 the sale of bonds when an Authority is contractually obligated
13 to issue or deliver such bonds to a purchaser who is
14 contractually obligated to purchase them, and, with respect to
15 bonds bearing interest at a variable rate or subject to payment
16 upon periodic demand or put or otherwise subject to remarketing
17 by or for an Authority, a contract is made on each date of
18 change in the variable rate or such demand, put or remarketing.
19 The ordinance shall provide for the levy and collection of a
20 direct annual tax upon all the taxable property within the
21 corporate limits of such Authority, sufficient to meet the
22 principal and interest of the bonds as same mature, which tax
23 shall be in addition to and in excess of any other tax
24 authorized to be levied by the Authority. The bonds may be
25 issued in part under the authority of, and may be additionally
26 secured as provided in, the Local Government Debt Reform Act.

1 Proceeds of bonds issued with respect to rail facilities or
2 related facilities shall be provided to, or expended by the
3 Authority for the benefit of, the Rail Authority.

4 A certified copy of the ordinance providing for the
5 issuance of bonds authorized by this Section shall be filed
6 with the county clerk of each county in which the authority or
7 any portion thereof is situated and shall constitute the basis
8 for the extension and collection of the tax necessary to pay
9 the principal of and interest and premium, if any, upon the
10 bonds issued under the ordinance as the same mature.

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

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

21 (70 ILCS 5/22.1 new)

22 Sec. 22.1. Establishment of a Rail Authority.

23 (a) The Board of Commissioners of an airport authority in a
24 county with a population of at least 200,000 persons and less
25 than 500,000 persons may, by resolution, establish a Rail

1 Authority as provided in Sections 22.1 through 22.7 of this
2 Act. A certified copy of that resolution shall be filed with
3 the Secretary of State of Illinois. The Board of Commissioners
4 of the airport authority shall not have the power to abolish
5 such a Rail Authority.

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

8 (c) A Rail Authority shall be governed by a Board of
9 Directors. Except as provided in paragraph (d) of this Section,
10 the Board of Directors shall consist of the members of the
11 Board of Commissioners of the airport authority that
12 establishes the Rail Authority. The Board of Directors of the
13 Rail Authority shall establish by-laws and procedures for their
14 actions and may elect such officers of the Rail Authority and
15 its Board of Directors as they shall determine, who shall serve
16 terms as set by the by-laws of the Rail Authority, not to
17 exceed 5 years.

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

1 Rail Authority by the county for which members are added.

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

8 (f) There shall be no prohibitions on members of the Board
9 of Directors of the Rail Authority holding any other
10 governmental office or position.

11 (70 ILCS 5/22.2 new)

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

1 (70 ILCS 5/22.3 new)

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

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

7 (i) To sue and be sued.

8 (ii) To invest any funds or any moneys not required for
9 immediate use or disbursement, as provided in the Public
10 Funds Investment Act.

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

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

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

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

23 (vii) To hold, sell, sell by installment contract,
24 lease as lessor, transfer, or dispose of such real or
25 personal property of the Rail Authority, including rail

1 facilities or related facilities, as the Board of Directors
2 deems appropriate in the exercise of its powers and to
3 mortgage, pledge, or otherwise grant security interests in
4 any such property.

5 (viii) To enter at reasonable times upon such lands,
6 waters, or premises as, in the judgment of the Board of
7 Directors of the Rail Authority, may be necessary,
8 convenient, or desirable for the purpose of making surveys,
9 soundings, borings, and examinations to accomplish any
10 purpose authorized by Sections 22.1 through 22.7 of this
11 Act after having given reasonable notice of such proposed
12 entry to the owners and occupants of such lands, waters, or
13 premises, the Rail Authority being liable only for actual
14 damage caused by such activity.

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

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

1 (xi) To pass all resolutions and make all rules and
2 regulations proper or necessary to regulate the use,
3 operation, and maintenance of the property and facilities
4 of the Rail Authority and, by resolution, to prescribe
5 finest or penalties for violations of those rules and
6 regulations. No fine or penalty shall exceed \$1,000 per
7 offense. Any resolution providing for any fine or penalty
8 shall be published in a newspaper of general circulation in
9 the metropolitan region. No such resolution shall take
10 effect until 10 days after its publication.

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

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

16 (b) In each case in which this Act gives the Rail Authority
17 the power to construct or acquire rail facilities or related
18 facilities or any other real or personal property, the Rail
19 Authority shall have the power to acquire such property by
20 contract, purchase, gift, grant, exchange for other property or
21 rights in property, lease (or sublease), or installment or
22 conditional purchase contracts, which leases or contracts may
23 provide for consideration to be paid in installments during a
24 period not exceeding 40 years, and to dispose of such property
25 or rights by lease or sale as the Board of Directors shall
26 determine. Property may be acquired subject to such conditions,

1 restrictions, liens, or security or other interests of other
2 parties as the Board of Directors may deem appropriate, and in
3 each case the Rail Authority may acquire a joint, leasehold,
4 easement, license, or other partial interest in such property.
5 Any such acquisition may provide for the assumption of, or
6 agreement to pay, perform, or discharge outstanding or
7 continuing duties, obligations, or liabilities of the seller,
8 lessor, donor, or other transferor of or of the trustee with
9 regard to such property. In connection with the acquisition of
10 Rail Facilities or Related Facilities, including, but not
11 limited to, vehicles, buses, or rapid transit equipment, the
12 Rail Authority may also execute agreements concerning such
13 equipment leases, equipment trust certificates, conditional
14 purchase agreements, and such other security agreements and may
15 make such agreements and covenants as required, in the form
16 customarily used in such cases appropriate to effect such
17 acquisition. The Rail Authority may not acquire property by
18 eminent domain.

19 (70 ILCS 5/22.4 new)

20 Sec. 22.4. Bonds and notes.

21 (a) The Rail Authority shall have the power to borrow money
22 and to issue its negotiable bonds or notes as provided in this
23 Section. Unless otherwise indicated in this Section, the term
24 "notes" also includes bond anticipation notes, which are notes
25 that by their terms provide for their payment from the proceeds

1 of bonds subsequently to be issued. Bonds or notes of the Rail
2 Authority may be issued for any or all of the following
3 purposes: to pay costs to the Rail Authority of constructing or
4 acquiring any rail facilities or related facilities, to pay
5 interest on bonds or notes during any period of construction or
6 acquisition of rail facilities or related facilities, to
7 establish a debt service reserve fund, to pay costs of issuance
8 of the bonds or notes, and to refund its bonds or notes.

9 (b) The issuance of any bonds or notes shall be authorized
10 by a resolution of the Board of Directors of the Rail
11 Authority. The resolution providing for the issuance of any
12 such bonds or notes shall fix their date or dates of maturity,
13 the dates on which interest is payable, any sinking fund
14 account or reserve fund account provisions, and all other
15 details of the bonds or notes and may provide for such
16 covenants or agreements necessary or desirable with regard to
17 the issue, sale, and security of the bonds or notes. The rate
18 or rates of interest on the bonds or notes may be fixed or
19 variable and the Rail Authority shall determine or provide for
20 the determination of the rate or rates of interest of its bonds
21 or notes issued under this Act in a resolution adopted prior to
22 their issuance, none of which rates of interest shall exceed
23 that permitted in the Bond Authorization Act. Bonds and notes
24 issued under this Section may be issued as serial or term
25 obligations, shall be of such denomination or denominations and
26 form, shall be executed in such manner, shall be payable at

1 such place or places and bear such date as the Rail Authority
2 shall fix by the resolution authorizing such bonds or notes and
3 shall mature at such time or times, within a period not to
4 exceed 40 years from their date of issue, and may be redeemable
5 prior to maturity, with or without premium, at the option of
6 the Rail Authority, upon such terms and conditions as the Rail
7 Authority shall fix by the resolution authorizing the issuance
8 of the bonds or notes. In case any officer whose signature
9 appears on any bonds or notes authorized pursuant to this
10 Section shall cease to be an officer before delivery of such
11 bonds or notes, the signature shall nevertheless be valid and
12 sufficient for all purposes, the same as if the officer had
13 remained in office until the delivery.

14 (c) Bonds or notes of the Rail Authority issued pursuant to
15 this Section shall have a claim for payment as to principal and
16 interest from such sources as provided by the resolution
17 authorizing such bonds or notes. Such bonds or notes shall be
18 secured as provided in the authorizing resolution of the Board
19 of Directors of the Rail Authority, which may, notwithstanding
20 any other provision of this Act, include in addition to any
21 other security, a specific pledge or assignment of and lien on
22 or security interest in any or all receipts of the Rail
23 Authority and on any or all other revenues or money of the Rail
24 Authority from whatever source, which may by law be utilized
25 for debt service purposes, as well as any funds or accounts
26 established or provided for the payment of such debt service,

1 by the resolution of the Rail Authority authorizing the
2 issuance of the bonds or notes. Any such pledge, assignment,
3 lien, or security interest for the benefit of holders of bonds
4 or notes of the Rail Authority shall be valid and binding from
5 the time the bonds or notes are issued without any physical
6 delivery or further act and shall be valid and binding as
7 against and prior to the claims of all other parties having
8 claims of any kind against the Rail Authority or any other
9 person irrespective of whether such other parties have notice
10 of such pledge, assignment, lien, or security interest. The
11 resolution of the Board of Directors of the Rail Authority
12 authorizing the issuance of any bonds or notes may provide
13 additional security for such bonds or notes by providing for
14 appointment of a corporate trustee (which may be any trust
15 company or bank having the powers of a trust company within
16 Illinois) with respect to the bonds or notes. The resolution
17 shall prescribe the rights, duties, and powers of the trustee
18 to be exercised for the benefit of the Rail Authority and the
19 protection of the owners of such bonds or notes. The resolution
20 may provide for the trustee to hold in trust, invest, and use
21 amounts in funds and accounts created as provided by the
22 resolution with respect to the bonds or notes.

23 (70 ILCS 5/22.6 new)

24 Sec. 22.6. Exemption from taxation. The Rail Authority and
25 the Rail Corporation shall be exempt from all State and unit of

1 local government taxes and registration and license fees. All
2 property of the Rail Authority or of the Rail Corporation shall
3 be public property devoted to an essential public and
4 governmental function and purpose and shall be exempt from all
5 taxes and special assessments of the State, any subdivision of
6 the State, or any unit of local government.

7 (70 ILCS 5/22.7 new)

8 Sec. 22.7. Federal, State, and other funds. The Rail
9 Authority shall have the power to apply for, receive, and
10 expend grants, loans, or other funds from the State of Illinois
11 or any of its departments or agencies, from any unit of local
12 government, or from the federal government or any of its
13 departments or agencies, for use in connection with any of the
14 powers or purposes of the Rail Authority as set forth in this
15 Act, and to enter into agreements with the lending or granting
16 agency in connection with any such loan or grant.

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