

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 Metropolitan Transit Authority Act is  
5 amended by changing Section 12a as follows:

6 (70 ILCS 3605/12a) (from Ch. 111 2/3, par. 312a)

7 Sec. 12a. (a) In addition to other powers provided in  
8 Section 12b, the Authority may issue its notes from time to  
9 time, in anticipation of tax receipts of the Regional  
10 Transportation Authority allocated to the Authority or of other  
11 revenues or receipts of the Authority, in order to provide  
12 money for the Authority to cover any cash flow deficit which  
13 the Authority anticipates incurring. Provided, however, that  
14 no such notes may be issued unless the annual cost thereof is  
15 incorporated in a budget or revised budget of the Authority  
16 which has been approved by the Regional Transportation  
17 Authority. Any such notes are referred to as "Working Cash  
18 Notes". Provided further that, the board shall not issue and  
19 have outstanding or demand and direct that the Board of the  
20 Regional Transportation Authority issue and have outstanding  
21 more than an aggregate of \$40,000,000 in Working Cash Notes. No  
22 Working Cash Notes shall be issued for a term of longer than 18  
23 months. Proceeds of Working Cash Notes may be used to pay day

1 to day operating expenses of the Authority, consisting of  
2 wages, salaries and fringe benefits, professional and  
3 technical services (including legal, audit, engineering and  
4 other consulting services), office rental, furniture, fixtures  
5 and equipment, insurance premiums, claims for self-insured  
6 amounts under insurance policies, public utility obligations  
7 for telephone, light, heat and similar items, travel expenses,  
8 office supplies, postage, dues, subscriptions, public hearings  
9 and information expenses, fuel purchases, and payments of  
10 grants and payments under purchase of service agreements for  
11 operations of transportation agencies, prior to the receipt by  
12 the Authority from time to time of funds for paying such  
13 expenses. Proceeds of the Working Cash Notes shall not be used  
14 (i) to increase or provide a debt service reserve fund for any  
15 bonds or notes other than Working Cash Notes of the same  
16 Series, or (ii) to pay principal of or interest or redemption  
17 premium on any capital bonds or notes, whether as such amounts  
18 become due or by earlier redemption, issued by the Authority or  
19 a transportation agency to construct or acquire public  
20 transportation facilities, or to provide funds to purchase such  
21 capital bonds or notes.

22 (b) The ordinance providing for the issuance of any such  
23 notes shall fix the date or dates of maturity, the dates on  
24 which interest is payable, any sinking fund account or reserve  
25 fund account provisions and all other details of such notes and  
26 may provide for such covenants or agreements necessary or

1 desirable with regard to the issue, sale and security of such  
2 notes. The Authority shall determine and fix the rate or rates  
3 of interest of its notes issued under this Act in an ordinance  
4 adopted by the Board prior to the issuance thereof, none of  
5 which rates of interest shall exceed that permitted in the Bond  
6 Authorization Act ~~"An Act to authorize public corporations to~~  
7 ~~issue bonds, other evidences of indebtedness and tax~~  
8 ~~anticipation warrants subject to interest rate limitations set~~  
9 ~~forth therein", approved May 26, 1970, as now or hereafter~~  
10 ~~amended~~. Interest may be payable annually or semi-annually, or  
11 at such other times as determined by the Board. Notes issued  
12 under this Section may be issued as serial or term obligations,  
13 shall be of such denomination or denominations and form,  
14 including interest coupons to be attached thereto, be executed  
15 in such manner, shall be payable at such place or places and  
16 bear such date as the Board shall fix by the ordinance  
17 authorizing such note and shall mature at such time or times,  
18 within a period not to exceed 18 months from the date of issue,  
19 and may be redeemable prior to maturity with or without  
20 premium, at the option of the Board, upon such terms and  
21 conditions as the Board shall fix by the ordinance authorizing  
22 the issuance of such notes. The Board may provide for the  
23 registration of notes in the name of the owner as to the  
24 principal alone or as to both principal and interest, upon such  
25 terms and conditions as the Board may determine. The ordinance  
26 authorizing notes may provide for the exchange of such notes

1 which are fully registered, as to both principal and interest,  
2 with notes which are registerable as to principal only. All  
3 notes issued under this Section by the Board shall be sold at a  
4 price which may be at a premium or discount but such that the  
5 interest cost (excluding any redemption premium) to the Board  
6 of the proceeds of an issue of such notes, computed to stated  
7 maturity according to standard tables of bond values, shall not  
8 exceed that permitted in the Bond Authorization Act ~~"An Act to~~  
9 ~~authorize public corporations to issue bonds, other evidences~~  
10 ~~of indebtedness and tax anticipation warrants subject to~~  
11 ~~interest rate limitations set forth therein", approved May 26,~~  
12 ~~1970, as now or hereafter amended.~~ Such notes shall be sold at  
13 such time or times as the Board shall determine. The notes may  
14 be sold either upon competitive bidding or by negotiated sale  
15 (without any requirement of publication of intention to  
16 negotiate the sale of such notes), as the Board shall determine  
17 by ordinance adopted with the affirmative votes of at least 4  
18 Directors. In case any officer whose signature appears on any  
19 notes or coupons authorized pursuant to this Section shall  
20 cease to be such officer before delivery of such notes, such  
21 signature shall nevertheless be valid and sufficient for all  
22 purposes, the same as if such officer had remained in office  
23 until such delivery. Neither the Directors of the Regional  
24 Transportation Authority, the Directors of the Authority nor  
25 any person executing any bonds or notes thereof shall be liable  
26 personally on any such bonds or notes or coupons by reason of

1 the issuance thereof.

2 (c) All notes of the Authority issued pursuant to this  
3 Section shall be general obligations of the Authority to which  
4 shall be pledged the full faith and credit of the Authority, as  
5 provided in this Section. Such notes shall be secured as  
6 provided in the authorizing ordinance, which may,  
7 notwithstanding any other provision of this Act, include in  
8 addition to any other security, a specific pledge or assignment  
9 of and lien on or security interest in any or all tax receipts  
10 of the Regional Transportation Authority allocated to the  
11 Authority and on any or all other revenues or moneys of the  
12 Authority from whatever source which may by law be utilized for  
13 debt service purposes and a specific pledge or assignment of  
14 and lien on or security interest in any funds or accounts  
15 established or provided for by the ordinance of the Board  
16 authorizing the issuance of such notes. Any such pledge,  
17 assignment, lien or security interest for the benefit of  
18 holders of notes of the Authority shall be valid and binding  
19 from the time the notes are issued without any physical  
20 delivery or further act, and shall be valid and binding as  
21 against and prior to the claims of all other parties having  
22 claims of any kind against the Authority or any other person  
23 irrespective of whether such other parties have notice of such  
24 pledge, assignment, lien or security interest. The obligations  
25 of the Authority incurred pursuant to this Section shall be  
26 superior to and have priority over any other obligations of the

1 Authority except for obligations under Section 12. The Board  
2 may provide in the ordinance authorizing the issuance of any  
3 notes issued pursuant to this Section for the creation of,  
4 deposits in, and regulation and disposition of sinking fund or  
5 reserve accounts relating to such notes. The ordinance  
6 authorizing the issuance of any notes pursuant to this Section  
7 may contain provisions as part of the contract with the holders  
8 of the notes, for the creation of a separate fund to provide  
9 for the payment of principal and interest on such notes and for  
10 the deposit in such fund from any or all the tax receipts of  
11 the Regional Transportation Authority allocated to the  
12 Authority and from any or all such other moneys or revenues of  
13 the Authority from whatever source which may by law be utilized  
14 for debt service purposes, all as provided in such ordinance,  
15 of amounts to meet the debt service requirements on such notes,  
16 including principal and interest, and any sinking fund or  
17 reserve fund account requirements as may be provided by such  
18 ordinance, and all expenses incident to or in connection with  
19 such fund and accounts or the payment of such notes. Such  
20 ordinance may also provide limitations on the issuance of  
21 additional notes of the Authority. No such notes of the  
22 Authority shall constitute a debt of the State of Illinois.

23 (d) The ordinance of the Board authorizing the issuance of  
24 any notes may provide additional security for such notes by  
25 providing for appointment of a corporate trustee (which may be  
26 any trust company or bank having the powers of a trust company

1 within the State) with respect to such notes. The ordinance  
2 shall prescribe the rights, duties and powers of the trustee to  
3 be exercised for the benefit of the Authority and the  
4 protection of the holders of such notes. The ordinance may  
5 provide for the trustee to hold in trust, invest and use  
6 amounts in funds and accounts created as provided by the  
7 ordinance with respect to the notes. The ordinance shall  
8 provide that amounts so paid to the trustee which are not  
9 required to be deposited, held or invested in funds and  
10 accounts created by the ordinance with respect to notes or used  
11 for paying notes to be paid by the trustee to the Authority.

12 (e) Any notes of the Authority issued pursuant to this  
13 Section shall constitute a contract between the Authority and  
14 the holders from time to time of such notes. In issuing any  
15 note, the Board may include in the ordinance authorizing such  
16 issue a covenant as part of the contract with the holders of  
17 the notes, that as long as such obligations are outstanding, it  
18 shall make such deposits, as provided in paragraph (c) of this  
19 Section. A certified copy of the ordinance authorizing the  
20 issuance of any such obligations shall be filed at or prior to  
21 the issuance of such obligations with the Regional  
22 Transportation Authority, Comptroller of the State of Illinois  
23 and the Illinois Department of Revenue.

24 (f) The State of Illinois pledges to and agrees with the  
25 holders of the notes of the Authority issued pursuant to this  
26 Section that the State will not limit or alter the rights and

1 powers vested in the Authority by this Act or in the Regional  
2 Transportation Authority by the "Regional Transportation  
3 Authority Act" so as to impair the terms of any contract made  
4 by the Authority with such holders or in any way impair the  
5 rights and remedies of such holders until such notes, together  
6 with interest thereon, with interest on any unpaid installments  
7 of interest, and all costs and expenses in connection with any  
8 action or proceedings by or on behalf of such holders, are  
9 fully met and discharged. In addition, the State pledges to and  
10 agrees with the holders of the notes of the Authority issued  
11 pursuant to this Section that the State will not limit or alter  
12 the basis on which State funds are to be paid to the Authority  
13 as provided in the Regional Transportation Authority Act, or  
14 the use of such funds, so as to impair the terms of any such  
15 contract. The Board is authorized to include these pledges and  
16 agreements of the State in any contract with the holders of  
17 bonds or notes issued pursuant to this Section.

18 (g) The Board shall not at any time issue, sell or deliver  
19 any Interim Financing Notes pursuant to this Section which will  
20 cause it to have issued and outstanding at any time in excess  
21 of \$40,000,000 of Working Cash Notes. Notes which are being  
22 paid or retired by such issuance, sale or delivery of notes,  
23 and notes for which sufficient funds have been deposited with  
24 the paying agency of such notes to provide for payment of  
25 principal and interest thereon or to provide for the redemption  
26 thereof, all pursuant to the ordinance authorizing the issuance



1 of such notes, shall not be considered to be outstanding for  
2 the purposes of this paragraph.

3 (h) The Board, subject to the terms of any agreements with  
4 noteholders as may then exist, shall have power, out of any  
5 funds available therefor, to purchase notes of the Authority  
6 which shall thereupon be cancelled.

7 (i) In addition to any other authority granted by law, the  
8 State Treasurer may, with the approval of the Governor, invest  
9 or reinvest, at a price not to exceed par, any State money in  
10 the State Treasury which is not needed for current expenditures  
11 due or about to become due in Interim Financing Notes. In the  
12 case of a default on an Interim Financing Note issued by the  
13 Chicago Transit Authority with which State money in the  
14 Treasury was invested, the Treasurer may, after giving notice  
15 to the Authority, certify to the Comptroller the amounts of the  
16 defaulted Interim Financing Note, in accordance with any  
17 applicable rules of the Comptroller, and the Comptroller must  
18 deduct and remit to the Treasury the certified amounts or a  
19 portion of those amounts from the following proportions of  
20 payments of State funds to the Authority:

21 (1) in the first year after default, one-third of the  
22 total amount of any payments of State funds to the  
23 Authority;

24 (2) in the second year after default, two-thirds of the  
25 total amount of any payments of State funds to the  
26 Authority; and

1           (3) in the third year after default and for each year  
2           thereafter until the total invested amount is repaid, the  
3           total amount of any payments of State funds to the  
4           Authority.

5           (Source: P.A. 96-328, eff. 8-11-09; revised 9-22-16.)

6           Section 10. The Regional Transportation Authority Act is  
7           amended by changing Section 4.04 as follows:

8           (70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

9           Sec. 4.04. Issuance and Pledge of Bonds and Notes.

10          (a) The Authority shall have the continuing power to borrow  
11          money and to issue its negotiable bonds or notes as provided in  
12          this Section. Unless otherwise indicated in this Section, the  
13          term "notes" also includes bond anticipation notes, which are  
14          notes which by their terms provide for their payment from the  
15          proceeds of bonds thereafter to be issued. Bonds or notes of  
16          the Authority may be issued for any or all of the following  
17          purposes: to pay costs to the Authority or a Service Board of  
18          constructing or acquiring any public transportation facilities  
19          (including funds and rights relating thereto, as provided in  
20          Section 2.05 of this Act); to repay advances to the Authority  
21          or a Service Board made for such purposes; to pay other  
22          expenses of the Authority or a Service Board incident to or  
23          incurred in connection with such construction or acquisition;  
24          to provide funds for any transportation agency to pay principal

1 of or interest or redemption premium on any bonds or notes,  
2 whether as such amounts become due or by earlier redemption,  
3 issued prior to the date of this amendatory Act by such  
4 transportation agency to construct or acquire public  
5 transportation facilities or to provide funds to purchase such  
6 bonds or notes; and to provide funds for any transportation  
7 agency to construct or acquire any public transportation  
8 facilities, to repay advances made for such purposes, and to  
9 pay other expenses incident to or incurred in connection with  
10 such construction or acquisition; and to provide funds for  
11 payment of obligations, including the funding of reserves,  
12 under any self-insurance plan or joint self-insurance pool or  
13 entity.

14 In addition to any other borrowing as may be authorized by  
15 this Section, the Authority may issue its notes, from time to  
16 time, in anticipation of tax receipts of the Authority or of  
17 other revenues or receipts of the Authority, in order to  
18 provide money for the Authority or the Service Boards to cover  
19 any cash flow deficit which the Authority or a Service Board  
20 anticipates incurring. Any such notes are referred to in this  
21 Section as "Working Cash Notes". No Working Cash Notes shall be  
22 issued for a term of longer than 24 months. Proceeds of Working  
23 Cash Notes may be used to pay day to day operating expenses of  
24 the Authority or the Service Boards, consisting of wages,  
25 salaries and fringe benefits, professional and technical  
26 services (including legal, audit, engineering and other

1 consulting services), office rental, furniture, fixtures and  
2 equipment, insurance premiums, claims for self-insured amounts  
3 under insurance policies, public utility obligations for  
4 telephone, light, heat and similar items, travel expenses,  
5 office supplies, postage, dues, subscriptions, public hearings  
6 and information expenses, fuel purchases, and payments of  
7 grants and payments under purchase of service agreements for  
8 operations of transportation agencies, prior to the receipt by  
9 the Authority or a Service Board from time to time of funds for  
10 paying such expenses. In addition to any Working Cash Notes  
11 that the Board of the Authority may determine to issue, the  
12 Suburban Bus Board, the Commuter Rail Board or the Board of the  
13 Chicago Transit Authority may demand and direct that the  
14 Authority issue its Working Cash Notes in such amounts and  
15 having such maturities as the Service Board may determine.

16 Notwithstanding any other provision of this Act, any  
17 amounts necessary to pay principal of and interest on any  
18 Working Cash Notes issued at the demand and direction of a  
19 Service Board or any Working Cash Notes the proceeds of which  
20 were used for the direct benefit of a Service Board or any  
21 other Bonds or Notes of the Authority the proceeds of which  
22 were used for the direct benefit of a Service Board shall  
23 constitute a reduction of the amount of any other funds  
24 provided by the Authority to that Service Board. The Authority  
25 shall, after deducting any costs of issuance, tender the net  
26 proceeds of any Working Cash Notes issued at the demand and

1 direction of a Service Board to such Service Board as soon as  
2 may be practicable after the proceeds are received. The  
3 Authority may also issue notes or bonds to pay, refund or  
4 redeem any of its notes and bonds, including to pay redemption  
5 premiums or accrued interest on such bonds or notes being  
6 renewed, paid or refunded, and other costs in connection  
7 therewith. The Authority may also utilize the proceeds of any  
8 such bonds or notes to pay the legal, financial, administrative  
9 and other expenses of such authorization, issuance, sale or  
10 delivery of bonds or notes or to provide or increase a debt  
11 service reserve fund with respect to any or all of its bonds or  
12 notes. The Authority may also issue and deliver its bonds or  
13 notes in exchange for any public transportation facilities,  
14 (including funds and rights relating thereto, as provided in  
15 Section 2.05 of this Act) or in exchange for outstanding bonds  
16 or notes of the Authority, including any accrued interest or  
17 redemption premium thereon, without advertising or submitting  
18 such notes or bonds for public bidding.

19 (b) The ordinance providing for the issuance of any such  
20 bonds or notes shall fix the date or dates of maturity, the  
21 dates on which interest is payable, any sinking fund account or  
22 reserve fund account provisions and all other details of such  
23 bonds or notes and may provide for such covenants or agreements  
24 necessary or desirable with regard to the issue, sale and  
25 security of such bonds or notes. The rate or rates of interest  
26 on its bonds or notes may be fixed or variable and the

1 Authority shall determine or provide for the determination of  
2 the rate or rates of interest of its bonds or notes issued  
3 under this Act in an ordinance adopted by the Authority prior  
4 to the issuance thereof, none of which rates of interest shall  
5 exceed that permitted in the Bond Authorization Act. Interest  
6 may be payable at such times as are provided for by the Board.  
7 Bonds and notes issued under this Section may be issued as  
8 serial or term obligations, shall be of such denomination or  
9 denominations and form, including interest coupons to be  
10 attached thereto, be executed in such manner, shall be payable  
11 at such place or places and bear such date as the Authority  
12 shall fix by the ordinance authorizing such bond or note and  
13 shall mature at such time or times, within a period not to  
14 exceed forty years from the date of issue, and may be  
15 redeemable prior to maturity with or without premium, at the  
16 option of the Authority, upon such terms and conditions as the  
17 Authority shall fix by the ordinance authorizing the issuance  
18 of such bonds or notes. No bond anticipation note or any  
19 renewal thereof shall mature at any time or times exceeding 5  
20 years from the date of the first issuance of such note. The  
21 Authority may provide for the registration of bonds or notes in  
22 the name of the owner as to the principal alone or as to both  
23 principal and interest, upon such terms and conditions as the  
24 Authority may determine. The ordinance authorizing bonds or  
25 notes may provide for the exchange of such bonds or notes which  
26 are fully registered, as to both principal and interest, with

1 bonds or notes which are registerable as to principal only. All  
2 bonds or notes issued under this Section by the Authority other  
3 than those issued in exchange for property or for bonds or  
4 notes of the Authority shall be sold at a price which may be at  
5 a premium or discount but such that the interest cost  
6 (excluding any redemption premium) to the Authority of the  
7 proceeds of an issue of such bonds or notes, computed to stated  
8 maturity according to standard tables of bond values, shall not  
9 exceed that permitted in the Bond Authorization Act. The  
10 Authority shall notify the Governor's Office of Management and  
11 Budget and the State Comptroller at least 30 days before any  
12 bond sale and shall file with the Governor's Office of  
13 Management and Budget and the State Comptroller a certified  
14 copy of any ordinance authorizing the issuance of bonds at or  
15 before the issuance of the bonds. After December 31, 1994, any  
16 such bonds or notes shall be sold to the highest and best  
17 bidder on sealed bids as the Authority shall deem. As such  
18 bonds or notes are to be sold the Authority shall advertise for  
19 proposals to purchase the bonds or notes which advertisement  
20 shall be published at least once in a daily newspaper of  
21 general circulation published in the metropolitan region at  
22 least 10 days before the time set for the submission of bids.  
23 The Authority shall have the right to reject any or all bids.  
24 Notwithstanding any other provisions of this Section, Working  
25 Cash Notes or bonds or notes to provide funds for  
26 self-insurance or a joint self-insurance pool or entity may be

1 sold either upon competitive bidding or by negotiated sale  
2 (without any requirement of publication of intention to  
3 negotiate the sale of such Notes), as the Board shall determine  
4 by ordinance adopted with the affirmative votes of at least 9  
5 Directors. In case any officer whose signature appears on any  
6 bonds, notes or coupons authorized pursuant to this Section  
7 shall cease to be such officer before delivery of such bonds or  
8 notes, such signature shall nevertheless be valid and  
9 sufficient for all purposes, the same as if such officer had  
10 remained in office until such delivery. Neither the Directors  
11 of the Authority nor any person executing any bonds or notes  
12 thereof shall be liable personally on any such bonds or notes  
13 or coupons by reason of the issuance thereof.

14 (c) All bonds or notes of the Authority issued pursuant to  
15 this Section shall be general obligations of the Authority to  
16 which shall be pledged the full faith and credit of the  
17 Authority, as provided in this Section. Such bonds or notes  
18 shall be secured as provided in the authorizing ordinance,  
19 which may, notwithstanding any other provision of this Act,  
20 include in addition to any other security, a specific pledge or  
21 assignment of and lien on or security interest in any or all  
22 tax receipts of the Authority and on any or all other revenues  
23 or moneys of the Authority from whatever source, which may by  
24 law be utilized for debt service purposes and a specific pledge  
25 or assignment of and lien on or security interest in any funds  
26 or accounts established or provided for by the ordinance of the



1 Authority authorizing the issuance of such bonds or notes. Any  
2 such pledge, assignment, lien or security interest for the  
3 benefit of holders of bonds or notes of the Authority shall be  
4 valid and binding from the time the bonds or notes are issued  
5 without any physical delivery or further act and shall be valid  
6 and binding as against and prior to the claims of all other  
7 parties having claims of any kind against the Authority or any  
8 other person irrespective of whether such other parties have  
9 notice of such pledge, assignment, lien or security interest.  
10 The obligations of the Authority incurred pursuant to this  
11 Section shall be superior to and have priority over any other  
12 obligations of the Authority.

13 The Authority may provide in the ordinance authorizing the  
14 issuance of any bonds or notes issued pursuant to this Section  
15 for the creation of, deposits in, and regulation and  
16 disposition of sinking fund or reserve accounts relating to  
17 such bonds or notes. The ordinance authorizing the issuance of  
18 any bonds or notes pursuant to this Section may contain  
19 provisions as part of the contract with the holders of the  
20 bonds or notes, for the creation of a separate fund to provide  
21 for the payment of principal and interest on such bonds or  
22 notes and for the deposit in such fund from any or all the tax  
23 receipts of the Authority and from any or all such other moneys  
24 or revenues of the Authority from whatever source which may by  
25 law be utilized for debt service purposes, all as provided in  
26 such ordinance, of amounts to meet the debt service

1 requirements on such bonds or notes, including principal and  
2 interest, and any sinking fund or reserve fund account  
3 requirements as may be provided by such ordinance, and all  
4 expenses incident to or in connection with such fund and  
5 accounts or the payment of such bonds or notes. Such ordinance  
6 may also provide limitations on the issuance of additional  
7 bonds or notes of the Authority. No such bonds or notes of the  
8 Authority shall constitute a debt of the State of Illinois.  
9 Nothing in this Act shall be construed to enable the Authority  
10 to impose any ad valorem tax on property.

11 (d) The ordinance of the Authority authorizing the issuance  
12 of any bonds or notes may provide additional security for such  
13 bonds or notes by providing for appointment of a corporate  
14 trustee (which may be any trust company or bank having the  
15 powers of a trust company within the state) with respect to  
16 such bonds or notes. The ordinance shall prescribe the rights,  
17 duties and powers of the trustee to be exercised for the  
18 benefit of the Authority and the protection of the holders of  
19 such bonds or notes. The ordinance may provide for the trustee  
20 to hold in trust, invest and use amounts in funds and accounts  
21 created as provided by the ordinance with respect to the bonds  
22 or notes. The ordinance may provide for the assignment and  
23 direct payment to the trustee of any or all amounts produced  
24 from the sources provided in Section 4.03 and Section 4.09 of  
25 this Act and provided in Section 6z-17 of "An Act in relation  
26 to State finance", approved June 10, 1919, as amended. Upon

1 receipt of notice of any such assignment, the Department of  
2 Revenue and the Comptroller of the State of Illinois shall  
3 thereafter, notwithstanding the provisions of Section 4.03 and  
4 Section 4.09 of this Act and Section 6z-17 of "An Act in  
5 relation to State finance", approved June 10, 1919, as amended,  
6 provide for such assigned amounts to be paid directly to the  
7 trustee instead of the Authority, all in accordance with the  
8 terms of the ordinance making the assignment. The ordinance  
9 shall provide that amounts so paid to the trustee which are not  
10 required to be deposited, held or invested in funds and  
11 accounts created by the ordinance with respect to bonds or  
12 notes or used for paying bonds or notes to be paid by the  
13 trustee to the Authority.

14 (e) Any bonds or notes of the Authority issued pursuant to  
15 this Section shall constitute a contract between the Authority  
16 and the holders from time to time of such bonds or notes. In  
17 issuing any bond or note, the Authority may include in the  
18 ordinance authorizing such issue a covenant as part of the  
19 contract with the holders of the bonds or notes, that as long  
20 as such obligations are outstanding, it shall make such  
21 deposits, as provided in paragraph (c) of this Section. It may  
22 also so covenant that it shall impose and continue to impose  
23 taxes, as provided in Section 4.03 of this Act and in addition  
24 thereto as subsequently authorized by law, sufficient to make  
25 such deposits and pay the principal and interest and to meet  
26 other debt service requirements of such bonds or notes as they

1 become due. A certified copy of the ordinance authorizing the  
2 issuance of any such obligations shall be filed at or prior to  
3 the issuance of such obligations with the Comptroller of the  
4 State of Illinois and the Illinois Department of Revenue.

5 (f) The State of Illinois pledges to and agrees with the  
6 holders of the bonds and notes of the Authority issued pursuant  
7 to this Section that the State will not limit or alter the  
8 rights and powers vested in the Authority by this Act so as to  
9 impair the terms of any contract made by the Authority with  
10 such holders or in any way impair the rights and remedies of  
11 such holders until such bonds and notes, together with interest  
12 thereon, with interest on any unpaid installments of interest,  
13 and all costs and expenses in connection with any action or  
14 proceedings by or on behalf of such holders, are fully met and  
15 discharged. In addition, the State pledges to and agrees with  
16 the holders of the bonds and notes of the Authority issued  
17 pursuant to this Section that the State will not limit or alter  
18 the basis on which State funds are to be paid to the Authority  
19 as provided in this Act, or the use of such funds, so as to  
20 impair the terms of any such contract. The Authority is  
21 authorized to include these pledges and agreements of the State  
22 in any contract with the holders of bonds or notes issued  
23 pursuant to this Section.

24 (g) (1) Except as provided in subdivisions (g) (2) and (g) (3)  
25 of Section 4.04 of this Act, the Authority shall not at any  
26 time issue, sell or deliver any bonds or notes (other than

1 Working Cash Notes and lines of credit) pursuant to this  
2 Section 4.04 which will cause it to have issued and outstanding  
3 at any time in excess of \$800,000,000 of such bonds and notes  
4 (other than Working Cash Notes and lines of credit). The  
5 Authority shall not issue, sell, or deliver any Working Cash  
6 Notes or establish a line of credit pursuant to this Section  
7 that will cause it to have issued and outstanding at any time  
8 in excess of \$100,000,000. However, the Authority may issue,  
9 sell, and deliver additional Working Cash Notes or establish a  
10 line of credit before July 1, 2020 ~~2019~~ that are over and above  
11 and in addition to the \$100,000,000 authorization such that the  
12 outstanding amount of these additional Working Cash Notes and  
13 lines of credit do ~~does~~ not exceed at any time \$300,000,000.  
14 Bonds or notes which are being paid or retired by such  
15 issuance, sale or delivery of bonds or notes, and bonds or  
16 notes for which sufficient funds have been deposited with the  
17 paying agency of such bonds or notes to provide for payment of  
18 principal and interest thereon or to provide for the redemption  
19 thereof, all pursuant to the ordinance authorizing the issuance  
20 of such bonds or notes, shall not be considered to be  
21 outstanding for the purposes of this subsection.

22 (2) In addition to the authority provided by paragraphs (1)  
23 and (3), the Authority is authorized to issue, sell and deliver  
24 bonds or notes for Strategic Capital Improvement Projects  
25 approved pursuant to Section 4.13 as follows:

26 \$100,000,000 is authorized to be issued on or after

1 January 1, 1990;

2 an additional \$100,000,000 is authorized to be issued  
3 on or after January 1, 1991;

4 an additional \$100,000,000 is authorized to be issued  
5 on or after January 1, 1992;

6 an additional \$100,000,000 is authorized to be issued  
7 on or after January 1, 1993;

8 an additional \$100,000,000 is authorized to be issued  
9 on or after January 1, 1994; and

10 the aggregate total authorization of bonds and notes  
11 for Strategic Capital Improvement Projects as of January 1,  
12 1994, shall be \$500,000,000.

13 The Authority is also authorized to issue, sell, and  
14 deliver bonds or notes in such amounts as are necessary to  
15 provide for the refunding or advance refunding of bonds or  
16 notes issued for Strategic Capital Improvement Projects under  
17 this subdivision (g) (2), provided that no such refunding bond  
18 or note shall mature later than the final maturity date of the  
19 series of bonds or notes being refunded, and provided further  
20 that the debt service requirements for such refunding bonds or  
21 notes in the current or any future fiscal year shall not exceed  
22 the debt service requirements for that year on the refunded  
23 bonds or notes.

24 (3) In addition to the authority provided by paragraphs (1)  
25 and (2), the Authority is authorized to issue, sell, and  
26 deliver bonds or notes for Strategic Capital Improvement

1 Projects approved pursuant to Section 4.13 as follows:

2 \$260,000,000 is authorized to be issued on or after  
3 January 1, 2000;

4 an additional \$260,000,000 is authorized to be issued  
5 on or after January 1, 2001;

6 an additional \$260,000,000 is authorized to be issued  
7 on or after January 1, 2002;

8 an additional \$260,000,000 is authorized to be issued  
9 on or after January 1, 2003;

10 an additional \$260,000,000 is authorized to be issued  
11 on or after January 1, 2004; and

12 the aggregate total authorization of bonds and notes  
13 for Strategic Capital Improvement Projects pursuant to  
14 this paragraph (3) as of January 1, 2004 shall be  
15 \$1,300,000,000.

16 The Authority is also authorized to issue, sell, and  
17 deliver bonds or notes in such amounts as are necessary to  
18 provide for the refunding or advance refunding of bonds or  
19 notes issued for Strategic Capital Improvement projects under  
20 this subdivision (g) (3), provided that no such refunding bond  
21 or note shall mature later than the final maturity date of the  
22 series of bonds or notes being refunded, and provided further  
23 that the debt service requirements for such refunding bonds or  
24 notes in the current or any future fiscal year shall not exceed  
25 the debt service requirements for that year on the refunded  
26 bonds or notes.

1 (h) The Authority, subject to the terms of any agreements  
2 with noteholders or bond holders as may then exist, shall have  
3 power, out of any funds available therefor, to purchase notes  
4 or bonds of the Authority, which shall thereupon be cancelled.

5 (i) In addition to any other authority granted by law, the  
6 State Treasurer may, with the approval of the Governor, invest  
7 or reinvest, at a price not to exceed par, any State money in  
8 the State Treasury which is not needed for current expenditures  
9 due or about to become due in Working Cash Notes. In the case  
10 of a default on a Working Cash Note issued by the Regional  
11 Transportation Authority with which State money in the Treasury  
12 was invested, the Treasurer may, after giving notice to the  
13 Authority, certify to the Comptroller the amounts of the  
14 defaulted Working Cash Note, in accordance with any applicable  
15 rules of the Comptroller, and the Comptroller must deduct and  
16 remit to the Treasury the certified amounts or a portion of  
17 those amounts from the following proportions of payments of  
18 State funds to the Authority:

19 (1) in the first year after default, one-third of the  
20 total amount of any payments of State funds to the  
21 Authority;

22 (2) in the second year after default, two-thirds of the  
23 total amount of any payments of State funds to the  
24 Authority; and

25 (3) in the third year after default and for each year  
26 thereafter until the total invested amount is repaid, the



1 total amount of any payments of State funds to the  
2 Authority.

3 (j) The Authority may establish a line of credit with a  
4 bank or other financial institution as may be evidenced by the  
5 issuance of notes or other obligations, secured by and payable  
6 from all tax receipts of the Authority and any or all other  
7 revenues or moneys of the Authority, in an amount not to exceed  
8 the limitations set forth in paragraph (1) of subsection (g).  
9 Money borrowed under this subsection (j) shall be used to  
10 provide money for the Authority or the Service Boards to cover  
11 any cash flow deficit that the Authority or a Service Board  
12 anticipates incurring and shall be repaid within 24 months.

13 Before establishing a line of credit under this subsection  
14 (j), the Authority shall authorize the line of credit by  
15 ordinance. The ordinance shall set forth facts demonstrating  
16 the need for the line of credit, state the amount to be  
17 borrowed, establish a maximum interest rate limit not to exceed  
18 the maximum rate authorized by the Bond Authorization Act, and  
19 provide a date by which the borrowed funds shall be repaid. The  
20 ordinance shall authorize and direct the relevant officials to  
21 make arrangements to set apart and hold, as applicable, the  
22 moneys that will be used to repay the borrowing. In addition,  
23 the ordinance may authorize the relevant officials to make  
24 partial repayments on the line of credit as the moneys become  
25 available and may contain any other terms, restrictions, or  
26 limitations desirable or necessary to give effect to this

1 subsection (j).

2 The Authority shall notify the Governor's Office of  
3 Management and Budget and the State Comptroller at least 30  
4 days before establishing a line of credit and shall file with  
5 the Governor's Office of Management and Budget and the State  
6 Comptroller a certified copy of any ordinance authorizing the  
7 establishment of a line of credit upon or before establishing  
8 the line of credit.

9 Moneys borrowed under a line of credit pursuant to this  
10 subsection (j) are general obligations of the Authority that  
11 are secured by the full faith and credit of the Authority.

12 (Source: P.A. 98-392, eff. 8-16-13; 99-238, eff. 8-3-15.)

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.