



Adopted in House on May 20, 2005

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LRB094 03350 RCE 46824 a

1 AMENDMENT TO HOUSE BILL 2222

2 AMENDMENT NO. _____. Amend House Bill 2222 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Downstate Public Transportation Act is
5 amended by changing Sections 2-2.02, 2-2.04, 2-2.05, 2-3, 2-6,
6 and 2-7 and adding Section 2-5.1 as follows:

7 (30 ILCS 740/2-2.02) (from Ch. 111 2/3, par. 662.02)

8 Sec. 2-2.02. "Participant" means:

9 (1) a city, village, or incorporated town, a county, or a
10 local mass transit district organized under the Local Mass
11 Transit District Act (a) serving an urbanized area of over
12 50,000 population or ~~on December 28, 1989,~~ (b) ~~receiving State~~
13 ~~mass transportation operating assistance pursuant to the~~
14 ~~Downstate Public Transportation Act during Fiscal Year 1979, or~~
15 ~~(c) serving a nonurbanized area and receiving federal rural~~
16 ~~public transportation assistance on or before June 30, 2002; or~~

17 (2) any Metro-East Transit District established pursuant
18 to Section 3 of the Local Mass Transit District Act and serving
19 one or more of the Counties of Madison, Monroe, and St. Clair
20 during Fiscal Year 1989, all located outside the boundaries of
21 the Regional Transportation Authority as established pursuant
22 to the Regional Transportation Authority Act.

23 (Source: P.A. 91-357, eff. 7-29-99; 92-258, eff. 8-7-01;
24 92-464, eff. 8-22-01.)

1 (30 ILCS 740/2-2.04) (from Ch. 111 2/3, par. 662.04)

2 Sec. 2-2.04. "Eligible operating expenses" means all
3 expenses required for public transportation, including
4 employee wages and benefits, materials, fuels, supplies,
5 rental of facilities, taxes other than income taxes, payment
6 made for debt service (including principal and interest) on
7 publicly owned equipment or facilities, and any other
8 expenditure which is an operating expense according to standard
9 accounting practices for the providing of public
10 transportation. Eligible operating expenses shall not include
11 allowances: (a) for depreciation whether funded or unfunded;
12 (b) for amortization of any intangible costs; (c) for debt
13 service on capital acquired with the assistance of capital
14 grant funds provided by the State of Illinois; (d) for profits
15 or return on investment; (e) for excessive payment to
16 associated entities; (f) for Comprehensive Employment Training
17 Act expenses; (g) for costs reimbursed under Sections 6 and 8
18 of the "Urban Mass Transportation Act of 1964", as amended; (h)
19 for entertainment expenses; (i) for charter expenses; (j) for
20 fines and penalties; (k) for charitable donations; (l) for
21 interest expense on long term borrowing and debt retirement
22 other than on publicly owned equipment or facilities; (m) for
23 income taxes; or (n) for such other expenses as the Department
24 may determine consistent with federal Department of
25 Transportation regulations or requirements.

26 With respect to participants other than any Metro-East
27 Transit District participant and those receiving federal
28 research development and demonstration funds pursuant to
29 Section 6 of the "Urban Mass Transportation Act of 1964", as
30 amended, during the fiscal year ending June 30, 1979, the
31 maximum eligible operating expenses for any such participant in
32 any fiscal year after Fiscal Year 1980 shall be the amount
33 appropriated for such participant for the fiscal year ending

1 June 30, 1980, plus in each year a 10% increase over the
2 maximum established for the preceding fiscal year. For Fiscal
3 Year 1980 the maximum eligible operating expenses for any such
4 participant shall be the amount of projected operating expenses
5 upon which the appropriation for such participant for Fiscal
6 Year 1980 is based.

7 With respect to participants receiving federal research
8 development and demonstration operating assistance funds for
9 operating assistance pursuant to Section 6 of the "Urban Mass
10 Transportation Act of 1964", as amended, during the fiscal year
11 ending June 30, 1979, the maximum eligible operating expenses
12 for any such participant in any fiscal year after Fiscal Year
13 1980 shall not exceed such participant's eligible operating
14 expenses for the fiscal year ending June 30, 1980, plus in each
15 year a 10% increase over the maximum established for the
16 preceding fiscal year. For Fiscal Year 1980, the maximum
17 eligible operating expenses for any such participant shall be
18 the eligible operating expenses incurred during such fiscal
19 year, or projected operating expenses upon which the
20 appropriation for such participant for the Fiscal Year 1980 is
21 based; whichever is less.

22 With respect to all participants other than any Metro-East
23 Transit District participant, the maximum eligible operating
24 expenses for any such participant in any fiscal year after
25 Fiscal Year 1985 shall be the amount appropriated for such
26 participant for the fiscal year ending June 30, 1985, plus in
27 each year a 10% increase over the maximum established for the
28 preceding year. For Fiscal Year 1985, the maximum eligible
29 operating expenses for any such participant shall be the amount
30 of projected operating expenses upon which the appropriation
31 for such participant for Fiscal Year 1985 is based.

32 With respect to any mass transit district participant that
33 has increased its district boundaries by annexing counties
34 since 1998 and is maintaining a level of local financial

1 support, including all income and revenues, equal to or greater
2 than the level in the State fiscal year ending June 30, 2001,
3 the maximum eligible operating expenses for any State fiscal
4 year after 2002 (except State fiscal year 2006) shall be the
5 amount appropriated for that participant for the State fiscal
6 year ending June 30, 2002, plus, in each State fiscal year, a
7 10% increase over the preceding State fiscal year. For State
8 fiscal year 2002, the maximum eligible operating expenses for
9 any such participant shall be the amount of projected operating
10 expenses upon which the appropriation for that participant for
11 State fiscal year 2002 is based. For that participant, eligible
12 operating expenses for State fiscal year 2002 in excess of the
13 eligible operating expenses for the State fiscal year ending
14 June 30, 2001, plus 10%, must be attributed to the provision of
15 services in the newly annexed counties.

16 With respect to a participant that receives an initial
17 appropriation in State fiscal year 2002 or thereafter, the
18 maximum eligible operating expenses for any State fiscal year
19 after 2003 (except State fiscal year 2006) shall be the amount
20 appropriated for that participant for the State fiscal year in
21 which it received its initial appropriation ~~ending June 30,~~
22 ~~2003~~, plus, in each year, a 10% increase over the preceding
23 year. For the initial State fiscal year in which a participant
24 received an appropriation ~~2003~~, the maximum eligible operating
25 expenses for any such participant shall be the amount of
26 projected operating expenses upon which the appropriation for
27 that participant for that State fiscal year ~~2003~~ is based.

28 With respect to the District serving primarily the counties
29 of Monroe and St. Clair, beginning July 1, 2005, the St. Clair
30 County Transit District shall no longer be included for new
31 appropriation funding purposes as part of the Metro-East Public
32 Transportation Fund and instead shall be included for new
33 appropriation funding purposes as part of the Downstate Public
34 Transportation Fund; provided, however, that nothing herein

1 shall alter the eligibility of that District for previously
2 appropriated funds to which it would otherwise be entitled.

3 (Source: P.A. 92-258, eff. 8-7-01; 92-464, eff. 8-22-01;
4 92-651, eff. 7-11-02.)

5 (30 ILCS 740/2-2.05) (from Ch. 111 2/3, par. 662.05)

6 Sec. 2-2.05. "Public Transportation" means the
7 transportation or conveyance of persons by means available to
8 the general public including groups of the general public with
9 special needs

10 (1) within the urbanized area or

11 (2) in the nonurbanized areas within the service area of
12 each participant as approved by the Department, except for
13 transportation by automobiles not used for conveyance of the
14 general public as passengers.

15 Service in a participant's service area may be provided by
16 either (i) another eligible participant through an
17 intergovernmental agreement, (ii) a private for-profit
18 operator through a third party contract, or (iii) a private
19 non-profit operator through a pass through agreement or third
20 party contract.

21 (Source: P.A. 82-783.)

22 (30 ILCS 740/2-3) (from Ch. 111 2/3, par. 663)

23 Sec. 2-3. (a) As soon as possible after the first day of
24 each month, beginning July 1, 1984, upon certification of the
25 Department of Revenue, the Comptroller shall order
26 transferred, and the Treasurer shall transfer, from the General
27 Revenue Fund to a special fund in the State Treasury which is
28 hereby created, to be known as the "Downstate Public
29 Transportation Fund", an amount equal to 2/32 (beginning July
30 1, 2005, 3/32) of the net revenue realized from the "Retailers'
31 Occupation Tax Act", as now or hereafter amended, the "Service
32 Occupation Tax Act", as now or hereafter amended, the "Use Tax

1 Act", as now or hereafter amended, and the "Service Use Tax
2 Act", as now or hereafter amended, from persons incurring
3 municipal or county retailers' or service occupation tax
4 liability for the benefit of any municipality or county located
5 wholly within the boundaries of each participant other than any
6 Metro-East Transit District participant certified pursuant to
7 subsection (c) of this Section during the preceding month,
8 except that the Department shall pay into the Downstate Public
9 Transportation Fund $\frac{2}{32}$ (beginning July 1, 2005, $\frac{3}{32}$) of 80%
10 of the net revenue realized under the State tax Acts named
11 above within any municipality or county located wholly within
12 the boundaries of each participant, other than any Metro-East
13 participant, for tax periods beginning on or after January 1,
14 1990; provided, however, that beginning with fiscal year 1985,
15 the transfers into the Downstate Public Transportation Fund
16 during any fiscal year shall not exceed the annual
17 appropriation from the Downstate Public Transportation Fund
18 for that year. The Department of Transportation shall notify
19 the Department of Revenue and the Comptroller at the beginning
20 of each fiscal year of the amount of the annual appropriation
21 from the Downstate Public Transportation Fund. Net revenue
22 realized for a month shall be the revenue collected by the
23 State pursuant to such Acts during the previous month from
24 persons incurring municipal or county retailers' or service
25 occupation tax liability for the benefit of any municipality or
26 county located wholly within the boundaries of a participant,
27 less the amount paid out during that same month as refunds or
28 credit memoranda to taxpayers for overpayment of liability
29 under such Acts for the benefit of any municipality or county
30 located wholly within the boundaries of a participant.

31 (b) As soon as possible after the first day of each month,
32 beginning July 1, 1989, upon certification of the Department of
33 Revenue, the Comptroller shall order transferred, and the
34 Treasurer shall transfer, from the General Revenue Fund to a

1 special fund in the State Treasury which is hereby created, to
2 be known as the "Metro-East Public Transportation Fund", an
3 amount equal to 2/32 of the net revenue realized, as above,
4 from within the boundaries of Madison, Monroe, and St. Clair
5 Counties, except that the Department shall pay into the
6 Metro-East Public Transportation Fund 2/32 of 80% of the net
7 revenue realized under the State tax Acts specified in
8 subsection (a) of this Section within the boundaries of
9 Madison, Monroe and St. Clair Counties for tax periods
10 beginning on or after January 1, 1990. A local match equivalent
11 to an amount which could be raised by a tax levy at the rate of
12 .05% on the assessed value of property within the boundaries of
13 Madison County, Monroe and St. Clair Counties is required
14 annually to cause a total of 2/32 of the net revenue to be
15 deposited in the Metro-East Public Transportation Fund.
16 Failure to raise the required local match annually shall result
17 in only 1/32 being deposited into the Metro-East Public
18 Transportation Fund after July 1, 1989, or 1/32 of 80% of the
19 net revenue realized for tax periods beginning on or after
20 January 1, 1990.

21 (b-5) As soon as possible after the first day of each
22 month, beginning July 1, 2005, upon certification of the
23 Department of Revenue, the Comptroller shall order
24 transferred, and the Treasurer shall transfer, from the General
25 Revenue Fund to the Downstate Public Transportation Fund, an
26 amount equal to 3/32 of 80% of the net revenue realized from
27 within the boundaries of Monroe and St. Clair Counties under
28 the State tax Acts specified in subsection (a) of this Section
29 and provided further that, beginning July 1, 2005, the
30 provisions of subsection (b) shall no longer apply with respect
31 to such tax receipts from Monroe and St. Clair Counties.

32 (c) The Department shall certify to the Department of
33 Revenue the eligible participants under this Article and the
34 territorial boundaries of such participants for the purposes of

1 the Department of Revenue in subsections (a) and (b) of this
2 Section.

3 (d) For the purposes of this Article the Department shall
4 include in its annual request for appropriation of ordinary and
5 contingent expenses an amount equal to the sum total funds
6 projected to be paid to the participants pursuant to Section
7 2-7.

8 (e) In addition to any other permitted use of moneys in the
9 Fund, and notwithstanding any restriction on the use of the
10 Fund, moneys in the Downstate Public Transportation Fund may be
11 transferred to the General Revenue Fund as authorized by Public
12 Act 87-14. The General Assembly finds that an excess of moneys
13 existed in the Fund on July 30, 1991, and the Governor's order
14 of July 30, 1991, and the Governor's order of July 30, 1991,
15 requesting the Comptroller and Treasurer to transfer an amount
16 from the Fund to the General Revenue Fund is hereby validated.
17 (Source: P.A. 86-590; 86-953; 87-838.)

18 (30 ILCS 740/2-5.1 new)

19 Sec. 2-5.1. Additional requirements.

20 (a) Any unit of local government that becomes a participant
21 on or after the effective date of this amendatory Act of the
22 94th General Assembly shall, in addition to any other
23 requirements under this Article, meet all of the following
24 requirements when applying for grants under this Article:

25 (1) The grant application must demonstrate the
26 participant's plan to provide general public
27 transportation with an emphasis on elderly, disabled, and
28 economically disadvantaged populations.

29 (2) The grant application must demonstrate the
30 participant's plan for interagency coordination that, at a
31 minimum, allows the participation of all State-funded and
32 federally-funded agencies and programs with transportation
33 needs in the proposed service area in the development of

1 the applicant's public transportation program.

2 (3) Any participant serving a nonurbanized area that is
3 not receiving Federal Section 5311 funding must meet the
4 operating and safety compliance requirements as set forth
5 in that federal program.

6 (4) The participant is required to hold public hearings
7 to allow comment on the proposed service plan in all
8 municipalities with populations of 1,500 inhabitants or
9 more within the proposed service area.

10 (b) Service extensions by any participant after July 1,
11 2005 by either annexation or intergovernmental agreement must
12 meet the 4 requirements of subsection (a).

13 (c) In order to receive funding, the Department shall
14 certify that the participant has met the requirements of this
15 Section. Funding priority shall be given to service extension,
16 multi-county, and multi-jurisdictional projects.

17 (30 ILCS 740/2-6) (from Ch. 111 2/3, par. 666)
18 Sec. 2-6. Allocation of funds.

19 (a) With respect to all participants other than any
20 Metro-East Transit District participant, the Department shall
21 allocate the funds to be made available to each participant
22 under this Article for the following fiscal year and shall
23 notify the chief official of each participant not later than
24 the first day of the fiscal year of this amount. For Fiscal
25 Year 1975, notification shall be made not later than January 1,
26 1975, of the amount of such allocation. In determining the
27 allocation for each participant, the Department shall estimate
28 the funds available to the participant from the Downstate
29 Public Transportation Fund for the purposes of this Article
30 during the succeeding fiscal year, and shall allocate to each
31 participant the amount attributable to it which shall be the
32 amount paid into the Downstate Public Transportation Fund under
33 Section 2-3 from within its boundaries. Said allocations may be

1 exceeded for participants receiving assistance equal to
2 one-third of their eligible operating expenses, only if an
3 allocation is less than one-third of such participant's
4 eligible operating expenses, provided, however, that no other
5 participant is denied its one-third of eligible operating
6 expenses. Beginning in Fiscal Year 1997, said allocation may be
7 exceeded for participants receiving assistance equal to the
8 percentage of their eligible operating expenses provided for in
9 paragraph (b) of Section 2-7, only if allocation is less than
10 the percentage of such participant's eligible operating
11 expenses provided for in paragraph (b) of Section 2-7, provided
12 however, that no other participant is denied its percentage of
13 eligible operating expenses.

14 (b) With regard to any Metro-East Transit District
15 organized under the Local Mass Transit District Act and serving
16 one or more of the Counties of Madison, Monroe and St. Clair
17 during Fiscal Year 1989, the Department shall allocate the
18 funds to be made available to each participant for the
19 following and succeeding fiscal years and shall notify the
20 chief official of each participant not later than the first day
21 of the fiscal year of this amount. Beginning July 1, 2005, the
22 ~~The~~ Department shall allocate ~~55% of~~ the amount paid into the
23 Metro-East Public Transportation Fund to the District ~~serving~~
24 ~~primarily the Counties of Monroe and St. Clair and 45% of the~~
25 ~~amount to that District~~ serving primarily the County of
26 Madison.

27 (Source: P.A. 89-598, eff. 8-1-96.)

28 (30 ILCS 740/2-7) (from Ch. 111 2/3, par. 667)

29 Sec. 2-7. Quarterly reports; annual audit.

30 (a) Any Metro-East Transit District participant shall, no
31 later than 60 days following the end of each quarter of any
32 fiscal year, file with the Department on forms provided by the
33 Department for that purpose, a report of the actual operating

1 deficit experienced during that quarter. The Department shall,
2 upon receipt of the quarterly report, determine whether the
3 operating deficits were incurred in conformity with the program
4 of proposed expenditures approved by the Department pursuant to
5 Section 2-11. Any Metro-East District may either monthly or
6 quarterly for any fiscal year file a request for the
7 participant's eligible share, as allocated in accordance with
8 Section 2-6, of the amounts transferred into the Metro-East
9 Public Transportation Fund.

10 (b) Each participant other than any Metro-East Transit
11 District participant shall, 30 days before the end of each
12 quarter, file with the Department on forms provided by the
13 Department for such purposes a report of the projected eligible
14 operating expenses to be incurred in the next quarter and 30
15 days before the third and fourth quarters of any fiscal year a
16 statement of actual eligible operating expenses incurred in the
17 preceding quarters. Except as otherwise provided in subsection
18 (b-5), within ~~within~~ 45 days of receipt by the Department of
19 such quarterly report, the Comptroller shall order paid and the
20 Treasurer shall pay from the Downstate Public Transportation
21 Fund to each participant an amount equal to one-third of such
22 participant's eligible operating expenses; provided, however,
23 that in Fiscal Year 1997, the amount paid to each participant
24 from the Downstate Public Transportation Fund shall be an
25 amount equal to 47% of such participant's eligible operating
26 expenses and shall be increased to 49% in Fiscal Year 1998, 51%
27 in Fiscal Year 1999, 53% in Fiscal Year 2000, and 55% in Fiscal
28 Year 2001 and thereafter; however, in any year that a
29 participant receives funding under subsection (i) of Section
30 2705-305 of the Department of Transportation Law (20 ILCS
31 2705/2705-305), that participant shall be eligible only for
32 assistance equal to the following percentage of its eligible
33 operating expenses: 42% in Fiscal Year 1997, 44% in Fiscal Year
34 1998, 46% in Fiscal Year 1999, 48% in Fiscal Year 2000, and 50%

1 in Fiscal Year 2001 and thereafter. Any such payment for the
2 third and fourth quarters of any fiscal year shall be adjusted
3 to reflect actual eligible operating expenses for preceding
4 quarters of such fiscal year. However, no participant shall
5 receive an amount less than that which was received in the
6 immediate prior year, provided in the event of a shortfall in
7 the fund those participants receiving less than their full
8 allocation pursuant to Section 2-6 of this Article shall be the
9 first participants to receive an amount not less than that
10 received in the immediate prior year.

11 (b-5) With respect to the District serving primarily the
12 counties of Monroe and St. Clair, beginning July 1, 2005 and
13 each fiscal year thereafter, the District may, as an
14 alternative to the provisions of subsection (b) of Section 2-7,
15 file a request with the Department for a monthly payment of
16 1/12 of the amount appropriated to the District for that fiscal
17 year; except that, for the final month of the fiscal year, the
18 District's request shall be in an amount such that the total
19 payments made to the District in that fiscal year do not exceed
20 the lesser of (i) 55% of the District's eligible operating
21 expenses for that fiscal year or (ii) the total amount
22 appropriated to the District for that fiscal year.

23 (c) No later than 180 days following the last day of the
24 Fiscal Year each participant shall provide the Department with
25 an audit prepared by a Certified Public Accountant covering
26 that Fiscal Year. For those participants other than a
27 Metro-East Transit District, any discrepancy between the
28 grants paid and the percentage of the eligible operating
29 expenses provided for by paragraph (b) of this Section shall be
30 reconciled by appropriate payment or credit. In the case of any
31 Metro-East Transit District, any amount of payments from the
32 Metro-East Public Transportation Fund which exceed the
33 eligible deficit of the participant shall be reconciled by
34 appropriate payment or credit.

1 (Source: P.A. 91-239, eff. 1-1-00; 91-357, eff. 7-29-99; 92-16,
2 eff. 6-28-01; 92-258, eff. 8-7-01; 92-464, eff. 8-22-01.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.".