



Sen. Rickey R. Hendon

Filed: 1/9/2008

09500HB0656sam002

LRB095 04786 HLH 43034 a

1 AMENDMENT TO HOUSE BILL 656

2 AMENDMENT NO. _____. Amend House Bill 656, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois State Auditing Act is amended by
6 adding Section 3-2.3 as follows:

7 (30 ILCS 5/3-2.3 new)

8 Sec. 3-2.3. Report on Chicago Transit Authority.

9 (a) No less than 60 days prior to the issuance of bonds or
10 notes by the Chicago Transit Authority (referred to as the
11 "Authority" in this Section) pursuant to Section 12c of the
12 Metropolitan Transit Authority Act, the following
13 documentation shall be submitted to the Auditor General and the
14 Regional Transportation Authority:

15 (1) Retirement Plan Documentation. The Authority shall
16 submit a certification that:

1 (A) it is legally authorized to issue the bonds or
2 notes;

3 (B) scheduled annual payments of principal and
4 interest on the bonds and notes to be issued meet the
5 requirements of Section 12c(b)(5) of the Metropolitan
6 Transit Authority Act;

7 (C) no bond or note shall mature later than
8 December 31, 2040;

9 (D) after payment of costs of issuance and
10 necessary deposits to funds and accounts established
11 with respect to debt service on the bonds or notes, the
12 net bond and note proceeds (exclusive of any proceeds
13 to be used to refund outstanding bonds or notes) will
14 be deposited in the Retirement Plan for Chicago Transit
15 Authority Employees and used only for the purposes
16 required by Section 22-101 of the Illinois Pension
17 Code; and

18 (E) it has adopted an ordinance imposing a tax on
19 the privilege of transferring title to real estate in
20 the City of Chicago in an amount up to \$1.50 per \$500
21 of value or fraction thereof.

22 (2) The Board of Trustees of the Retirement Plan for
23 Chicago Transit Authority Employees shall submit a
24 certification that the Retirement Plan for Chicago Transit
25 Authority Employees is operating in accordance with all
26 applicable legal and contractual requirements, including

1 the following:

2 (A) the members of a new Board of Trustees have
3 been appointed according to the requirements of
4 Section 22-101(b) of the Illinois Pension Code; and

5 (B) contribution levels for employees and the
6 Authority have been established according to the
7 requirements of Section 22-101(d) of the Illinois
8 Pension Code.

9 (3) Actuarial Report. The Board of Trustees of the
10 Retirement Plan for Chicago Transit Authority Employees
11 shall submit an actuarial report prepared by an enrolled
12 actuary setting forth:

13 (A) the method of valuation and the underlying
14 assumptions;

15 (B) a comparison of the debt service schedules of
16 the bonds or notes proposed to be issued to the
17 Retirement Plan's current unfunded actuarial accrued
18 liability amortization schedule, as required by
19 Section 22-101(e) of the Illinois Pension Code, using
20 the projected interest cost of the bond or note issue
21 as the discount rate to calculate the estimated net
22 present value savings;

23 (C) the amount of the estimated net present value
24 savings comparing the true interest cost of the
25 bonds or notes with the actuarial investment
26 return assumption of the Retirement Plan; and

1 (D) a certification that the net proceeds of the
2 bonds or notes, together with anticipated earnings
3 on contributions and deposits, will be sufficient
4 to reasonably conclude on an actuarial basis that
5 the total retirement assets of the Retirement Plan
6 will not be less than 90% of its liabilities by the
7 end of fiscal year 2059.

8 (4) The Authority shall submit a financial analysis
9 prepared by an independent advisor. The financial analysis
10 must include a determination that the issuance of bonds is
11 in the best interest of the Retirement Plan for Chicago
12 Transit Authority Employees and the Chicago Transit
13 Authority. The independent advisor shall not act as
14 underwriter or receive a legal, consulting, or other fee
15 related to the issuance of any bond or notes issued by the
16 Authority pursuant to Section 12c of the Metropolitan
17 Transit Authority Act except compensation due for the
18 preparation of the financial analysis.

19 (5) Retiree Health Care Trust Documentation. The
20 Authority shall submit a certification that:

21 (A) it is legally authorized to issue the bonds or
22 notes;

23 (B) scheduled annual payments of principal and
24 interest on the bonds and notes to be issued meets the
25 requirements of Section 12c(b)(5) of the Metropolitan
26 Transit Authority Act;

1 (C) no bond or note shall mature later than
2 December 31, 2040;

3 (D) after payment of costs of issuance and
4 necessary deposits to funds and accounts established
5 with respect to debt service on the bonds or notes, the
6 net bond and note proceeds (exclusive of any proceeds
7 to be used to refund outstanding bonds or notes) will
8 be deposited in the Retiree Health Care Trust and used
9 only for the purposes required by Section 22-101B of
10 the Illinois Pension Code; and

11 (E) it has adopted an ordinance imposing a tax on
12 the privilege of transferring title to real estate in
13 the City of Chicago in an amount up to \$1.50 per \$500
14 of value or fraction thereof.

15 (6) The Board of Trustees of the Retiree Health Care
16 Trust shall submit a certification that the Retiree Health
17 Care Trust has been established in accordance with all
18 applicable legal requirements, including the following:

19 (A) the Retiree Health Care Trust has been
20 established and a Trust document is in effect to govern
21 the Retiree Health Care Trust;

22 (B) the members of the Board of Trustees of the
23 Retiree Health Care Trust have been appointed
24 according to the requirements of Section 22-101B(b) (1)
25 of the Illinois Pension Code;

26 (C) a health care benefit program for eligible

1 retirees and their dependents and survivors has been
2 established by the Board of Trustees according to the
3 requirements of Section 22-101B(b) (2) of the Illinois
4 Pension Code;

5 (D) contribution levels have been established for
6 retirees, dependents and survivors according to the
7 requirements of Section 22-101B(b) (5) of the Illinois
8 Pension Code; and

9 (E) contribution levels have been established for
10 employees of the Authority according to the
11 requirements of Section 22-101B(b) (6) of the Illinois
12 Pension Code.

13 (7) Actuarial Report. The Board of Trustees of the
14 Retiree Health Care Trust shall submit an actuarial report
15 prepared by an enrolled actuary setting forth:

16 (A) the method of valuation and the underlying
17 assumptions;

18 (B) a comparison of the projected interest cost of
19 the bonds or notes proposed to be issued with the
20 actuarial investment return assumption of the Retiree
21 Health Care Trust; and

22 (C) a certification that the net proceeds of the
23 bonds or notes, together with anticipated earnings on
24 contributions and deposits, will be sufficient to
25 adequately fund the actuarial present value of
26 projected benefits expected to be paid under the

1 Retiree Health Care Trust, or a certification of the
2 increases in contribution levels and decreases in
3 benefit levels that would be required in order to cure
4 any funding shortfall over a period of not more than 10
5 years.

6 (8) The Authority shall submit a financial analysis
7 prepared by an independent advisor. The financial analysis
8 must include a determination that the issuance of bonds is
9 in the best interest of the Retiree Health Care Trust and
10 the Chicago Transit Authority. The independent advisor
11 shall not act as underwriter or receive a legal,
12 consulting, or other fee related to the issuance of any
13 bond or notes issued by the Authority pursuant to Section
14 12c of the Metropolitan Transit Authority Act except
15 compensation due for the preparation of the financial
16 analysis.

17 (b) The Auditor General shall examine the information
18 submitted pursuant to Section 3-2.3(a)(1) through (4) and
19 submit a report to the General Assembly, the Legislative Audit
20 Commission, the Governor, the Regional Transportation
21 Authority and the Authority indicating whether (i) the required
22 certifications by the Authority and the Board of Trustees of
23 the Retirement Plan have been made, and (ii) the actuarial
24 reports have been provided, the reports include all required
25 information, the assumptions underlying those reports are not
26 unreasonable in the aggregate, and the reports appear to comply

1 with all pertinent professional standards, including those
2 issued by the Actuarial Standards Board. The Auditor General
3 shall submit such report no later than 60 days after receiving
4 the information required to be submitted by the Authority and
5 the Board of Trustees of the Retirement Plan. Any bonds or
6 notes issued by the Authority under item (1) of subsection (b)
7 of Section 12c of the Metropolitan Transit Authority Act shall
8 be issued within 120 days after receiving such report from the
9 Auditor General. The Authority may not issue bonds or notes
10 until it receives the report from the Auditor General
11 indicating the above requirements have been met.

12 (c) The Auditor General shall examine the information
13 submitted pursuant to Section 3-2.3(a)(5) through (8) and
14 submit a report to the General Assembly, the Legislative Audit
15 Commission, the Governor, the Regional Transportation
16 Authority and the Authority indicating whether (i) the required
17 certifications by the Authority and the Board of Trustees of
18 the Retiree Health Care Trust have been made, and (ii) the
19 actuarial reports have been provided, the reports include all
20 required information, the assumptions underlying those reports
21 are not unreasonable in the aggregate, and the reports appear
22 to comply with all pertinent professional standards, including
23 those issued by the Actuarial Standards Board. The Auditor
24 General shall submit such report no later than 60 days after
25 receiving the information required to be submitted by the
26 Authority and the Board of Trustees of the Retiree Health Care

1 Trust. Any bonds or notes issued by the Authority under item
2 (2) of subsection (b) of Section 12c of the Metropolitan
3 Transit Authority Act shall be issued within 120 days after
4 receiving such report from the Auditor General. The Authority
5 may not issue bonds or notes until it receives a report from
6 the Auditor General indicating the above requirements have been
7 met.

8 (d) In fulfilling this duty, after receiving the
9 information submitted pursuant to Section 3-2.3(a), the
10 Auditor General may request additional information and support
11 pertaining to the data and conclusions contained in the
12 submitted documents and the Authority, the Board of Trustees of
13 the Retirement Plan and the Board of Trustees of the Retiree
14 Health Care Trust shall cooperate with the Auditor General and
15 provide additional information as requested in a timely manner.
16 The Auditor General may also request from the Regional
17 Transportation Authority an analysis of the information
18 submitted by the Authority relating to the sources of funds to
19 be utilized for payment of the proposed bonds or notes of the
20 Authority. The Auditor General's report shall not be in the
21 nature of a post-audit or examination and shall not lead to the
22 issuance of an opinion as that term is defined in generally
23 accepted government auditing standards.

24 (e) Annual Retirement Plan Submission to Auditor General.
25 The Board of Trustees of the Retirement Plan for Chicago
26 Transit Authority Employees established by Section 22-101 of

1 the Illinois Pension Code shall provide the following documents
2 to the Auditor General annually no later than September 30:

3 (1) the most recent audit or examination of the
4 Retirement Plan;

5 (2) an annual statement containing the information
6 specified in Section 1A-109 of the Illinois Pension Code;
7 and

8 (3) a complete actuarial statement applicable to the
9 prior plan year, which may be the annual report of an
10 enrolled actuary retained by the Retirement Plan specified
11 in Section 22-101(e) of the Illinois Pension Code.

12 The Auditor General shall annually examine the information
13 provided pursuant to this subsection and shall submit a report
14 of the analysis thereof to the General Assembly, including the
15 report specified in Section 22-101(e) of the Illinois Pension
16 Code.

17 (f) The Auditor General shall annually examine the
18 information submitted pursuant to Section 22-101B(b)(3)(iii)
19 of the Illinois Pension Code and shall prepare the
20 determination specified in Section 22-101B(b)(3)(iv) of the
21 Illinois Pension Code.

22 (g) In fulfilling the duties under Sections 3-2.3(e) and
23 (f) the Auditor General may request additional information and
24 support pertaining to the data and conclusions contained in the
25 submitted documents and the Authority, the Board of Trustees of
26 the Retirement Plan and the Board of Trustees of the Retiree

1 Health Care Trust shall cooperate with the Auditor General and
2 provide additional information as requested in a timely manner.
3 The Auditor General's review shall not be in the nature of a
4 post-audit or examination and shall not lead to the issuance of
5 an opinion as that term is defined in generally accepted
6 government auditing standards. Upon request of the Auditor
7 General, the Commission on Government Forecasting and
8 Accountability and the Public Pension Division of the Illinois
9 Department of Financial and Professional Regulation shall
10 cooperate with and assist the Auditor General in the conduct of
11 his review.

12 (h) The Auditor General shall submit a bill to the
13 Authority for costs associated with the examinations and
14 reports specified in subsections (b) and (c) of this Section
15 3-2.3, which the Authority shall reimburse in a timely manner.
16 The costs associated with the examinations and reports which
17 are reimbursed by the Authority shall constitute a cost of
18 issuance of the bonds or notes under Section 12c(b)(1) and (2)
19 of the Metropolitan Transit Authority Act. The amount received
20 shall be deposited into the fund or funds from which such costs
21 were paid by the Auditor General. The Auditor General shall
22 submit a bill to the Retirement Plan for Chicago Transit
23 Authority Employees for costs associated with the examinations
24 and reports specified in subsection (e) of this Section, which
25 the Retirement Plan for Chicago Transit Authority Employees
26 shall reimburse in a timely manner. The amount received shall

1 be deposited into the fund or funds from which such costs were
2 paid by the Auditor General. The Auditor General shall submit a
3 bill to the Retiree Health Care Trust for costs associated with
4 the determination specified in subsection (f) of this Section,
5 which the Retiree Health Care Trust shall reimburse in a timely
6 manner. The amount received shall be deposited into the fund or
7 funds from which such costs were paid by the Auditor General.

8 Section 6. The State Finance Act is amended by adding
9 Section 5.708 and by changing Section 6z-17 as follows:

10 (30 ILCS 105/5.708 new)

11 Sec. 5.708. The Downstate Transit Improvement Fund.

12 (30 ILCS 105/6z-17) (from Ch. 127, par. 142z-17)

13 Sec. 6z-17. Of the money paid into the State and Local
14 Sales Tax Reform Fund: (i) subject to appropriation to the
15 Department of Revenue, Municipalities having 1,000,000 or more
16 inhabitants shall receive 20% and may expend such amount to
17 fund and establish a program for developing and coordinating
18 public and private resources targeted to meet the affordable
19 housing needs of low-income and very low-income households
20 within such municipality, (ii) 10% shall be transferred into
21 the Regional Transportation Authority Occupation and Use Tax
22 Replacement Fund, a special fund in the State treasury which is
23 hereby created, (iii) subject to appropriation to the

1 Department of Transportation, The Madison County ~~Metro East~~
2 Mass Transit District shall receive .6%, (iv) the following
3 amounts, plus any cumulative deficiency in such transfers for
4 prior months, shall be transferred monthly into the Build
5 Illinois Fund and credited to the Build Illinois Bond Account
6 therein:

7 Fiscal Year	Amount
8 1990	\$2,700,000
9 1991	1,850,000
10 1992	2,750,000
11 1993	2,950,000

12 From Fiscal Year 1994 through Fiscal Year 2025 the transfer
13 shall total \$3,150,000 monthly, plus any cumulative deficiency
14 in such transfers for prior months, and (v) the remainder of
15 the money paid into the State and Local Sales Tax Reform Fund
16 shall be transferred into the Local Government Distributive
17 Fund and, except for municipalities with 1,000,000 or more
18 inhabitants which shall receive no portion of such remainder,
19 shall be distributed, subject to appropriation, in the manner
20 provided by Section 2 of "An Act in relation to State revenue
21 sharing with local government entities", approved July 31,
22 1969, as now or hereafter amended. Municipalities with more
23 than 50,000 inhabitants according to the 1980 U.S. Census and
24 located within the Metro East Mass Transit District receiving
25 funds pursuant to provision (v) of this paragraph may expend
26 such amounts to fund and establish a program for developing and

1 coordinating public and private resources targeted to meet the
2 affordable housing needs of low-income and very low-income
3 households within such municipality.

4 (Source: P.A. 91-51, eff. 6-30-99.)

5 Section 7. The Downstate Public Transportation Act is
6 amended by changing Sections 2-2.04, 2-3, 2-6, 2-7, and 2-15 as
7 follows:

8 (30 ILCS 740/2-2.04) (from Ch. 111 2/3, par. 662.04)

9 Sec. 2-2.04. "Eligible operating expenses" means all
10 expenses required for public transportation, including
11 employee wages and benefits, materials, fuels, supplies,
12 rental of facilities, taxes other than income taxes, payment
13 made for debt service (including principal and interest) on
14 publicly owned equipment or facilities, and any other
15 expenditure which is an operating expense according to standard
16 accounting practices for the providing of public
17 transportation. Eligible operating expenses shall not include
18 allowances: (a) for depreciation whether funded or unfunded;
19 (b) for amortization of any intangible costs; (c) for debt
20 service on capital acquired with the assistance of capital
21 grant funds provided by the State of Illinois; (d) for profits
22 or return on investment; (e) for excessive payment to
23 associated entities; (f) for Comprehensive Employment Training
24 Act expenses; (g) for costs reimbursed under Sections 6 and 8

1 of the "Urban Mass Transportation Act of 1964", as amended; (h)
2 for entertainment expenses; (i) for charter expenses; (j) for
3 fines and penalties; (k) for charitable donations; (l) for
4 interest expense on long term borrowing and debt retirement
5 other than on publicly owned equipment or facilities; (m) for
6 income taxes; or (n) for such other expenses as the Department
7 may determine consistent with federal Department of
8 Transportation regulations or requirements. In consultation
9 with participants, the Department shall, by October 2008,
10 promulgate or update rules, pursuant to the Illinois
11 Administrative Procedure Act, concerning eligible expenses to
12 ensure consistent application of the Act, and the Department
13 shall provide written copies of those rules to all eligible
14 recipients. The Department shall review this process in the
15 same manner no less frequently than every 5 years.

16 With respect to participants other than any Metro-East
17 Transit District participant and those receiving federal
18 research development and demonstration funds pursuant to
19 Section 6 of the "Urban Mass Transportation Act of 1964", as
20 amended, during the fiscal year ending June 30, 1979, the
21 maximum eligible operating expenses for any such participant in
22 any fiscal year after Fiscal Year 1980 shall be the amount
23 appropriated for such participant for the fiscal year ending
24 June 30, 1980, plus in each year a 10% increase over the
25 maximum established for the preceding fiscal year. For Fiscal
26 Year 1980 the maximum eligible operating expenses for any such

1 participant shall be the amount of projected operating expenses
2 upon which the appropriation for such participant for Fiscal
3 Year 1980 is based.

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

19 With respect to all participants other than any Metro-East
20 Transit District participant, the maximum eligible operating
21 expenses for any such participant in any fiscal year after
22 Fiscal Year 1985 (except Fiscal Year 2008 and Fiscal Year 2009)
23 shall be the amount appropriated for such participant for the
24 fiscal year ending June 30, 1985, plus in each year a 10%
25 increase over the maximum established for the preceding year.
26 For Fiscal Year 1985, the maximum eligible operating expenses

1 for any such participant shall be the amount of projected
2 operating expenses upon which the appropriation for such
3 participant for Fiscal Year 1985 is based.

4 With respect to any mass transit district participant that
5 has increased its district boundaries by annexing counties
6 since 1998 and is maintaining a level of local financial
7 support, including all income and revenues, equal to or greater
8 than the level in the State fiscal year ending June 30, 2001,
9 the maximum eligible operating expenses for any State fiscal
10 year after 2002 (except State fiscal years ~~year~~ 2006 through
11 2009) shall be the amount appropriated for that participant for
12 the State fiscal year ending June 30, 2002, plus, in each State
13 fiscal year, a 10% increase over the preceding State fiscal
14 year. For State fiscal year 2002, the maximum eligible
15 operating expenses for any such participant shall be the amount
16 of projected operating expenses upon which the appropriation
17 for that participant for State fiscal year 2002 is based. For
18 that participant, eligible operating expenses for State fiscal
19 year 2002 in excess of the eligible operating expenses for the
20 State fiscal year ending June 30, 2001, plus 10%, must be
21 attributed to the provision of services in the newly annexed
22 counties.

23 With respect to a participant that receives an initial
24 appropriation in State fiscal year 2002 or thereafter, the
25 maximum eligible operating expenses for any State fiscal year
26 after 2003 (except State fiscal years ~~year~~ 2006 through 2009)

1 shall be the amount appropriated for that participant for the
2 State fiscal year in which it received its initial
3 appropriation, plus, in each year, a 10% increase over the
4 preceding year. For the initial State fiscal year in which a
5 participant received an appropriation, the maximum eligible
6 operating expenses for any such participant shall be the amount
7 of projected operating expenses upon which the appropriation
8 for that participant for that State fiscal year is based.

9 With respect to the District serving primarily the counties
10 of Monroe and St. Clair, beginning July 1, 2005, the St. Clair
11 County Transit District shall no longer be included for new
12 appropriation funding purposes as part of the Metro-East Public
13 Transportation Fund and instead shall be included for new
14 appropriation funding purposes as part of the Downstate Public
15 Transportation Fund; provided, however, that nothing herein
16 shall alter the eligibility of that District for previously
17 appropriated funds to which it would otherwise be entitled.

18 With respect to the District serving primarily Madison
19 County, beginning July 1, 2008, the Madison County Transit
20 District shall no longer be included for new appropriation
21 funding purposes as part of the Metro-East Public
22 Transportation Fund and instead shall be included for new
23 appropriation funding purposes as part of the Downstate Public
24 Transportation Fund; provided, however, that nothing herein
25 shall alter the eligibility of that District for previously
26 appropriated funds to which it would otherwise be entitled.

1 With respect to the fiscal year beginning July 1, 2007, and
2 thereafter, the following shall be included for new
3 appropriation funding purposes as part of the Downstate Public
4 Transportation Fund: Bond County; Bureau County; Coles County;
5 Edgar County; Stephenson County and the City of Freeport; Henry
6 County; Jo Daviess County; Kankakee and McLean Counties; Peoria
7 County; Piatt County; Shelby County; Tazewell and Woodford
8 Counties; Vermillion County; Williamson County; and Kendall
9 County.

10 (Source: P.A. 94-70, eff. 6-22-05.)

11 (30 ILCS 740/2-3) (from Ch. 111 2/3, par. 663)

12 Sec. 2-3. (a) As soon as possible after the first day of
13 each month, beginning July 1, 1984, upon certification of the
14 Department of Revenue, the Comptroller shall order
15 transferred, and the Treasurer shall transfer, from the General
16 Revenue Fund to a special fund in the State Treasury which is
17 hereby created, to be known as the "Downstate Public
18 Transportation Fund", an amount equal to 2/32 (beginning July
19 1, 2005, 3/32) of the net revenue realized from the "Retailers'
20 Occupation Tax Act", as now or hereafter amended, the "Service
21 Occupation Tax Act", as now or hereafter amended, the "Use Tax
22 Act", as now or hereafter amended, and the "Service Use Tax
23 Act", as now or hereafter amended, from persons incurring
24 municipal or county retailers' or service occupation tax
25 liability for the benefit of any municipality or county located

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

1 (b) As soon as possible after the first day of each month,
2 beginning July 1, 1989, upon certification of the Department of
3 Revenue, the Comptroller shall order transferred, and the
4 Treasurer shall transfer, from the General Revenue Fund to a
5 special fund in the State Treasury which is hereby created, to
6 be known as the "Metro-East Public Transportation Fund", an
7 amount equal to $\frac{2}{32}$ of the net revenue realized, as above,
8 from within the boundaries of Madison, Monroe, and St. Clair
9 Counties, except that the Department shall pay into the
10 Metro-East Public Transportation Fund $\frac{2}{32}$ of 80% of the net
11 revenue realized under the State tax Acts specified in
12 subsection (a) of this Section within the boundaries of
13 Madison, Monroe and St. Clair Counties for tax periods
14 beginning on or after January 1, 1990. A local match equivalent
15 to an amount which could be raised by a tax levy at the rate of
16 .05% on the assessed value of property within the boundaries of
17 Madison County is required annually to cause a total of $\frac{2}{32}$ of
18 the net revenue to be deposited in the Metro-East Public
19 Transportation Fund. Failure to raise the required local match
20 annually shall result in only $\frac{1}{32}$ being deposited into the
21 Metro-East Public Transportation Fund after July 1, 1989, or
22 $\frac{1}{32}$ of 80% of the net revenue realized for tax periods
23 beginning on or after January 1, 1990.

24 (b-5) As soon as possible after the first day of each
25 month, beginning July 1, 2005, upon certification of the
26 Department of Revenue, the Comptroller shall order

1 transferred, and the Treasurer shall transfer, from the General
2 Revenue Fund to the Downstate Public Transportation Fund, an
3 amount equal to $3/32$ of 80% of the net revenue realized from
4 within the boundaries of Monroe and St. Clair Counties under
5 the State Tax Acts specified in subsection (a) of this Section
6 and provided further that, beginning July 1, 2005, the
7 provisions of subsection (b) shall no longer apply with respect
8 to such tax receipts from Monroe and St. Clair Counties.

9 (b-6) As soon as possible after the first day of each
10 month, beginning July 1, 2008, upon certification by the
11 Department of Revenue, the Comptroller shall order transferred
12 and the Treasurer shall transfer, from the General Revenue Fund
13 to the Downstate Public Transportation Fund, an amount equal to
14 $3/32$ of 80% of the net revenue realized from within the
15 boundaries of Madison County under the State Tax Acts specified
16 in subsection (a) of this Section and provided further that,
17 beginning July 1, 2008, the provisions of subsection (b) shall
18 no longer apply with respect to such tax receipts from Madison
19 County.

20 (c) The Department shall certify to the Department of
21 Revenue the eligible participants under this Article and the
22 territorial boundaries of such participants for the purposes of
23 the Department of Revenue in subsections (a) and (b) of this
24 Section.

25 (d) For the purposes of this Article, beginning in fiscal
26 year 2009 the General Assembly shall appropriate ~~the Department~~

1 ~~shall include in its annual request for appropriation of~~
2 ~~ordinary and contingent expenses~~ an amount from the Downstate
3 Public Transportation Fund equal to the sum total funds
4 projected to be paid to the participants pursuant to Section
5 2-7. If the General Assembly fails to make appropriations
6 sufficient to cover the amounts projected to be paid pursuant
7 to Section 2-7, this Act shall constitute an irrevocable and
8 continuing appropriation from the Downstate Public
9 Transportation Fund of all amounts necessary for those
10 purposes.

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

20 (Source: P.A. 94-70, eff. 6-22-05.)

21 (30 ILCS 740/2-6) (from Ch. 111 2/3, par. 666)

22 Sec. 2-6. Allocation of funds.

23 (a) With respect to all participants other than any
24 Metro-East Transit District participant, the Department shall
25 allocate the funds to be made available to each participant

1 under this Article for the following fiscal year and shall
2 notify the chief official of each participant not later than
3 the first day of the fiscal year of this amount. For Fiscal
4 Year 1975, notification shall be made not later than January 1,
5 1975, of the amount of such allocation. In determining the
6 allocation for each participant, the Department shall estimate
7 the funds available to the participant from the Downstate
8 Public Transportation Fund for the purposes of this Article
9 during the succeeding fiscal year, and shall allocate to each
10 participant the amount attributable to it which shall be the
11 amount paid into the Downstate Public Transportation Fund under
12 Section 2-3 from within its boundaries. Said allocations may be
13 exceeded for participants receiving assistance equal to
14 one-third of their eligible operating expenses, only if an
15 allocation is less than one-third of such participant's
16 eligible operating expenses, provided, however, that no other
17 participant is denied its one-third of eligible operating
18 expenses. Beginning in Fiscal Year 1997, said allocation may be
19 exceeded for participants receiving assistance equal to the
20 percentage of their eligible operating expenses provided for in
21 paragraph (b) of Section 2-7, only if allocation is less than
22 the percentage of such participant's eligible operating
23 expenses provided for in paragraph (b) of Section 2-7, provided
24 however, that no other participant is denied its percentage of
25 eligible operating expenses.

26 (b) With regard to any Metro-East Transit District

1 organized under the Local Mass Transit District Act and serving
2 one or more of the Counties of Madison, Monroe and St. Clair
3 during Fiscal Year 1989, the Department shall allocate the
4 funds to be made available to each participant for the
5 following and succeeding fiscal years and shall notify the
6 chief official of each participant not later than the first day
7 of the fiscal year of this amount. Beginning July 1, 2005, and
8 ending June 30, 2008, the Department shall allocate the amount
9 paid into the Metro-East Public Transportation Fund to the
10 District serving primarily the County of Madison.

11 (Source: P.A. 94-70, eff. 6-22-05.)

12 (30 ILCS 740/2-7) (from Ch. 111 2/3, par. 667)

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

14 (a) Any Metro-East Transit District participant shall, no
15 later than 60 days following the end of each quarter of any
16 fiscal year, file with the Department on forms provided by the
17 Department for that purpose, a report of the actual operating
18 deficit experienced during that quarter. The Department shall,
19 upon receipt of the quarterly report, determine whether the
20 operating deficits were incurred in conformity with the program
21 of proposed expenditures approved by the Department pursuant to
22 Section 2-11. Any Metro-East District may either monthly or
23 quarterly for any fiscal year file a request for the
24 participant's eligible share, as allocated in accordance with
25 Section 2-6, of the amounts transferred into the Metro-East

1 Public Transportation Fund.

2 (b) Each participant other than any Metro-East Transit
3 District participant shall, 30 days before the end of each
4 quarter, file with the Department on forms provided by the
5 Department for such purposes a report of the projected eligible
6 operating expenses to be incurred in the next quarter and 30
7 days before the third and fourth quarters of any fiscal year a
8 statement of actual eligible operating expenses incurred in the
9 preceding quarters. Except as otherwise provided in subsection
10 (b-5), within 45 days of receipt by the Department of such
11 quarterly report, the Comptroller shall order paid and the
12 Treasurer shall pay from the Downstate Public Transportation
13 Fund to each participant an amount equal to one-third of such
14 participant's eligible operating expenses; provided, however,
15 that in Fiscal Year 1997, the amount paid to each participant
16 from the Downstate Public Transportation Fund shall be an
17 amount equal to 47% of such participant's eligible operating
18 expenses and shall be increased to 49% in Fiscal Year 1998, 51%
19 in Fiscal Year 1999, 53% in Fiscal Year 2000, ~~and~~ 55% in Fiscal
20 Years Year 2001 through 2007, and 65% in Fiscal Year 2008 and
21 thereafter; however, in any year that a participant receives
22 funding under subsection (i) of Section 2705-305 of the
23 Department of Transportation Law (20 ILCS 2705/2705-305), that
24 participant shall be eligible only for assistance equal to the
25 following percentage of its eligible operating expenses: 42% in
26 Fiscal Year 1997, 44% in Fiscal Year 1998, 46% in Fiscal Year

1 1999, 48% in Fiscal Year 2000, and 50% in Fiscal Year 2001 and
2 thereafter. Any such payment for the third and fourth quarters
3 of any fiscal year shall be adjusted to reflect actual eligible
4 operating expenses for preceding quarters of such fiscal year.
5 However, no participant shall receive an amount less than that
6 which was received in the immediate prior year, provided in the
7 event of a shortfall in the fund those participants receiving
8 less than their full allocation pursuant to Section 2-6 of this
9 Article shall be the first participants to receive an amount
10 not less than that received in the immediate prior year.

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

23 (b-10) On July 1, 2008, each participant shall receive an
24 appropriation in an amount equal to 65% of its fiscal year 2008
25 eligible operating expenses adjusted by the annual 10% increase
26 required by Section 2-2.04 of this Act. In no case shall any

1 participant receive an appropriation that is less than its
2 fiscal year 2008 appropriation. Every fiscal year thereafter,
3 each participant's appropriation shall increase by 10% over the
4 appropriation established for the preceding fiscal year as
5 required by Section 2-2.04 of this Act.

6 (b-15) Beginning on July 1, 2007, and for each fiscal year
7 thereafter, each participant shall maintain a minimum local
8 share contribution (from farebox and all other local revenues)
9 equal to the actual amount provided in Fiscal Year 2006 or, for
10 new recipients, an amount equivalent to the local share
11 provided in the first year of participation.

12 (b-20) Any participant in the Downstate Public
13 Transportation Fund may use State operating assistance
14 pursuant to this Section to provide transportation services
15 within any county that is contiguous to its territorial
16 boundaries as defined by the Department and subject to
17 Departmental approval. Any such contiguous-area service
18 provided by a participant after July 1, 2007 must meet the
19 requirements of subsection (a) of Section 2-5.1.

20 (c) No later than 180 days following the last day of the
21 Fiscal Year each participant shall provide the Department with
22 an audit prepared by a Certified Public Accountant covering
23 that Fiscal Year. For those participants other than a
24 Metro-East Transit District, any discrepancy between the
25 grants paid and the percentage of the eligible operating
26 expenses provided for by paragraph (b) of this Section shall be

1 reconciled by appropriate payment or credit. In the case of any
2 Metro-East Transit District, any amount of payments from the
3 Metro-East Public Transportation Fund which exceed the
4 eligible deficit of the participant shall be reconciled by
5 appropriate payment or credit.

6 (Source: P.A. 94-70, eff. 6-22-05.)

7 (30 ILCS 740/2-15) (from Ch. 111 2/3, par. 675.1)

8 Sec. 2-15. Except as otherwise provided in this Section,
9 all funds which remain in the Downstate Public Transportation
10 Fund or the Metro-East Public Transportation Fund after the
11 payment of the fourth quarterly payment to participants other
12 than Metro-East Transit District participants and the last
13 monthly payment to Metro-East Transit participants in each
14 fiscal year shall be transferred (i) to the General Revenue
15 Fund through fiscal year 2008 and (ii) to the Downstate Transit
16 Improvement Fund for fiscal year 2009 and each fiscal year
17 thereafter. Transfers shall be made no later than 90 days
18 following the end of such fiscal year. Beginning fiscal year
19 2010, all moneys each year in the Downstate Transit Improvement
20 Fund, held solely for the benefit of the participants in the
21 Downstate Public Transportation Fund and the shall be
22 appropriated to the Department to make competitive capital
23 grants to the participants of the respective funds. However,
24 such amount as the Department determines to be necessary for
25 (1) allocation to participants for the purposes of Section 2-7

1 for the first quarter of the succeeding fiscal year and (2) an
2 amount equal to 2% of the total allocations to participants in
3 the fiscal year just ended to be used for the purpose of audit
4 adjustments shall be retained in such Funds to be used by the
5 Department for such purposes.

6 (Source: P.A. 86-590.)

7 Section 8. The Illinois Pension Code is amended by changing
8 Section 22-101 and by adding Section 22-101B as follows:

9 (40 ILCS 5/22-101) (from Ch. 108 1/2, par. 22-101)

10 Sec. 22-101. Retirement Plan for Chicago Transit Authority
11 Employees. Metropolitan Transit Authority (CTA) Pension Fund.

12 (a) There shall be established and maintained by the
13 Authority created by the "Metropolitan Transit Authority Act",
14 approved April 12, 1945, as amended, (referred to in this
15 Section as the "Authority") a financially sound pension and
16 retirement system adequate to provide for all payments when due
17 under such established system or as modified from time to time
18 by ordinance of the Chicago Transit Board or collective
19 bargaining agreement. For this purpose, the Board must make
20 contributions to the established system as required under this
21 Section and may make any additional contributions provided for
22 by Board ordinance or collective bargaining agreement. The
23 participating employees shall make such periodic payments to
24 the established system as required under this Section and may

1 make any additional contributions provided for ~~may be~~
2 ~~determined~~ by Board ordinance or collective bargaining
3 agreement. ~~The Board, in lieu of social security payments~~
4 ~~required to be paid by private corporations engaged in similar~~
5 ~~activity, shall make payments into such established system at~~
6 ~~least equal in amount to the amount so required to be paid by~~
7 ~~such private corporations.~~

8 Provisions shall be made by the Board for all ~~Board~~
9 ~~members,~~ officers and employees of the Authority appointed
10 pursuant to the "Metropolitan Transit Authority Act" to become,
11 subject to reasonable rules and regulations, participants
12 ~~members or beneficiaries~~ of the pension or retirement system
13 with uniform rights, privileges, obligations and status as to
14 the class in which such officers and employees belong. The
15 terms, conditions and provisions of any pension or retirement
16 system or of any amendment or modification thereof affecting
17 employees who are members of any labor organization may be
18 established, amended or modified by agreement with such labor
19 organization, provided the terms, conditions and provisions
20 must be consistent with this Act, the annual funding levels for
21 the retirement system established by law must be met and the
22 benefits paid to future participants in the system may not
23 exceed the benefit ceilings set for future participants under
24 this Act and the contribution levels required by the Authority
25 and its employees may not be less than the contribution levels
26 established under this Act ~~but must be consistent with the~~

1 ~~requirements of this Section.~~

2 (b) The Board of Trustees shall consist of 11 members
3 appointed as follows: (i) 5 trustees shall be appointed by the
4 Chicago Transit Board; (ii) 3 trustees shall be appointed by an
5 organization representing the highest number of Chicago
6 Transit Authority participants; (iii) one trustee shall be
7 appointed by an organization representing the second-highest
8 number of Chicago Transit Authority participants; (iv) one
9 trustee shall be appointed by the recognized coalition
10 representatives of participants who are not represented by an
11 organization with the highest or second-highest number of
12 Chicago Transit Authority participants; and (v) one trustee
13 shall be selected by the Regional Transportation Authority
14 Board of Directors, and the trustee shall be a professional
15 fiduciary who has experience in the area of collectively
16 bargained pension plans. Trustees shall serve until a successor
17 has been appointed and qualified, or until resignation, death,
18 incapacity, or disqualification.

19 Any person appointed as a trustee of the board shall
20 qualify by taking an oath of office that he or she will
21 diligently and honestly administer the affairs of the system
22 and will not knowingly violate or willfully permit the
23 violation of any of the provisions of law applicable to the
24 Plan, including Sections 1-109, 1-109.1, 1-109.2, 1-110,
25 1-111, 1-114, and 1-115 of the Illinois Pension Code.

26 Each trustee shall cast individual votes, and a majority

1 vote shall be final and binding upon all interested parties,
2 provided that the Board of Trustees may require a supermajority
3 vote with respect to the investment of the assets of the
4 Retirement Plan, and may set forth that requirement in the
5 Retirement Plan documents, by-laws, or rules of the Board of
6 Trustees. Each trustee shall have the rights, privileges,
7 authority, and obligations as are usual and customary for such
8 fiduciaries.

9 The Board of Trustees may cause amounts on deposit in the
10 Retirement Plan to be invested in those investments that are
11 permitted investments for the investment of moneys held under
12 any one or more of the pension or retirement systems of the
13 State, any unit of local government or school district, or any
14 agency or instrumentality thereof. The Board, by a vote of at
15 least two-thirds of the trustees, may transfer investment
16 management to the Illinois State Board of Investment, which is
17 hereby authorized to manage these investments when so requested
18 by the Board of Trustees.

19 (c) All individuals who were previously participants in the
20 Retirement Plan for Chicago Transit Authority Employees shall
21 remain participants, and shall receive the same benefits
22 established by the Retirement Plan for Chicago Transit
23 Authority Employees, except as provided in this amendatory Act
24 or by subsequent legislative enactment or amendment to the
25 Retirement Plan. For Authority employees hired on or after the
26 effective date of this amendatory Act of the 95th General

1 Assembly, the Retirement Plan for Chicago Transit Authority
2 Employees shall be the exclusive retirement plan and such
3 employees shall not be eligible for any supplemental plan,
4 except for a deferred compensation plan funded only by employee
5 contributions.

6 For all Authority employees who are first hired on or after
7 the effective date of this amendatory Act of the 95th General
8 Assembly and are participants in the Retirement Plan for
9 Chicago Transit Authority Employees, the following terms,
10 conditions and provisions with respect to retirement shall be
11 applicable:

12 (1) Such participant shall be eligible for an unreduced
13 retirement allowance for life upon the attainment of age 64
14 with 25 years of continuous service.

15 (2) Such participant shall be eligible for a reduced
16 retirement allowance for life upon the attainment of age 55
17 with 10 years of continuous service.

18 (3) For the purpose of determining the retirement
19 allowance to be paid to a retiring employee, the term
20 "Continuous Service" as used in the Retirement Plan for
21 Chicago Transit Authority Employees shall also be deemed to
22 include all pension credit for service with any retirement
23 system established under Article 8 or Article 11 of this
24 Code, provided that the employee forfeits and relinquishes
25 all pension credit under Article 8 or Article 11 of this
26 Code, and the contribution required under this subsection

1 is made by the employee. The Retirement Plan's actuary
2 shall determine the contribution paid by the employee as an
3 amount equal to the normal cost of the benefit accrued, had
4 the service been rendered as an employee, plus interest per
5 annum from the time such service was rendered until the
6 date the payment is made.

7 (d) From the effective date of this amendatory Act through
8 December 31, 2008, all participating employees shall
9 contribute to the Retirement Plan in an amount not less than 6%
10 of compensation, and the Authority shall contribute to the
11 Retirement Plan in an amount not less than 12% of compensation.

12 (e) (1) Beginning January 1, 2009 the Authority shall make
13 contributions to the Retirement Plan in an amount equal to
14 twelve percent (12%) of compensation and participating
15 employees shall make contributions to the Retirement Plan in an
16 amount equal to six percent (6%) of compensation. These
17 contributions may be paid by the Authority and participating
18 employees on a payroll or other periodic basis, but shall in
19 any case be paid to the Retirement Plan at least monthly.

20 (2) For the period ending December 31, 2040, the amount
21 paid by the Authority in any year with respect to debt service
22 on bonds issued for the purposes of funding a contribution to
23 the Retirement Plan under Section 12c of the Metropolitan
24 Transit Authority Act, other than debt service paid with the
25 proceeds of bonds or notes issued by the Authority for any year
26 after calendar year 2008, shall be treated as a credit against

1 the amount of required contribution to the Retirement Plan by
2 the Authority under subsection (e) (1) for the following year up
3 to an amount not to exceed 6% of compensation paid by the
4 Authority in that following year.

5 (3) By September 15 of each year beginning in 2009 and
6 ending on December 31, 2039, on the basis of a report prepared
7 by an enrolled actuary retained by the Plan, the Board of
8 Trustees of the Retirement Plan shall determine the estimated
9 funded ratio of the total assets of the Retirement Plan to its
10 total actuarially determined liabilities. A report containing
11 that determination and the actuarial assumptions on which it is
12 based shall be filed with the Authority, the representatives of
13 its participating employees, the Auditor General of the State
14 of Illinois, and the Regional Transportation Authority. If the
15 funded ratio is projected to decline below 60% in any year
16 before 2040, the Board of Trustees shall also determine the
17 increased contribution required each year as a level percentage
18 of payroll over the years remaining until 2040 using the
19 projected unit credit actuarial cost method so the funded ratio
20 does not decline below 60% and include that determination in
21 its report. If the actual funded ratio declines below 60% in
22 any year prior to 2040, the Board of Trustees shall also
23 determine the increased contribution required each year as a
24 level percentage of payroll during the years after the then
25 current year using the projected unit credit actuarial cost
26 method so the funded ratio is projected to reach at least 60%

1 no later than 10 years after the then current year and include
2 that determination in its report. Within 60 days after
3 receiving the report, the Auditor General shall review the
4 determination and the assumptions on which it is based, and if
5 he finds that the determination and the assumptions on which it
6 is based are unreasonable in the aggregate, he shall issue a
7 new determination of the funded ratio, the assumptions on which
8 it is based and the increased contribution required each year
9 as a level percentage of payroll over the years remaining until
10 2040 using the projected unit credit actuarial cost method so
11 the funded ratio does not decline below 60%, or, in the event
12 of an actual decline below 60%, so the funded ratio is
13 projected to reach 60% by no later than 10 years after the then
14 current year. If the Board of Trustees or the Auditor General
15 determine that an increased contribution is required to meet
16 the funded ratio required by the subsection, effective January
17 1 following the determination or 30 days after such
18 determination, whichever is later, one-third of the increased
19 contribution shall be paid by participating employees and
20 two-thirds by the Authority, in addition to the contributions
21 required by this subsection (1).

22 (4) For the period beginning 2040, the minimum contribution
23 to the Retirement Plan for each fiscal year shall be an amount
24 determined by the Board of Trustees of the Retirement Plan to
25 be sufficient to bring the total assets of the Retirement Plan
26 up to 90% of its total actuarial liabilities by the end of

1 2059. Participating employees shall be responsible for
2 one-third of the required contribution and the Authority shall
3 be responsible for two-thirds of the required contribution. In
4 making these determinations, the Board of Trustees shall
5 calculate the required contribution each year as a level
6 percentage of payroll over the years remaining to and including
7 fiscal year 2059 using the projected unit credit actuarial cost
8 method. A report containing that determination and the
9 actuarial assumptions on which it is based shall be filed by
10 September 15 of each year with the Authority, the
11 representatives of its participating employees, the Auditor
12 General of the State of Illinois and the Regional
13 Transportation Authority. If the funded ratio is projected to
14 fail to reach 90% by December 31, 2059, the Board of Trustees
15 shall also determine the increased contribution required each
16 year as a level percentage of payroll over the years remaining
17 until December 31, 2059 using the projected unit credit
18 actuarial cost method so the funded ratio will meet 90% by
19 December 31, 2059 and include that determination in its report.
20 Within 60 days after receiving the report, the Auditor General
21 shall review the determination and the assumptions on which it
22 is based and if he finds that the determination and the
23 assumptions on which it is based are unreasonable in the
24 aggregate, he shall issue a new determination of the funded
25 ratio, the assumptions on which it is based and the increased
26 contribution required each year as a level percentage of

1 payroll over the years remaining until December 31, 2059 using
2 the projected unit credit actuarial cost method so the funded
3 ratio reaches no less than 90% by December 31, 2059. If the
4 Board of Trustees or the Auditor General determine that an
5 increased contribution is required to meet the funded ratio
6 required by this subsection, effective January 1 following the
7 determination or 30 days after such determination, whichever is
8 later, one-third of the increased contribution shall be paid by
9 participating employees and two-thirds by the Authority, in
10 addition to the contributions required by subsection (e) (1).

11 (5) Beginning in 2060, the minimum contribution for each
12 year shall be the amount needed to maintain the total assets of
13 the Retirement Plan at 90% of the total actuarial liabilities
14 of the Plan, and the contribution shall be funded two-thirds by
15 the Authority and one-third by the participating employees in
16 accordance with this subsection.

17 (f) The Authority shall take the steps necessary to comply
18 with Section 414(h) (2) of the Internal Revenue Code of 1986, as
19 amended, to permit the pick-up of employee contributions under
20 subsections (d) and (e) on a tax-deferred basis.

21 (g) The Board of Trustees shall certify to the Governor,
22 the General Assembly, the Auditor General, the Board of the
23 Regional Transportation Authority, and the Authority at least
24 90 days prior to the end of each fiscal year the amount of the
25 required contributions to the retirement system for the next
26 retirement system fiscal year under this Section. The

1 certification shall include a copy of the actuarial
2 recommendations upon which it is based. In addition, copies of
3 the certification shall be sent to the Commission on Government
4 Forecasting and Accountability and the Mayor of Chicago.

5 (h) (1) As to an employee who first becomes entitled to a
6 retirement allowance commencing on or after November 30, 1989,
7 the retirement allowance shall be the amount determined in
8 accordance with the following formula:

9 (A) One percent (1%) of his "Average Annual
10 Compensation in the highest four (4) completed Plan Years"
11 for each full year of continuous service from the date of
12 original employment to the effective date of the Plan; plus

13 (B) One and seventy-five hundredths percent (1.75%) of
14 his "Average Annual Compensation in the highest four (4)
15 completed Plan Years" for each year (including fractions
16 thereof to completed calendar months) of continuous
17 service as provided for in the Retirement Plan for Chicago
18 Transit Authority Employees.

19 Provided, however that:

20 (2) As to an employee who first becomes entitled to a
21 retirement allowance commencing on or after January 1, 1993,
22 the retirement allowance shall be the amount determined in
23 accordance with the following formula:

24 (A) One percent (1%) of his "Average Annual
25 Compensation in the highest four (4) completed Plan Years"
26 for each full year of continuous service from the date of

1 original employment to the effective date of the Plan; plus

2 (B) One and eighty hundredths percent (1.80%) of his
3 "Average Annual Compensation in the highest four (4)
4 completed Plan Years" for each year (including fractions
5 thereof to completed calendar months) of continuous
6 service as provided for in the Retirement Plan for Chicago
7 Transit Authority Employees.

8 Provided, however that:

9 (3) As to an employee who first becomes entitled to a
10 retirement allowance commencing on or after January 1, 1994,
11 the retirement allowance shall be the amount determined in
12 accordance with the following formula:

13 (A) One percent (1%) of his "Average Annual
14 Compensation in the highest four (4) completed Plan Years"
15 for each full year of continuous service from the date of
16 original employment to the effective date of the Plan; plus

17 (B) One and eighty-five hundredths percent (1.85%) of
18 his "Average Annual Compensation in the highest four (4)
19 completed Plan Years" for each year (including fractions
20 thereof to completed calendar months) of continuous
21 service as provided for in the Retirement Plan for Chicago
22 Transit Authority Employees.

23 Provided, however that:

24 (4) As to an employee who first becomes entitled to a
25 retirement allowance commencing on or after January 1, 2000,
26 the retirement allowance shall be the amount determined in

1 accordance with the following formula:

2 (A) One percent (1%) of his "Average Annual
3 Compensation in the highest four (4) completed Plan Years"
4 for each full year of continuous service from the date of
5 original employment to the effective date of the Plan; plus

6 (B) Two percent (2%) of his "Average Annual
7 Compensation in the highest four (4) completed Plan Years"
8 for each year (including fractions thereof to completed
9 calendar months) of continuous service as provided for in
10 the Retirement Plan for Chicago Transit Authority
11 Employees.

12 Provided, however that:

13 (5) As to an employee who first becomes entitled to a
14 retirement allowance commencing on or after January 1, 2001,
15 the retirement allowance shall be the amount determined in
16 accordance with the following formula:

17 (A) One percent (1%) of his "Average Annual
18 Compensation in the highest four (4) completed Plan Years"
19 for each full year of continuous service from the date of
20 original employment to the effective date of the Plan; plus

21 (B) Two and fifteen hundredths percent (2.15%) of his
22 "Average Annual Compensation in the highest four (4)
23 completed Plan Years" for each year (including fractions
24 thereof to completed calendar months) of continuous
25 service as provided for in the Retirement Plan for Chicago
26 Transit Authority Employees.

1 The changes made by this amendatory Act of the 95th General
2 Assembly, to the extent that they affect the rights or
3 privileges of Authority employees that are currently the
4 subject of collective bargaining, have been agreed to between
5 the authorized representatives of these employees and of the
6 Authority prior to enactment of this amendatory Act, as
7 evidenced by a Memorandum of Understanding between these
8 representatives that will be filed with the Secretary of State
9 Index Department and designated as "95-GA-C05". The General
10 Assembly finds and declares that those changes are consistent
11 with 49 U.S.C. 5333(b) (also known as Section 13(c) of the
12 Federal Transit Act) because of this agreement between
13 authorized representatives of these employees and of the
14 Authority, and that any future amendments to the provisions of
15 this amendatory Act of the 95th General Assembly, to the extent
16 those amendments would affect the rights and privileges of
17 Authority employees that are currently the subject of
18 collective bargaining, would be consistent with 49 U.S.C.
19 5333(b) if and only if those amendments were agreed to between
20 these authorized representatives prior to enactment.

21 (i) Early retirement incentive plan; funded ratio.

22 (1) Beginning on the effective date of this Section, no
23 early retirement incentive shall be offered to
24 participants of the Plan unless the Funded Ratio of the
25 Plan is at least 80% or more.

26 (2) For the purposes of this Section, the Funded Ratio

1 shall be the Adjusted Assets divided by the Actuarial
2 Accrued Liability developed in accordance with Statement
3 #25 promulgated by the Government Accounting Standards
4 Board and the actuarial assumptions described in the Plan.
5 The Adjusted Assets shall be calculated based on the
6 methodology described in the Plan.

7 (j) Nothing in this amendatory Act of the 95th General
8 Assembly shall impair the rights or privileges of Authority
9 employees under any other law.

10 ~~(b) Beginning January 1, 2009, the Authority shall make~~
11 ~~contributions to the retirement system in an amount which,~~
12 ~~together with the contributions of participants, interest~~
13 ~~earned on investments, and other income, will meet the cost of~~
14 ~~maintaining and administering the retirement plan in~~
15 ~~accordance with applicable actuarial recommendations and~~
16 ~~assumptions and the requirements of this Section. These~~
17 ~~contributions may be paid on a payroll or other periodic basis,~~
18 ~~but shall in any case be paid at least monthly.~~

19 ~~For retirement system fiscal years 2009 through 2058, the~~
20 ~~minimum contribution to the retirement system to be made by the~~
21 ~~Authority for each fiscal year shall be an amount determined~~
22 ~~jointly by the Authority and the trustee of the retirement~~
23 ~~system to be sufficient to bring the total assets of the~~
24 ~~retirement system up to 90% of its total actuarial liabilities~~
25 ~~by the end of fiscal year 2058. In making these determinations,~~
26 ~~the required Authority contribution shall be calculated each~~

1 ~~year as a level percentage of payroll over the years remaining~~
2 ~~to and including fiscal year 2058 and shall be determined under~~
3 ~~the projected unit credit actuarial cost method. Beginning in~~
4 ~~retirement system fiscal year 2059, the minimum Authority~~
5 ~~contribution for each fiscal year shall be the amount needed to~~
6 ~~maintain the total assets of the retirement system at 90% of~~
7 ~~the total actuarial liabilities of the system.~~

8 ~~For purposes of determining employer contributions and~~
9 ~~actuarial liabilities under this subsection, contributions and~~
10 ~~liabilities relating to health care benefits shall not be~~
11 ~~included. As used in this Section, "retirement system fiscal~~
12 ~~year" means the calendar year, or such other plan year as may~~
13 ~~be defined from time to time in the agreement known as the~~
14 ~~Retirement Plan for Chicago Transit Authority Employees, or its~~
15 ~~successor agreement.~~

16 ~~(c) The Authority and the trustee shall jointly certify to~~
17 ~~the Governor, the General Assembly, and the Board of the~~
18 ~~Regional Transportation Authority on or before November 15 of~~
19 ~~2008 and of each year thereafter the amount of the required~~
20 ~~Authority contributions to the retirement system for the next~~
21 ~~retirement system fiscal year under subsection (b). The~~
22 ~~certification shall include a copy of the actuarial~~
23 ~~recommendations upon which it is based. In addition, copies of~~
24 ~~the certification shall be sent to the Commission on Government~~
25 ~~Forecasting and Accountability, the Mayor of Chicago, the~~
26 ~~Chicago City Council, and the Cook County Board.~~

1 ~~(d) The Authority shall take all actions lawfully available~~
2 ~~to it to separate the funding of health care benefits for~~
3 ~~retirees and their dependents and survivors from the funding~~
4 ~~for its retirement system. The Authority shall endeavor to~~
5 ~~achieve this separation as soon as possible, and in any event~~
6 ~~no later than January 1, 2009.~~

7 ~~(e) This amendatory Act of the 94th General Assembly does~~
8 ~~not affect or impair the right of either the Authority or its~~
9 ~~employees to collectively bargain the amount or level of~~
10 ~~employee contributions to the retirement system.~~

11 (Source: P.A. 94-839, eff. 6-6-06.)

12 (40 ILCS 5/22-101B new)

13 Sec. 22-101B. Health Care Benefits.

14 (a) The Chicago Transit Authority (hereinafter referred to
15 in this Section as the "Authority") shall take all actions
16 lawfully available to it to separate the funding of health care
17 benefits for retirees and their dependents and survivors from
18 the funding for its retirement system. The Authority shall
19 endeavor to achieve this separation as soon as possible, and in
20 any event no later than July 1, 2009.

21 (b) Effective 90 days after the effective date of this
22 amendatory Act of the 95th General Assembly, a Retiree Health
23 Care Trust is established for the purpose of providing health
24 care benefits to eligible retirees and their dependents and
25 survivors in accordance with the terms and conditions set forth

1 in this Section 22-101B. The Retiree Health Care Trust shall be
2 solely responsible for providing health care benefits to
3 eligible retirees and their dependents and survivors by no
4 later than July 1, 2009, but no earlier than January 1, 2009.

5 (1) The Board of Trustees shall consist of 7 members
6 appointed as follows: (i) 3 trustees shall be appointed by
7 the Chicago Transit Board; (ii) one trustee shall be
8 appointed by an organization representing the highest
9 number of Chicago Transit Authority participants; (iii)
10 one trustee shall be appointed by an organization
11 representing the second-highest number of Chicago Transit
12 Authority participants; (iv) one trustee shall be
13 appointed by the recognized coalition representatives of
14 participants who are not represented by an organization
15 with the highest or second-highest number of Chicago
16 Transit Authority participants; and (v) one trustee shall
17 be selected by the Regional Transportation Authority Board
18 of Directors, and the trustee shall be a professional
19 fiduciary who has experience in the area of collectively
20 bargained retiree health plans. Trustees shall serve until
21 a successor has been appointed and qualified, or until
22 resignation, death, incapacity, or disqualification.

23 Any person appointed as a trustee of the board shall
24 qualify by taking an oath of office that he or she will
25 diligently and honestly administer the affairs of the
26 system, and will not knowingly violate or willfully permit

1 the violation of any of the provisions of law applicable to
2 the Plan, including Sections 1-109, 1-109.1, 1-109.2,
3 1-110, 1-111, 1-114, and 1-115 of Article 1 of the Illinois
4 Pension Code.

5 Each trustee shall cast individual votes, and a
6 majority vote shall be final and binding upon all
7 interested parties, provided that the Board of Trustees may
8 require a supermajority vote with respect to the investment
9 of the assets of the Retiree Health Care Trust, and may set
10 forth that requirement in the trust agreement or by-laws of
11 the Board of Trustees. Each trustee shall have the rights,
12 privileges, authority and obligations as are usual and
13 customary for such fiduciaries.

14 (2) The Board of Trustees shall establish and
15 administer a health care benefit program for eligible
16 retirees and their dependents and survivors. The health
17 care benefit program for eligible retirees and their
18 dependents and survivors shall not contain any plan which
19 provides for more than 90% coverage for in-network services
20 or 70% coverage for out-of-network services after any
21 deductible has been paid.

22 (3) The Retiree Health Care Trust shall be administered
23 by the Board of Trustees according to the following
24 requirements:

25 (i) The Board of Trustees may cause amounts on
26 deposit in the Retiree Health Care Trust to be invested

1 in those investments that are permitted investments
2 for the investment of moneys held under any one or more
3 of the pension or retirement systems of the State, any
4 unit of local government or school district, or any
5 agency or instrumentality thereof. The Board, by a vote
6 of at least two-thirds of the trustees, may transfer
7 investment management to the Illinois State Board of
8 Investment, which is hereby authorized to manage these
9 investments when so requested by the Board of Trustees.

10 (ii) The Board of Trustees shall establish and
11 maintain an appropriate funding reserve level which
12 shall not be less than the amount of incurred and
13 unreported claims plus 12 months of expected claims and
14 administrative expenses.

15 (iii) The Board of Trustees shall make an annual
16 assessment of the funding levels of the Retiree Health
17 Care Trust and shall submit a report to the Auditor
18 General at least 90 days prior to the end of the fiscal
19 year. The report shall provide the following:

20 (A) the actuarial present value of projected
21 benefits expected to be paid to current and future
22 retirees and their dependents and survivors;

23 (B) the actuarial present value of projected
24 contributions and trust income plus assets;

25 (C) the reserve required by subsection
26 (b) (3) (ii); and

1 (D) an assessment of whether the actuarial
2 present value of projected benefits expected to be
3 paid to current and future retirees and their
4 dependents and survivors exceeds or is less than
5 the actuarial present value of projected
6 contributions and trust income plus assets in
7 excess of the reserve required by subsection
8 (b) (3) (ii).

9 If the actuarial present value of projected
10 benefits expected to be paid to current and future
11 retirees and their dependents and survivors exceeds
12 the actuarial present value of projected contributions
13 and trust income plus assets in excess of the reserve
14 required by subsection (b) (3) (ii), then the report
15 shall provide a plan of increases in employee, retiree,
16 dependent, or survivor contribution levels, decreases
17 in benefit levels, or both, which is projected to cure
18 the shortfall over a period of not more than 10 years.
19 If the actuarial present value of projected benefits
20 expected to be paid to current and future retirees and
21 their dependents and survivors is less than the
22 actuarial present value of projected contributions and
23 trust income plus assets in excess of the reserve
24 required by subsection (b) (3) (ii), then the report may
25 provide a plan of decreases in employee, retiree,
26 dependent, or survivor contribution levels, increases

1 in benefit levels, or both, to the extent of the
2 surplus.

3 (iv) The Auditor General shall review the report
4 and plan provided in subsection (b) (3) (iii) and issue a
5 determination within 90 days after receiving the
6 report and plan, with a copy of such determination
7 provided to the General Assembly and the Regional
8 Transportation Authority, as follows:

9 (A) In the event of a projected shortfall, if
10 the Auditor General determines that the
11 assumptions stated in the report are not
12 unreasonable in the aggregate and that the plan of
13 increases in employee, retiree, dependent, or
14 survivor contribution levels, decreases in benefit
15 levels, or both, is reasonably projected to cure
16 the shortfall over a period of not more than 10
17 years, then the Board of Trustees shall implement
18 the plan. If the Auditor General determines that
19 the assumptions stated in the report are
20 unreasonable in the aggregate, or that the plan of
21 increases in employee, retiree, dependent, or
22 survivor contribution levels, decreases in benefit
23 levels, or both, is not reasonably projected to
24 cure the shortfall over a period of not more than
25 10 years, then the Board of Trustees shall not
26 implement the plan, the Auditor General shall

1 explain the basis for such determination to the
2 Board of Trustees, and the Auditor General may make
3 recommendations as to an alternative report and
4 plan.

5 (B) In the event of a projected surplus, if the
6 Auditor General determines that the assumptions
7 stated in the report are not unreasonable in the
8 aggregate and that the plan of decreases in
9 employee, retiree, dependent, or survivor
10 contribution levels, increases in benefit levels,
11 or both, is not unreasonable in the aggregate, then
12 the Board of Trustees shall implement the plan. If
13 the Auditor General determines that the
14 assumptions stated in the report are unreasonable
15 in the aggregate, or that the plan of decreases in
16 employee, retiree, dependent, or survivor
17 contribution levels, increases in benefit levels,
18 or both, is unreasonable in the aggregate, then the
19 Board of Trustees shall not implement the plan, the
20 Auditor General shall explain the basis for such
21 determination to the Board of Trustees, and the
22 Auditor General may make recommendations as to an
23 alternative report and plan.

24 (C) The Board of Trustees shall submit an
25 alternative report and plan within 45 days after
26 receiving a rejection determination by the Auditor

1 General. A determination by the Auditor General on
2 any alternative report and plan submitted by the
3 Board of Trustees shall be made within 90 days
4 after receiving the alternative report and plan,
5 and shall be accepted or rejected according to the
6 requirements of this subsection (b)(3)(iv). The
7 Board of Trustees shall continue to submit
8 alternative reports and plans to the Auditor
9 General, as necessary, until a favorable
10 determination is made by the Auditor General.

11 (4) For any retiree who first retires effective on or
12 after the effective date of this amendatory Act of the 95th
13 General Assembly, to be eligible for retiree health care
14 benefits upon retirement, the retiree must be at least 55
15 years of age, retire with 10 or more years of continuous
16 service and satisfy the preconditions established by this
17 amendatory Act in addition to any rules or regulations
18 promulgated by the Board of Trustees. This paragraph (4)
19 shall not apply to a disability allowance.

20 (5) Effective January 1, 2009, the aggregate amount of
21 retiree, dependent and survivor contributions to the cost
22 of their health care benefits shall not exceed more than
23 45% of the total cost of such benefits. The Board of
24 Trustees shall have the discretion to provide different
25 contribution levels for retirees, dependents and survivors
26 based on their years of service, level of coverage or

1 Medicare eligibility, provided that the total contribution
2 from all retirees, dependents, and survivors shall be not
3 more than 45% of the total cost of such benefits. The term
4 "total cost of such benefits" for purposes of this
5 subsection shall be the total amount expended by the
6 retiree health benefit program in the prior plan year, as
7 calculated and certified in writing by the Retiree Health
8 Care Trust's enrolled actuary to be appointed and paid for
9 by the Board of Trustees.

10 (6) Effective 30 days after the establishment of the
11 Retiree Health Care Trust, all employees of the Authority
12 shall contribute to the Retiree Health Care Trust in an
13 amount not less than 3% of compensation.

14 (7) No earlier than January 1, 2009 and no later than
15 July 1, 2009 as the Retiree Health Care Trust becomes
16 solely responsible for providing health care benefits to
17 eligible retirees and their dependents and survivors in
18 accordance with subsection (b) of this Section 22-101B, the
19 Authority shall not have any obligation to provide health
20 care to current or future retirees and their dependents or
21 survivors. Employees, retirees, dependents, and survivors
22 who are required to make contributions to the Retiree
23 Health Care Trust shall make contributions at the level set
24 by the Board of Trustees pursuant to the requirements of
25 this Section 22-101B.

1 Section 15. The Metropolitan Transit Authority Act is
2 amended by changing Sections 15, 28a, 34, and 46 and by adding
3 Sections 12c, 50, and 55 as follows:

4 (70 ILCS 3605/12c new)

5 Sec. 12c. Retiree Benefits Bonds and Notes.

6 (a) In addition to all other bonds or notes that it is
7 authorized to issue, the Authority is authorized to issue its
8 bonds or notes for the purposes of providing funds for the
9 Authority to make the deposits described in Section 12c(b) (1)
10 and (2), for refunding any bonds authorized to be issued under
11 this Section, as well as for the purposes of paying costs of
12 issuance, obtaining bond insurance or other credit enhancement
13 or liquidity facilities, paying costs of obtaining related
14 swaps as authorized in the Bond Authorization Act ("Swaps"),
15 providing a debt service reserve fund, paying Debt Service (as
16 defined in paragraph (i) of this Section 12c), and paying all
17 other costs related to any such bonds or notes.

18 (b) (1) After its receipt of a certified copy of a report of
19 the Auditor General of the State of Illinois meeting the
20 requirements of Section 3-2.3 of the Illinois State Auditing
21 Act, the Authority may issue \$1,348,550,000 aggregate original
22 principal amount of bonds and notes. After payment of the costs
23 of issuance and necessary deposits to funds and accounts
24 established with respect to debt service, the net proceeds of
25 such bonds or notes shall be deposited only in the Retirement

1 Plan for Chicago Transit Authority Employees and used only for
2 the purposes required by Section 22-101 of the Illinois Pension
3 Code. Provided that no less than \$1,110,500,000 has been
4 deposited in the Retirement Plan, remaining proceeds of bonds
5 issued under this subparagraph (b) (1) may be used to pay costs
6 of issuance and make necessary deposits to funds and accounts
7 with respect to debt service for bonds and notes issued under
8 this subparagraph or subparagraph (b) (2).

9 (2) After its receipt of a certified copy of a report of
10 the Auditor General of the State of Illinois meeting the
11 requirements of Section 3-2.3 of the Illinois State Auditing
12 Act, the Authority may issue \$639,680,000 aggregate original
13 principal amount of bonds and notes. After payment of the costs
14 of issuance and necessary deposits to funds and accounts
15 established with respect to debt service, the net proceeds of
16 such bonds or notes shall be deposited only in the Retiree
17 Health Care Trust and used only for the purposes required by
18 Section 22-101B of the Illinois Pension Code. Provided that no
19 less than \$528,800,000 has been deposited in the Retiree Health
20 Care Trust, remaining proceeds of bonds issued under this
21 subparagraph (b) (2) may be used to pay costs of issuance and
22 make necessary deposits to funds and accounts with respect to
23 debt service for bonds and notes issued under this subparagraph
24 or subparagraph (b) (1).

25 (3) In addition, refunding bonds are authorized to be
26 issued for the purpose of refunding outstanding bonds or notes

1 issued under this Section 12c.

2 (4) The bonds or notes issued under 12c(b)(1) shall be
3 issued as soon as practicable after the Auditor General issues
4 the report provided in Section 3-2.3(b) of the Illinois State
5 Auditing Act. The bonds or notes issued under 12c(b)(2) shall
6 be issued as soon as practicable after the Auditor General
7 issues the report provided in Section 3-2.3(c) of the Illinois
8 State Auditing Act.

9 (5) With respect to bonds and notes issued under
10 subparagraph (b), scheduled aggregate annual payments of
11 interest or deposits into funds and accounts established for
12 the purpose of such payment shall commence within one year
13 after the bonds and notes are issued. With respect to principal
14 and interest, scheduled aggregate annual payments of principal
15 and interest or deposits into funds and accounts established
16 for the purpose of such payment shall be not less than 70% in
17 2009, 80% in 2010, and 90% in 2011, respectively, of scheduled
18 payments or deposits of principal and interest in 2012 and
19 shall be substantially equal beginning in 2012 and each year
20 thereafter. For purposes of this subparagraph (b),
21 "substantially equal" means that debt service in any full year
22 after calendar year 2011 is not more than 115% of debt service
23 in any other full year after calendar year 2011 during the term
24 of the bonds or notes. For the purposes of this subsection (b),
25 with respect to bonds and notes that bear interest at a
26 variable rate, interest shall be assumed at a rate equal to the

1 rate for United States Treasury Securities - State and Local
2 Government Series for the same maturity, plus 75 basis points.
3 If the Authority enters into a Swap with a counterparty
4 requiring the Authority to pay a fixed interest rate on a
5 notional amount, and the Authority has made a determination
6 that such Swap was entered into for the purpose of providing
7 substitute interest payments for variable interest rate bonds
8 or notes of a particular maturity or maturities in a principal
9 amount equal to the notional amount of the Swap, then during
10 the term of the Swap for purposes of any calculation of
11 interest payable on such bonds or notes, the interest rate on
12 the bonds or notes of such maturity or maturities shall be
13 determined as if such bonds or notes bore interest at the fixed
14 interest rate payable by the Authority under such Swap.

15 (6) No bond or note issued under this Section 12c shall
16 mature later than December 31, 2040.

17 (c) The Chicago Transit Board shall provide for the
18 issuance of bonds or notes as authorized in this Section 12c by
19 the adoption of an ordinance. The ordinance, together with the
20 bonds or notes, shall constitute a contract among the
21 Authority, the owners from time to time of the bonds or notes,
22 any bond trustee with respect to the bonds or notes, any
23 related credit enhancer and any provider of any related Swaps.

24 (d) The Authority is authorized to cause the proceeds of
25 the bonds or notes, and any interest or investment earnings on
26 the bonds or notes, and of any Swaps, to be invested until the

1 proceeds and any interest or investment earnings have been
2 deposited with the Retirement Plan or the Retiree Health Care
3 Trust.

4 (e) Bonds or notes issued pursuant to this Section 12c may
5 be general obligations of the Authority, to which shall be
6 pledged the full faith and credit of the Authority, or may be
7 obligations payable solely from particular sources of funds all
8 as may be provided in the authorizing ordinance. The
9 authorizing ordinance for the bonds and notes, whether or not
10 general obligations of the Authority, may provide for the Debt
11 Service (as defined in paragraph (i) of this Section 12c) to
12 have a claim for payment from particular sources of funds,
13 including, without limitation, amounts to be paid to the
14 Authority or a bond trustee. The authorizing ordinance may
15 provide for the means by which the bonds or notes (and any
16 related Swaps) may be secured, which may include, a pledge of
17 any revenues or funds of the Authority from whatever source
18 which may by law be utilized for paying Debt Service. In
19 addition to any other security, upon the written approval of
20 the Regional Transportation Authority by the affirmative vote
21 of 12 of its then Directors, the ordinance may provide a
22 specific pledge or assignment of and lien on or security
23 interest in amounts to be paid to the Authority by the Regional
24 Transportation Authority and direct payment thereof to the bond
25 trustee for payment of Debt Service with respect to the bonds
26 or notes, subject to the provisions of existing lease

1 agreements of the Authority with any public building
2 commission. The authorizing ordinance may also provide a
3 specific pledge or assignment of and lien on or security
4 interest in and direct payment to the trustee of all or a
5 portion of the moneys otherwise received by the Authority from
6 a tax imposed by the Authority under Section 55 of this Act.
7 Any such pledge, assignment, lien or security interest for the
8 benefit of owners of bonds or notes shall be valid and binding
9 from the time the bonds or notes are issued, without any
10 physical delivery or further act, and shall be valid and
11 binding as against and prior to the claims of all other parties
12 having claims of any kind against the Authority or any other
13 person, irrespective of whether such other parties have notice
14 of such pledge, assignment, lien or security interest, all as
15 provided in the Local Government Debt Reform Act, as it may be
16 amended from time to time. The bonds or notes of the Authority
17 issued pursuant to this Section 12c shall have such priority of
18 payment and as to their claim for payment from particular
19 sources of funds, including their priority with respect to
20 obligations of the Authority issued under other Sections of
21 this Act, all as shall be provided in the ordinances
22 authorizing the issuance of the bonds or notes. The ordinance
23 authorizing the issuance of any bonds or notes under this
24 Section may provide for the creation of, deposits in, and
25 regulation and disposition of sinking fund or reserve accounts
26 relating to those bonds or notes and related agreements. The

1 ordinance authorizing the issuance of any such bonds or notes
2 authorized under this Section 12c may contain provisions for
3 the creation of a separate fund to provide for the payment of
4 principal of and interest on those bonds or notes and related
5 agreements. The ordinance may also provide limitations on the
6 issuance of additional bonds or notes of the Authority.

7 (f) Bonds or notes issued under this Section 12c shall not
8 constitute an indebtedness of the Regional Transportation
9 Authority, the State of Illinois, or of any other political
10 subdivision of or municipality within the State, except the
11 Authority.

12 (g) The ordinance of the Chicago Transit Board authorizing
13 the issuance of bonds or notes pursuant to this Section 12c may
14 provide for the appointment of a corporate trustee (which may
15 be any trust company or bank having the powers of a trust
16 company within Illinois) with respect to bonds or notes issued
17 pursuant to this Section 12c. The ordinance shall prescribe the
18 rights, duties, and powers of the trustee to be exercised for
19 the benefit of the Authority and the protection of the owners
20 of bonds or notes issued pursuant to this Section 12c. The
21 ordinance may provide for the trustee to hold in trust, invest
22 and use amounts in funds and accounts created as provided by
23 the ordinance with respect to the bonds or notes in accordance
24 with this Section 12c. The Authority may apply, as it shall
25 determine, any amounts received upon the sale of the bonds or
26 notes to pay any Debt Service on the bonds or notes. The

1 ordinance may provide for a trust indenture to set forth terms
2 of, sources of payment for and security for the bonds and
3 notes.

4 (h) The State of Illinois pledges to and agrees with the
5 owners of the bonds or notes issued pursuant to Section 12c
6 that the State of Illinois will not limit the powers vested in
7 the Authority by this Act to pledge and assign its revenues and
8 funds as security for the payment of the bonds or notes, or
9 vested in the Regional Transportation Authority by the Regional
10 Transportation Authority Act or this Act, so as to materially
11 impair the payment obligations of the Authority under the terms
12 of any contract made by the Authority with those owners or to
13 materially impair the rights and remedies of those owners until
14 those bonds or notes, together with interest and any redemption
15 premium, and all costs and expenses in connection with any
16 action or proceedings by or on behalf of such owners are fully
17 met and discharged. The Authority is authorized to include
18 these pledges and agreements of the State of Illinois in any
19 contract with owners of bonds or notes issued pursuant to this
20 Section 12c.

21 (i) For purposes of this Section, "Debt Service" with
22 respect to bonds or notes includes, without limitation,
23 principal (at maturity or upon mandatory redemption),
24 redemption premium, interest, periodic, upfront, and
25 termination payments on Swaps, fees for bond insurance or other
26 credit enhancement, liquidity facilities, the funding of bond

1 or note reserves, bond trustee fees, and all other costs of
2 providing for the security or payment of the bonds or notes.

3 (j) The Authority shall adopt a procurement program with
4 respect to contracts relating to the following service
5 providers in connection with the issuance of debt for the
6 benefit of the Retirement Plan for Chicago Transit Authority
7 Employees: underwriters, bond counsel, financial advisors, and
8 accountants. The program shall include goals for the payment of
9 not less than 30% of the total dollar value of the fees from
10 these contracts to minority owned businesses and female owned
11 businesses as defined in the Business Enterprise for
12 Minorities, Females, and Persons with Disabilities Act. The
13 Authority shall conduct outreach to minority owned businesses
14 and female owned businesses. Outreach shall include, but is not
15 limited to, advertisements in periodicals and newspapers,
16 mailings, and other appropriate media. The Authority shall
17 submit to the General Assembly a comprehensive report that
18 shall include, at a minimum, the details of the procurement
19 plan, outreach efforts, and the results of the efforts to
20 achieve goals for the payment of fees. The service providers
21 selected by the Authority pursuant to such program shall not be
22 subject to approval by the Regional Transportation Authority,
23 and the Regional Transportation Authority's approval pursuant
24 to subsection (e) of this Section 12c related to the issuance
25 of debt shall not be based in any way on the service providers
26 selected by the Authority pursuant to this Section.

1 (k) No person holding an elective office in this State,
2 holding a seat in the General Assembly, serving as a director,
3 trustee, officer, or employee of the Regional Transportation
4 Authority or the Chicago Transit Authority, including the
5 spouse or minor child of that person, may receive a legal,
6 banking, consulting, or other fee related to the issuance of
7 any bond issued by the Chicago Transit Authority pursuant to
8 this Section.

9 (70 ILCS 3605/15) (from Ch. 111 2/3, par. 315)

10 Sec. 15. The Authority shall have power to apply for and
11 accept grants and loans from the Federal Government or any
12 agency or instrumentality thereof, from the State, or from any
13 county, municipal corporation or other political subdivision
14 of the State to be used for any of the purposes of the
15 Authority, including, but not by way of limitation, grants and
16 loans in aid of mass transportation and for studies in mass
17 transportation, and may provide matching funds when necessary
18 to qualify for such grants or loans. The Authority may enter
19 into any agreement with the Federal Government, the State, and
20 any county, municipal corporation or other political
21 subdivision of the State in relation to such grants or loans;
22 provided that such agreement does not conflict with any of the
23 provisions of any trust agreement securing the payment of bonds
24 or certificates of the Authority.

25 The Authority may also accept from the state, or from any

1 county or other political subdivision, or from any municipal
2 corporation, or school district, or school authorities, grants
3 or other funds authorized by law to be paid to the Authority
4 for any of the purposes of this Act.

5 (Source: Laws 1961, p. 3135.)

6 (70 ILCS 3605/28a) (from Ch. 111 2/3, par. 328a)

7 Sec. 28a. (a) The Board may deal with and enter into
8 written contracts with the employees of the Authority through
9 accredited representatives of such employees or
10 representatives of any labor organization authorized to act for
11 such employees, concerning wages, salaries, hours, working
12 conditions and pension or retirement provisions; provided,
13 nothing herein shall be construed to permit hours of labor in
14 excess of those provided by law or to permit working conditions
15 prohibited by law. In case of dispute over wages, salaries,
16 hours, working conditions, or pension or retirement provisions
17 the Board may arbitrate any question or questions and may agree
18 with such accredited representatives or labor organization
19 that the decision of a majority of any arbitration board shall
20 be final, provided each party shall agree in advance to pay
21 half of the expense of such arbitration.

22 No contract or agreement shall be made with any labor
23 organization, association, group or individual for the
24 employment of members of such organization, association, group
25 or individual for the construction, improvement, maintenance,

1 operation or administration of any property, plant or
2 facilities under the jurisdiction of the Authority, where such
3 organization, association, group or individual denies on the
4 ground of race, creed, color, sex, religion, physical or mental
5 handicap unrelated to ability, or national origin membership
6 and equal opportunities for employment to any citizen of
7 Illinois.

8 (b) (1) The provisions of this paragraph (b) apply to
9 collective bargaining agreements (including extensions and
10 amendments of existing agreements) entered into on or after
11 January 1, 1984.

12 (2) The Board shall deal with and enter into written
13 contracts with their employees, through accredited
14 representatives of such employees authorized to act for such
15 employees concerning wages, salaries, hours, working
16 conditions, and pension or retirement provisions about which a
17 collective bargaining agreement has been entered prior to the
18 effective date of this amendatory Act of 1983. Any such
19 agreement of the Authority shall provide that the agreement may
20 be reopened if the amended budget submitted pursuant to Section
21 2.18a of the Regional Transportation Authority Act is not
22 approved by the Board of the Regional Transportation Authority.
23 The agreement may not include a provision requiring the payment
24 of wage increases based on changes in the Consumer Price Index.
25 The Board shall not have the authority to enter into collective
26 bargaining agreements with respect to inherent management

1 rights, which include such areas of discretion or policy as the
2 functions of the employer, standards of services, its overall
3 budget, the organizational structure and selection of new
4 employees and direction of personnel. Employers, however,
5 shall be required to bargain collectively with regard to policy
6 matters directly affecting wages, hours and terms and
7 conditions of employment, as well as the impact thereon upon
8 request by employee representatives. To preserve the rights of
9 employers and exclusive representatives which have established
10 collective bargaining relationships or negotiated collective
11 bargaining agreements prior to the effective date of this
12 amendatory Act of 1983, employers shall be required to bargain
13 collectively with regard to any matter concerning wages, hours
14 or conditions of employment about which they have bargained
15 prior to the effective date of this amendatory Act of 1983.

16 (3) The collective bargaining agreement may not include a
17 prohibition on the use of part-time operators on any service
18 operated by or funded by the Board, except where prohibited by
19 federal law.

20 (4) Within 30 days of the signing of any such collective
21 bargaining agreement, the Board shall determine the costs of
22 each provision of the agreement, prepare an amended budget
23 incorporating the costs of the agreement, and present the
24 amended budget to the Board of the Regional Transportation
25 Authority for its approval under Section 4.11 of the Regional
26 Transportation Act. The Board of the Regional Transportation

1 Authority may approve the amended budget by an affirmative vote
2 of 12 ~~two-thirds~~ of its then Directors. If the budget is not
3 approved by the Board of the Regional Transportation Authority,
4 the agreement may be reopened and its terms may be
5 renegotiated. Any amended budget which may be prepared
6 following renegotiation shall be presented to the Board of the
7 Regional Transportation Authority for its approval in like
8 manner.

9 (Source: P.A. 83-886.)

10 (70 ILCS 3605/34) (from Ch. 111 2/3, par. 334)

11 Sec. 34. Budget and Program. The Authority, subject to the
12 powers of the Regional Transportation Authority in Section 4.11
13 of the Regional Transportation Authority Act, shall control the
14 finances of the Authority. It shall by ordinance appropriate
15 money to perform the Authority's purposes and provide for
16 payment of debts and expenses of the Authority. Each year the
17 Authority shall prepare and publish a comprehensive annual
18 budget and five-year capital program document, and a financial
19 plan for the 2 years thereafter describing the state of the
20 Authority and presenting for the forthcoming fiscal year and
21 the two following years the Authority's plans for such
22 operations and capital expenditures as it intends to undertake
23 and the means by which it intends to finance them. The proposed
24 budget, ~~and~~ financial plan, and five-year capital program shall
25 be based on the Regional Transportation Authority's estimate of

1 funds to be made available to the Authority by or through the
2 Regional Transportation Authority and shall conform in all
3 respects to the requirements established by the Regional
4 Transportation Authority. The proposed ~~program and budget,~~
5 financial plan, and five-year capital program shall contain a
6 statement of the funds estimated to be on hand at the beginning
7 of the fiscal year, the funds estimated to be received from all
8 sources for such year and the funds estimated to be on hand at
9 the end of such year. ~~After adoption of the Regional~~
10 ~~Transportation Authority's first Five-Year Program, as~~
11 ~~provided in Section 2.01 of the Regional Transportation~~
12 ~~Authority Act, the proposed program and budget shall~~
13 ~~specifically identify any respect in which the recommended~~
14 ~~program deviates from the Regional Transportation Authority's~~
15 ~~then existing Five-Year Program, giving the reasons for such~~
16 ~~deviation.~~ The proposed ~~program and budget,~~ financial plan, and
17 five-year capital program shall be available at no cost for
18 public inspection at the Authority's main office and at the
19 Regional Transportation Authority's main office at least 3
20 weeks prior to any public hearing. Before the proposed budget,
21 ~~and program and financial plan,~~ and five-year capital program
22 are submitted to the Regional Transportation Authority, the
23 Authority shall hold at least one public hearing thereon in
24 each of the counties in which the Authority provides service.
25 All Board members of the Authority shall attend a majority of
26 the public hearings unless reasonable cause is given for their

1 absence. After the public hearings, the Board of the Authority
2 shall hold at least one meeting for consideration of the
3 proposed program and budget with the Cook County Board. After
4 conducting such hearings and holding such meetings and after
5 making such changes in the proposed ~~program and budget,~~
6 financial plan, and five-year capital program as the Board
7 deems appropriate, it shall adopt an annual budget ordinance at
8 least by November 15th preceding the beginning of each fiscal
9 year. The budget, ~~and program, and~~ financial plan, and
10 five-year capital program shall then be submitted to the
11 Regional Transportation Authority as provided in Section 4.11
12 of the Regional Transportation Authority Act. In the event that
13 the Board of the Regional Transportation Authority determines
14 that the budget, ~~and program, and~~ financial plan, and five-year
15 capital program do not meet the standards of said Section 4.11,
16 the Board of the Authority shall make such changes as are
17 necessary to meet such requirements and adopt an amended budget
18 ordinance. The amended budget ordinance shall be resubmitted to
19 the Regional Transportation Authority pursuant to said Section
20 4.11. The ordinance shall appropriate such sums of money as are
21 deemed necessary to defray all necessary expenses and
22 obligations of the Authority, specifying purposes and the
23 objects or programs for which appropriations are made and the
24 amount appropriated for each object or program. Additional
25 appropriations, transfers between items and other changes in
26 such ordinance which do not alter the basis upon which the

1 balanced budget determination was made by the Regional
2 Transportation Authority may be made from time to time by the
3 Board.

4 The budget shall:

5 (i) show a balance between (A) anticipated revenues
6 from all sources including operating subsidies and (B) the
7 costs of providing the services specified and of funding
8 any operating deficits or encumbrances incurred in prior
9 periods, including provision for payment when due of
10 principal and interest on outstanding indebtedness;

11 (ii) show cash balances including the proceeds of any
12 anticipated cash flow borrowing sufficient to pay with
13 reasonable promptness all costs and expenses as incurred;

14 (iii) provide for a level of fares or charges and
15 operating or administrative costs for the public
16 transportation provided by or subject to the jurisdiction
17 of the Board sufficient to allow the Board to meet its
18 required system generated revenue recovery ratio as
19 determined in accordance with subsection (a) of Section
20 4.11 of the Regional Transportation Authority Act;

21 (iv) be based upon and employ assumptions and
22 projections which are reasonable and prudent;

23 (v) have been prepared in accordance with sound
24 financial practices as determined by the Board of the
25 Regional Transportation Authority; ~~and~~

26 (vi) meet such other financial, budgetary, or fiscal

1 requirements that the Board of the Regional Transportation
2 Authority may by rule or regulation establish; and ~~and~~

3 (vii) be consistent with the goals and objectives
4 adopted by the Regional Transportation Authority in the
5 Strategic Plan.

6 The Board shall establish a fiscal operating year. At least
7 thirty days prior to the beginning of the first full fiscal
8 year after the creation of the Authority, and annually
9 thereafter, the Board shall cause to be prepared a tentative
10 budget which shall include all operation and maintenance
11 expense for the ensuing fiscal year. The tentative budget shall
12 be considered by the Board and, subject to any revision and
13 amendments as may be determined, shall be adopted prior to the
14 first day of the ensuing fiscal year as the budget for that
15 year. No expenditures for operations and maintenance in excess
16 of the budget shall be made during any fiscal year except by
17 the affirmative vote of at least five members of the Board. It
18 shall not be necessary to include in the annual budget any
19 statement of necessary expenditures for pensions or retirement
20 annuities, or for interest or principal payments on bonds or
21 certificates, or for capital outlays, but it shall be the duty
22 of the Board to make provision for payment of same from
23 appropriate funds. The Board may not alter its fiscal year
24 without the prior approval of the Board of the Regional
25 Transportation Authority.

26 (Source: P.A. 87-1249.)

1 (70 ILCS 3605/46) (from Ch. 111 2/3, par. 346)

2 Sec. 46. Citizens Advisory Board. The Board shall establish
3 a citizens advisory board composed of 11 residents of those
4 portions of the metropolitan region in which the Authority
5 provides service who have an interest in public transportation,
6 one of whom shall be at least 65 years of age. The members of
7 the advisory board shall be named for 2 year terms, shall
8 select one of their members to serve as chairman and shall
9 serve without compensation. The citizens advisory board shall
10 meet with Board at least quarterly and advise the Board of the
11 impact of its policies and programs on the communities it
12 serves. Appointments to the citizens advisory board should, to
13 the greatest extent possible, reflect the ethnic, cultural, and
14 geographic diversity of all persons residing within the
15 metropolitan region in which the Authority provides service.

16 (Source: P.A. 87-226.)

17 (70 ILCS 3605/50 new)

18 Sec. 50. Disadvantaged Business Enterprise Contracting and
19 Equal Employment Opportunity Programs. The Authority shall, as
20 soon as is practicable but in no event later than two years
21 after the effective date of this amendatory Act of the 95th
22 General Assembly, establish and maintain a disadvantaged
23 business enterprise contracting program designed to ensure
24 non-discrimination in the award and administration of

1 contracts not covered under a federally mandated disadvantaged
2 business enterprise program. The program shall establish
3 narrowly tailored goals for the participation of disadvantaged
4 business enterprises as the Authority determines appropriate.
5 The goals shall be based on demonstrable evidence of the
6 availability of ready, willing, and able disadvantaged
7 business enterprises relative to all businesses ready,
8 willing, and able to participate on the program's contracts.
9 The program shall require the Authority to monitor the progress
10 of the contractors' obligations with respect to the program's
11 goals. Nothing in this program shall conflict with or interfere
12 with the maintenance or operation of, or compliance with, any
13 federally mandated disadvantaged business enterprise program.

14 The Authority shall establish and maintain a program
15 designed to promote equal employment opportunity. Each year, no
16 later than October 1, the Authority shall report to the General
17 Assembly on the number of employees of the Authority and the
18 number of employees who have designated themselves as members
19 of a minority group and gender.

20 Each year no later than October 1, and starting no later
21 than the October 1 after the establishment of the disadvantaged
22 business enterprise contracting program, the Authority shall
23 submit a report with respect to such program to the General
24 Assembly. In addition, no later than October 1 of each year,
25 the Authority shall submit a copy of its federally mandated
26 semi-annual Uniform Report of Disadvantaged Business

1 Enterprises Awards or Commitments and Payments to the General
2 Assembly.

3 (70 ILCS 3605/55 new)

4 Sec. 55. Real estate transfer tax. Within 6 months after
5 the effective date of this amendatory Act of the 95th General
6 Assembly, the Chicago Transit Authority may by ordinance impose
7 a real estate transfer tax on the privilege of transferring
8 title to real estate in the City of Chicago at a rate of up to
9 \$1.50 for each \$500 of value or fraction thereof, which may be
10 on the buyer or seller of real estate, or jointly and severally
11 on both. The Chicago Transit Authority shall file a copy of any
12 ordinance imposing such tax with the Illinois Department of
13 Revenue and shall file a report with the Department each month
14 certifying the amount received in the previous month from the
15 proceeds of such tax. Such tax may, pursuant to an
16 intergovernmental agreement, be collected by the City of
17 Chicago in connection with real estate transfer taxes the City
18 imposes in accordance with Section 8-3-19 of the Illinois
19 Municipal Code and be remitted to the Chicago Transit Authority
20 net a reasonable agreed fee for costs of collection. The terms
21 of such real estate transfer tax shall be the same as those of
22 the City of Chicago's real estate transfer tax with regard to
23 definitions, scope, exemptions, procedures, penalties, and all
24 other terms except as expressly provided in this Section.

1 Section 20. The Regional Transportation Authority Act is
2 amended by changing Sections 1.02, 2.01, 2.04, 2.05, 2.09,
3 2.12, 2.14, 2.18a, 2.30, 3.01, 3.03, 3.05, 3A.10, 3A.11, 3A.14,
4 3B.02, 3B.03, 3B.05, 3B.07, 3B.09, 3B.10, 3B.11, 3B.12, 3B.13,
5 4.01, 4.02, 4.02a, 4.02b, 4.03, 4.04, 4.09, 4.11, 4.13, 4.14,
6 and 5.01 and by adding Section 2.01a, 2.01b, 2.01c, 2.01d,
7 2.01e, 2.12b, 2.31, and 4.03.3 as follows:

8 (70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)

9 Sec. 1.02. Findings and Purpose. (a) The General Assembly
10 finds;

11 (i) Public transportation is, as provided in Section 7 of
12 Article XIII of the Illinois Constitution, an essential public
13 purpose for which public funds may be expended and that Section
14 authorizes the State to provide financial assistance to units
15 of local government for distribution to providers of public
16 transportation. There is an urgent need to reform and continue
17 a unit of local government to assure the proper management of
18 public transportation and to receive and distribute State or
19 federal operating assistance and to raise and distribute
20 revenues for local operating assistance. System generated
21 revenues are not adequate for such service and a public need
22 exists to provide for, aid and assist public transportation in
23 the northeastern area of the State, consisting of Cook, DuPage,
24 Kane, Lake, McHenry and Will Counties.

25 (ii) Comprehensive and coordinated regional public

1 transportation is essential to the public health, safety and
2 welfare. It is essential to economic well-being, maintenance of
3 full employment, conservation of sources of energy and land for
4 open space and reduction of traffic congestion and for
5 providing and maintaining a healthful environment for the
6 benefit of present and future generations in the metropolitan
7 region. Public transportation improves the mobility of the
8 public and improves access to jobs, commercial facilities,
9 schools and cultural attractions. Public transportation
10 decreases air pollution and other environmental hazards
11 resulting from excessive use of automobiles and allows for more
12 efficient land use and planning.

13 (iii) Because system generated receipts are not presently
14 adequate, public transportation facilities and services in the
15 northeastern area are in grave financial condition. With
16 existing methods of financing, coordination and management,
17 and relative convenience of automobiles, such public
18 transportation facilities are not providing adequate public
19 transportation to insure the public health, safety and welfare.

20 (iv) Additional commitments to the ~~special~~ public
21 transportation needs ~~problems~~ of the disabled ~~handicapped~~, the
22 economically disadvantaged, and the elderly are necessary.

23 (v) To solve these problems, it is necessary to provide for
24 the creation of a regional transportation authority with the
25 powers necessary to insure adequate public transportation.

26 (b) The General Assembly further finds, in connection with

1 this amendatory Act of 1983:

2 (i) Substantial, recurring deficits in the operations of
3 public transportation services subject to the jurisdiction of
4 the Regional Transportation Authority and periodic cash
5 shortages have occurred either of which could bring about a
6 loss of public transportation services throughout the
7 metropolitan region at any time;

8 (ii) A substantial or total loss of public transportation
9 services or any segment thereof would create an emergency
10 threatening the safety and well-being of the people in the
11 northeastern area of the State; and

12 (iii) To meet the urgent needs of the people of the
13 metropolitan region that such an emergency be averted and to
14 provide financially sound methods of managing the provision of
15 public transportation services in the northeastern area of the
16 State, it is necessary, while maintaining and continuing the
17 existing Authority, to modify the powers and responsibilities
18 of the Authority, to reallocate responsibility for operating
19 decisions, to change the composition and appointment of the
20 Board of Directors thereof, and to immediately establish a new
21 Board of Directors.

22 (c) The General Assembly further finds in connection with
23 this amendatory Act of the 95th General Assembly:

24 (i) The economic vitality of northeastern Illinois
25 requires regionwide and systemwide efforts to increase
26 ridership on the transit systems, constrain road congestion

1 within the metropolitan region, and allocate resources for
2 transportation so as to assist in the development of an
3 adequate, efficient, and coordinated regional transportation
4 system that is in a state of good repair.

5 (ii) To achieve the purposes of this amendatory Act of the
6 95th General Assembly, the powers and duties of the Authority
7 must be enhanced to improve overall planning and coordination,
8 to achieve an integrated and efficient regional transit system,
9 to advance the mobility of transit users, and to increase
10 financial transparency of the Authority and the Service Boards.

11 (d) ~~(e)~~ It is the purpose of this Act to provide for, aid
12 and assist public transportation in the northeastern area of
13 the State without impairing the overall quality of existing
14 public transportation by providing for the creation of a single
15 authority responsive to the people and elected officials of the
16 area and with the power and competence to develop, implement,
17 and enforce plans that promote adequate, efficient, and
18 coordinated public transportation, provide financial review of
19 the providers of public transportation in the metropolitan
20 region and facilitate public transportation provided by
21 Service Boards which is attractive and economical to users,
22 comprehensive, coordinated among its various elements,
23 economical, safe, efficient and coordinated with area and State
24 plans.

25 (Source: P.A. 83-885; 83-886.)

1 (70 ILCS 3615/2.01) (from Ch. 111 2/3, par. 702.01)

2 Sec. 2.01. General Allocation of Responsibility for Public
3 Transportation. Provision of Public Transportation -- Review
4 and Program.

5 (a) In order to accomplish the its purposes as set forth in
6 this Act, the responsibility for planning, operating, and
7 funding public transportation in the metropolitan region shall
8 be allocated as described in this Act. The Authority shall:

9 (i) adopt plans that implement the public policy of the
10 State to provide adequate, efficient, and coordinated
11 public transportation throughout the metropolitan region;

12 (ii) set goals, objectives, and standards for the
13 Authority, the Service Boards, and transportation
14 agencies;

15 (iii) develop performance measures to inform the
16 public about the extent to which the provision of public
17 transportation in the metropolitan region meets those
18 goals, objectives, and standards;

19 (iv) allocate operating and capital funds made
20 available to support public transportation in the
21 metropolitan region;

22 (v) provide financial oversight of the Service Boards;
23 and

24 (vi) coordinate the provision of public transportation
25 and the investment in public transportation facilities to
26 enhance the integration of public transportation

1 throughout the metropolitan region, all as provided in this
2 Act.

3 The ~~the~~ Service Boards shall, on a continuing basis
4 determine the level, nature and kind of public transportation
5 which should be provided for the metropolitan region in order
6 to meet the plans, goals, objectives, and standards adopted by
7 the Authority. The Service Boards may provide public
8 transportation by purchasing such service from transportation
9 agencies through purchase of service agreements, by grants to
10 such agencies or by operating such service, all pursuant to
11 this Act and the "Metropolitan Transit Authority Act", as now
12 or hereafter amended. Certain of its actions to implement the
13 responsibilities allocated to the Authority in this subsection
14 (a) shall be taken in 3 public documents adopted by the
15 affirmative vote of at least 12 of its then Directors: A
16 Strategic Plan; a Five-Year Capital Program; and an Annual
17 Budget and Two-Year Financial Plan. ~~The Authority shall~~
18 ~~establish a policy to provide adequate public transportation~~
19 ~~throughout the metropolitan region.~~

20 (b) The Authority shall subject the operating and capital
21 plans and expenditures of the Service Boards in the
22 metropolitan region with regard to public transportation to
23 continuing review so that the Authority may budget and expend
24 its funds with maximum effectiveness and efficiency. The
25 Authority shall conduct audits of each of the Service Boards no
26 less than every 5 years. Such audits may include management,

1 performance, financial, and infrastructure condition audits.
2 The Authority may conduct management, performance, financial,
3 and infrastructure condition audits of transportation agencies
4 that receive funds from the Authority. The Authority may direct
5 a Service Board to conduct any such audit of a transportation
6 agency that receives funds from such Service Board, and the
7 Service Board shall comply with such request to the extent it
8 has the right to do so. These audits of the Service Boards or
9 transportation agencies may be project or service specific
10 audits to evaluate their achievement of the goals and
11 objectives of that project or service and their compliance with
12 any applicable requirements. ~~Certain of its recommendations in~~
13 this regard shall be set forth in 2 public documents, the
14 Five Year Program provided for in this Section and an Annual
15 Budget and Program provided for in Section 4.01.

16 ~~(c) The Authority shall, in consultation with the Service~~
17 ~~Boards, each year prepare and, by ordinance, adopt, after~~
18 ~~public hearings held in each county in the metropolitan region,~~
19 ~~a Five Year Program to inform the public and government~~
20 ~~officials of the Authority's objectives and program for~~
21 ~~operations and capital development during the forthcoming~~
22 ~~five year period. The Five Year Program shall set forth the~~
23 ~~standards of service which the public may expect; each Service~~
24 ~~Board's plans for coordinating routes and service of the~~
25 ~~various transportation agencies; the anticipated expense of~~
26 ~~providing public transportation at standards of service then~~

1 ~~existing and under alternative operating programs; the nature,~~
2 ~~location and expense of anticipated capital improvements~~
3 ~~exceeding \$250,000, by specific item and by fiscal year; and~~
4 ~~such demographic and other data developed by planning and other~~
5 ~~related agencies, as the Authority shall consider pertinent to~~
6 ~~the Service Boards' decisions as to levels and nature of~~
7 ~~service, including without limitation the patterns of~~
8 ~~population density and growth, projected commercial and~~
9 ~~residential development, environmental factors and the~~
10 ~~availability of alternative modes of transportation. The~~
11 ~~Five Year Program shall be adopted on the affirmative votes of~~
12 ~~9 of the then Directors.~~

13 (Source: P.A. 83-886.)

14 (70 ILCS 3615/2.01a new)

15 Sec. 2.01a. Strategic Plan.

16 (a) By the affirmative vote of at least 12 of its then
17 Directors, the Authority shall adopt a Strategic Plan, no less
18 than every 5 years, after consultation with the Service Boards
19 and after holding a minimum of 3 public hearings in Cook County
20 and one public hearing in each of the other counties in the
21 region. The Executive Director of the Authority shall review
22 the Strategic Plan on an ongoing basis and make recommendations
23 to the Board of the Authority with respect to any update or
24 amendment of the Strategic Plan. The Strategic Plan shall
25 describe the specific actions to be taken by the Authority and

1 the Service Boards to provide adequate, efficient, and
2 coordinated public transportation.

3 (b) The Strategic Plan shall identify goals and objectives
4 with respect to:

5 (i) increasing ridership and passenger miles on public
6 transportation funded by the Authority;

7 (ii) coordination of public transportation services
8 and the investment in public transportation facilities to
9 enhance the integration of public transportation
10 throughout the metropolitan region;

11 (iii) coordination of fare and transfer policies to
12 promote transfers by riders among Service Boards,
13 transportation agencies, and public transportation modes,
14 which may include goals and objectives for development of a
15 universal fare instrument that riders may use
16 interchangeably on all public transportation funded by the
17 Authority, and methods to be used to allocate revenues from
18 transfers;

19 (iv) improvements in public transportation facilities
20 to bring those facilities into a state of good repair,
21 enhancements that attract ridership and improve customer
22 service, and expansions needed to serve areas with
23 sufficient demand for public transportation;

24 (v) access for transit-dependent populations,
25 including access by low-income communities to places of
26 employment, utilizing analyses provided by the Chicago

1 Metropolitan Agency for Planning regarding employment and
2 transportation availability, and giving consideration to
3 the location of employment centers in each county and the
4 availability of public transportation at off-peak hours
5 and on weekends;

6 (vi) the financial viability of the public
7 transportation system, including both operating and
8 capital programs;

9 (vii) limiting road congestion within the metropolitan
10 region and enhancing transit options to improve mobility;
11 and

12 (viii) such other goals and objectives that advance the
13 policy of the State to provide adequate, efficient, and
14 coordinated public transportation in the metropolitan
15 region.

16 (c) The Strategic Plan shall establish the process and
17 criteria by which proposals for capital improvements by a
18 Service Board or a transportation agency will be evaluated by
19 the Authority for inclusion in the Five-Year Capital Program,
20 which may include criteria for:

21 (i) allocating funds among maintenance, enhancement,
22 and expansion improvements;

23 (ii) projects to be funded from the Innovation,
24 Coordination, and Enhancement Fund;

25 (iii) projects intended to improve or enhance
26 ridership or customer service;

1 (iv) design and location of station or transit
2 improvements intended to promote transfers, increase
3 ridership, and support transit-oriented land development;

4 (v) assessing the impact of projects on the ability to
5 operate and maintain the existing transit system; and

6 (vi) other criteria that advance the goals and
7 objectives of the Strategic Plan.

8 (d) The Strategic Plan shall establish performance
9 standards and measurements regarding the adequacy, efficiency,
10 and coordination of public transportation services in the
11 region and the implementation of the goals and objectives in
12 the Strategic Plan. At a minimum, such standards and measures
13 shall include customer-related performance data measured by
14 line, route, or sub-region, as determined by the Authority, on
15 the following:

16 (i) travel times and on-time performance;

17 (ii) ridership data;

18 (iii) equipment failure rates;

19 (iv) employee and customer safety; and

20 (v) customer satisfaction.

21 The Service Boards and transportation agencies that
22 receive funding from the Authority or Service Boards shall
23 prepare, publish, and submit to the Authority such reports with
24 regard to these standards and measurements in the frequency and
25 form required by the Authority; however, the frequency of such
26 reporting shall be no less than annual. The Service Boards

1 shall publish such reports on their respective websites. The
2 Authority shall compile and publish such reports on its
3 website. Such performance standards and measures shall not be
4 used as the basis for disciplinary action against any employee
5 of the Authority or Service Boards, except to the extent the
6 employment and disciplinary practices of the Authority or
7 Service Board provide for such action.

8 (e) The Strategic Plan shall identify innovations to
9 improve the delivery of public transportation and the
10 construction of public transportation facilities.

11 (f) The Strategic Plan shall describe the expected
12 financial condition of public transportation in the
13 metropolitan region prospectively over a 10-year period, which
14 may include information about the cash position and all known
15 obligations of the Authority and the Service Boards including
16 operating expenditures, debt service, contributions for
17 payment of pension and other post-employment benefits, the
18 expected revenues from fares, tax receipts, grants from the
19 federal, State, and local governments for operating and capital
20 purposes and issuance of debt, the availability of working
21 capital, and the resources needed to achieve the goals and
22 objectives described in the Strategic Plan.

23 (g) In developing the Strategic Plan, the Authority shall
24 rely on such demographic and other data, forecasts, and
25 assumptions developed by the Chicago Metropolitan Agency for
26 Planning with respect to the patterns of population density and

1 growth, projected commercial and residential development, and
2 environmental factors, within the metropolitan region and in
3 areas outside the metropolitan region that may impact public
4 transportation utilization in the metropolitan region. Before
5 adopting or amending any Strategic Plan, the Authority shall
6 consult with the Chicago Metropolitan Agency for Planning
7 regarding the consistency of the Strategic Plan with the
8 Regional Comprehensive Plan adopted pursuant to the Regional
9 Planning Act.

10 (h) The Authority may adopt, by the affirmative vote of at
11 least 12 of its then Directors, sub-regional or corridor plans
12 for specific geographic areas of the metropolitan region in
13 order to improve the adequacy, efficiency, and coordination of
14 existing, or the delivery of new, public transportation. Such
15 plans may also address areas outside the metropolitan region
16 that may impact public transportation utilization in the
17 metropolitan region. In preparing a sub-regional or corridor
18 plan, the Authority may identify changes in operating practices
19 or capital investment in the sub-region or corridor that could
20 increase ridership, reduce costs, improve coordination, or
21 enhance transit-oriented development. The Authority shall
22 consult with any affected Service Boards in the preparation of
23 any sub-regional or corridor plans.

24 (i) If the Authority determines, by the affirmative vote of
25 at least 12 of its then Directors, that, with respect to any
26 proposed new public transportation service or facility, (i)

1 multiple Service Boards or transportation agencies are
2 potential service providers and (ii) the public transportation
3 facilities to be constructed or purchased to provide that
4 service have an expected construction cost of more than
5 \$25,000,000, the Authority shall have sole responsibility for
6 conducting any alternatives analysis and preliminary
7 environmental assessment required by federal or State law.
8 Nothing in this subparagraph (i) shall prohibit a Service Board
9 from undertaking alternatives analysis and preliminary
10 environmental assessment for any public transportation service
11 or facility identified in items (i) and (ii) above that is
12 included in the Five-Year Capital Program as of the effective
13 date of this amendatory Act of the 95th General Assembly;
14 however, any expenditure related to any such public
15 transportation service or facility must be included in a
16 Five-Year Capital Program under the requirements of Sections
17 2.01b and 4.02 of this Act.

18 (70 ILCS 3615/2.01b new)

19 Sec. 2.01b. The Five-Year Capital Program. By the
20 affirmative vote of at least 12 of its then Directors, the
21 Authority, after consultation with the Service Boards and after
22 holding a minimum of 3 public hearings in Cook County and one
23 public hearing in each of the other counties in the
24 metropolitan region, shall each year adopt a Five-Year Capital
25 Program that shall include each capital improvement to be

1 undertaken by or on behalf of a Service Board provided that the
2 Authority finds that the improvement meets any criteria for
3 capital improvements contained in the Strategic Plan, is not
4 inconsistent with any sub-regional or corridor plan adopted by
5 the Authority, and can be funded within amounts available with
6 respect to the capital and operating costs of such improvement.
7 In reviewing proposals for improvements to be included in a
8 Five-Year Capital Program, the Authority may give priority to
9 improvements that are intended to bring public transportation
10 facilities into a state of good repair. The Five-Year Capital
11 Program shall also identify capital improvements to be
12 undertaken by a Service Board, a transportation agency, or a
13 unit of local government and funded by the Authority from
14 amounts in the Innovation, Coordination, and Enhancement Fund,
15 provided that no improvement that is included in the Five-Year
16 Capital Program as of the effective date of this amendatory Act
17 of the 95th General Assembly may receive funding from the
18 Innovation, Coordination, and Enhancement Fund. Before
19 adopting a Five-Year Capital Program, the Authority shall
20 consult with the Chicago Metropolitan Agency for Planning
21 regarding the consistency of the Five-Year Capital Program with
22 the Regional Comprehensive Plan adopted pursuant to the
23 Regional Planning Act.

24 (70 ILCS 3615/2.01c new)

25 Sec. 2.01c. Innovation, Coordination, and Enhancement

1 Fund.

2 (a) The Authority shall establish an Innovation,
3 Coordination, and Enhancement Fund and each year deposit into
4 the Fund the amounts directed by Section 4.03.3 of this Act.
5 Amounts on deposit in such Fund and interest and other earnings
6 on those amounts may be used by the Authority, upon the
7 affirmative vote of 12 of its then Directors, and after a
8 public participation process, for operating or capital grants
9 or loans to Service Boards, transportation agencies, or units
10 of local government that advance the goals and objectives
11 identified by the Authority in its Strategic Plan, provided
12 that no improvement that has been included in a Five-Year
13 Capital Program as of the effective date of this amendatory Act
14 of the 95th General Assembly may receive any funding from the
15 Innovation, Coordination, and Enhancement Fund. Unless the
16 Board has determined by a vote of 12 of its then Directors that
17 an emergency exists requiring the use of some or all of the
18 funds then in the Innovation, Coordination, and Enhancement
19 Fund, such funds may only be used to enhance the coordination
20 and integration of public transportation and develop and
21 implement innovations to improve the quality and delivery of
22 public transportation.

23 (b) Any grantee that receives funds from the Innovation,
24 Coordination, and Enhancement Fund for the operation of
25 eligible programs must (i) implement such programs within one
26 year of receipt of such funds and (ii) within 2 years following

1 commencement of any program utilizing such funds, determine
2 whether it is desirable to continue the program, and upon such
3 a determination, either incorporate such program into its
4 annual operating budget and capital program or discontinue such
5 program. No additional funds from the Innovation,
6 Coordination, and Enhancement Fund may be distributed to a
7 grantee for any individual program beyond 2 years unless the
8 Authority by the affirmative vote of at least 12 of its then
9 Directors waives this limitation. Any such waiver will be with
10 regard to an individual program and with regard to a one
11 year-period, and any further waivers for such individual
12 program require a subsequent vote of the Board.

13 (70 ILCS 3615/2.01d new)

14 Sec. 2.01d. ADA Paratransit Fund. The Authority shall
15 establish an ADA Paratransit Fund and, each year, deposit into
16 that Fund the amounts directed by Section 4.03.3 of this Act
17 and any funds received from the State pursuant to
18 appropriations for the purpose of funding ADA paratransit
19 services. The amounts on deposit in the Fund and interest and
20 other earnings on those amounts shall be used by the Authority
21 to make grants to the Suburban Bus Board for ADA paratransit
22 services provided pursuant to plans approved by the Authority
23 under Section 2.30 of this Act. Funds received by the Suburban
24 Bus Board from the Authority's ADA Paratransit Fund shall be
25 used only to provide ADA paratransit services to individuals

1 who are determined to be eligible for such services by the
2 Authority under the Americans with Disabilities Act of 1990 and
3 its implementing regulations. Revenues from and costs of
4 services provided by the Suburban Bus Board with grants made
5 under this Section shall be included in the Annual Budget and
6 Two-Year Financial Program of the Suburban Bus Board and shall
7 be subject to all budgetary and financial requirements under
8 this Act that apply to ADA paratransit services. Beginning in
9 2008, the Executive Director shall, no later than August 15 of
10 each year, provide to the Board a written determination of the
11 projected annual costs of ADA paratransit services that are
12 required to be provided pursuant to the Americans with
13 Disabilities Act of 1990 and its implementing regulations. The
14 Authority shall conduct triennial financial, compliance, and
15 performance audits of ADA paratransit services to assist in
16 this determination.

17 (70 ILCS 3615/2.01e new)

18 Sec. 2.01e. Suburban Community Mobility Fund. The
19 Authority shall establish a Suburban Community Mobility Fund
20 and, each year, deposit into that Fund the amounts directed by
21 Section 4.03.3 of this Act. The amounts on deposit in the Fund
22 and interest and other earnings on those amounts shall be used
23 by the Authority to make grants to the Suburban Bus Board for
24 the purpose of operating transit services, other than
25 traditional fixed-route services, that enhance suburban

1 mobility, including, but not limited to, demand-responsive
2 transit services, ride sharing, van pooling, service
3 coordination, centralized dispatching and call taking, reverse
4 commuting, service restructuring, and bus rapid transit.
5 Revenues from and costs of services provided by the Suburban
6 Bus Board with moneys from the Suburban Community Mobility Fund
7 shall be included in the Annual Budget and Two-Year Financial
8 Program of the Suburban Bus Board and shall be subject to all
9 budgetary and financial requirements under this Act.

10 (70 ILCS 3615/2.04) (from Ch. 111 2/3, par. 702.04)

11 Sec. 2.04. Fares and Nature of Service.

12 (a) Whenever a Service Board provides any public
13 transportation by operating public transportation facilities,
14 the Service Board shall provide for the level and nature of
15 fares or charges to be made for such services, and the nature
16 and standards of public transportation to be so provided that
17 meet the goals and objectives adopted by the Authority in the
18 Strategic Plan. Provided, however that if the Board adopts a
19 budget and financial plan for a Service Board in accordance
20 with the provisions in Section 4.11(b)(5), the Board may
21 consistent with the terms of any purchase of service contract
22 provide for the level and nature of fares to be made for such
23 services under the jurisdiction of that Service Board, and the
24 nature and standards of public transportation to be so
25 provided.

1 (b) Whenever a Service Board provides any public
2 transportation pursuant to grants made after June 30, 1975, to
3 transportation agencies for operating expenses (other than
4 with regard to experimental programs) or pursuant to any
5 purchase of service agreement, the purchase of service
6 agreement or grant contract shall provide for the level and
7 nature of fares or charges to be made for such services, and
8 the nature and standards of public transportation to be so
9 provided. A Service Board shall require all transportation
10 agencies with which it contracts, or from which it purchases
11 transportation services or to which it makes grants to provide
12 half fare transportation for their student riders if any of
13 such agencies provide for half fare transportation to their
14 student riders.

15 (c) In so providing for the fares or charges and the nature
16 and standards of public transportation, any purchase of service
17 agreements or grant contracts shall provide, among other
18 matters, for the terms or cost of transfers or interconnections
19 between different modes of transportation and different public
20 transportation agencies, schedules or routes of such service,
21 changes which may be made in such service, the nature and
22 condition of the facilities used in providing service, the
23 manner of collection and disposition of fares or charges, the
24 records and reports to be kept and made concerning such
25 service, ~~and~~ for interchangeable tickets or other coordinated
26 or uniform methods of collection of charges, and shall further

1 require that the transportation agency comply with any
2 determination made by the Board of the Authority under and
3 subject to the provisions of Section 2.12b of this Act. In
4 regard to any such service, the Authority and the Service
5 Boards shall give attention to and may undertake programs to
6 promote use of public transportation and to provide coordinated
7 ticket sales and passenger information. In the case of a grant
8 to a transportation agency which remains subject to Illinois
9 Commerce Commission supervision and regulation, the Service
10 Boards shall exercise the powers set forth in this Section in a
11 manner consistent with such supervision and regulation by the
12 Illinois Commerce Commission.

13 (Source: P.A. 83-886.)

14 (70 ILCS 3615/2.05) (from Ch. 111 2/3, par. 702.05)

15 Sec. 2.05. Centralized Services; Acquisition and
16 Construction.

17 (a) The Authority may at the request of two or more Service
18 Boards, serve, or designate a Service Board to serve, as a
19 centralized purchasing agent for the Service Boards so
20 requesting.

21 (b) The Authority may at the request of two or more Service
22 Boards perform other centralized services such as ridership
23 information and transfers between services under the
24 jurisdiction of the Service Boards where such centralized
25 services financially benefit the region as a whole. Provided,

1 however, that the Board may require transfers only upon an
2 affirmative vote of 12 ~~9~~ of its then Directors.

3 (c) A Service Board or the Authority may for the benefit of
4 a Service Board, to meet its purposes, construct or acquire any
5 public transportation facility for use by a Service Board or
6 for use by any transportation agency and may acquire any such
7 facilities from any transportation agency, including also
8 without limitation any reserve funds, employees' pension or
9 retirement funds, special funds, franchises, licenses,
10 patents, permits and papers, documents and records of the
11 agency. In connection with any such acquisition from a
12 transportation agency the Authority may assume obligations of
13 the transportation agency with regard to such facilities or
14 property or public transportation operations of such agency.

15 In connection with any construction or acquisition, the
16 Authority shall make relocation payments as may be required by
17 federal law or by the requirements of any federal agency
18 authorized to administer any federal program of aid.

19 (d) The Authority shall, after consulting with the Service
20 Boards, develop regionally coordinated and consolidated sales,
21 marketing, advertising, and public information programs that
22 promote the use and coordination of, and transfers among,
23 public transportation services in the metropolitan region. The
24 Authority shall develop and adopt, with the affirmative vote of
25 at least 12 of its then Directors, rules and regulations for
26 the Authority and the Service Boards regarding such programs to

1 ensure that the Service Boards' independent programs conform
2 with the Authority's regional programs.

3 (Source: P.A. 83-886.)

4 (70 ILCS 3615/2.09) (from Ch. 111 2/3, par. 702.09)

5 Sec. 2.09. Research and Development.

6 (a) The Authority and the Service Boards shall study public
7 transportation problems and developments; encourage
8 experimentation in developing new public transportation
9 technology, financing methods, and management procedures;
10 conduct, in cooperation with other public and private agencies,
11 studies and demonstration and development projects to test and
12 develop methods for improving public transportation, for
13 reducing its costs to users or for increasing public use; and
14 conduct, sponsor, and participate in other studies and
15 experiments, which may include fare demonstration programs,
16 useful to achieving the purposes of this Act. The cost for any
17 such item authorized by this Section may be exempted by the
18 Board in a budget ordinance from the "costs" included in
19 determining that the Authority and its service boards meet the
20 farebox recovery ratio or system generated revenues recovery
21 ratio requirements of Sections 3A.10, 3B.10, 4.01(b), 4.09 and
22 4.11 of this Act and Section 34 of the Metropolitan Transit
23 Authority Act during the Authority's fiscal year which begins
24 January 1, 1986 and ends December 31, 1986, provided that the
25 cost of any item authorized herein must be specifically

1 approved within the budget adopted pursuant to Sections 4.01
2 and 4.11 of this Act for that fiscal year.

3 (b) To improve public transportation service in areas of
4 the metropolitan region with limited access to commuter rail
5 service, the Authority and the Suburban Bus Division shall
6 evaluate the feasibility of implementing new bus rapid transit
7 services using the expressway and tollway systems in the
8 metropolitan region. The Illinois Department of Transportation
9 and the Illinois Toll Highway Authority shall work
10 cooperatively with the Authority and the Suburban Bus Division
11 in that evaluation and in the implementation of bus rapid
12 transit services. The Authority and the Suburban Bus Division,
13 in cooperation with the Illinois Department of Transportation,
14 shall develop a bus rapid transit demonstration project on
15 Interstate 55 located in Will, DuPage, and Cook counties. This
16 demonstration project shall test and refine approaches to bus
17 rapid transit operations in the expressway or tollway shoulder
18 or regular travel lanes and shall investigate technology
19 options that facilitate the shared use of the transit lane and
20 provide revenue for financing construction and operation of
21 public transportation facilities.

22 (c) The Suburban Bus Division and the Authority shall
23 cooperate in the development, funding, and operation of
24 programs to enhance access to job markets for residents in
25 south suburban Cook County. Beginning in 2008, the Authority
26 shall allocate to the Suburban Bus Division an amount not less

1 than \$3,750,000, and beginning in 2009 an amount not less than
2 \$7,500,000 annually for the costs of such programs.

3 (Source: P.A. 84-939.)

4 (70 ILCS 3615/2.12) (from Ch. 111 2/3, par. 702.12)

5 Sec. 2.12. Coordination with Planning Agencies. The
6 Authority and the Service Boards shall cooperate with the
7 various public agencies charged with responsibility for
8 long-range or comprehensive planning for the metropolitan
9 region. The Authority shall utilize the official forecasts and
10 plans of the Chicago Metropolitan Agency for Planning in
11 developing the Strategic Plan and the Five-Year Capital
12 Program. The Authority and the Service Boards shall, prior to
13 the adoption of any Strategic Plan, as provided in Section
14 2.01a of this Act, or the adoption of any Five-Year Capital
15 Program, as provided in ~~paragraph (b) of Section 2.01b 2.01~~ of
16 this Act, submit its proposals to such agencies for review and
17 comment. The Authority and the Service Boards may make use of
18 existing studies, surveys, plans, data and other materials in
19 the possession of any State agency or department, any planning
20 agency or any unit of local government.

21 (Source: P.A. 83-886.)

22 (70 ILCS 3615/2.12b new)

23 Sec. 2.12b. Coordination of Fares and Service. Upon the
24 request of a Service Board, the Executive Director of the

1 Authority may, upon the affirmative vote of 9 of the then
2 Directors of the Authority, intervene in any matter involving
3 (i) a dispute between Service Boards or a Service Board and a
4 transportation agency providing service on behalf of a Service
5 Board with respect to the terms of transfer between, and the
6 allocation of revenues from fares and charges for,
7 transportation services provided by the parties or (ii) a
8 dispute between 2 Service Boards with respect to coordination
9 of service, route duplication, or a change in service. Any
10 Service Board or transportation agency involved in such dispute
11 shall meet with the Executive Director, cooperate in good faith
12 to attempt to resolve the dispute, and provide any books,
13 records, and other information requested by the Executive
14 Director. If the Executive Director is unable to mediate a
15 resolution of any dispute, he or she may provide a written
16 determination recommending a change in the fares or charges or
17 the allocation of revenues for such service or directing a
18 change in the nature or provider of service that is the subject
19 of the dispute. The Executive Director shall base such
20 determination upon the goals and objectives of the Strategic
21 Plan established pursuant to Section 2.01a(b). Such
22 determination shall be presented to the Board of the Authority
23 and, if approved by the affirmative vote of at least 9 of the
24 then Directors of the Authority, shall be final and shall be
25 implemented by any affected Service Board and transportation
26 agency within the time frame required by the determination.

1 (70 ILCS 3615/2.14) (from Ch. 111 2/3, par. 702.14)

2 Sec. 2.14. Appointment of Officers and Employees. The
3 Authority may appoint, retain and employ officers, attorneys,
4 agents, engineers and employees. The officers shall include an
5 Executive Director, who shall be the chief executive officer of
6 the Authority, appointed by the Chairman with the concurrence
7 of 11 ~~9~~ of the other then Directors of the Board. The Executive
8 Director shall organize the staff of the Authority, shall
9 allocate their functions and duties, shall transfer such staff
10 to the Suburban Bus Division and the Commuter Rail Division as
11 is sufficient to meet their purposes, shall fix compensation
12 and conditions of employment of the staff of the Authority, and
13 consistent with the policies of and direction from the Board,
14 take all actions necessary to achieve its purposes, fulfill its
15 responsibilities and carry out its powers, and shall have such
16 other powers and responsibilities as the Board shall determine.
17 The Executive Director must be an individual of proven
18 transportation and management skills and may not be a member of
19 the Board. The Authority may employ its own professional
20 management personnel to provide professional and technical
21 expertise concerning its purposes and powers and to assist it
22 in assessing the performance of the Service Boards in the
23 metropolitan region.

24 No unlawful discrimination, as defined and prohibited in
25 the Illinois Human Rights Act, shall be made in any term or

1 aspect of employment nor shall there be discrimination based
2 upon political reasons or factors. The Authority shall
3 establish regulations to insure that its discharges shall not
4 be arbitrary and that hiring and promotion are based on merit.

5 The Authority shall be subject to the "Illinois Human
6 Rights Act", as now or hereafter amended, and the remedies and
7 procedure established thereunder. The Authority shall file an
8 affirmative action program for employment by it with the
9 Department of Human Rights to ensure that applicants are
10 employed and that employees are treated during employment,
11 without regard to unlawful discrimination. Such affirmative
12 action program shall include provisions relating to hiring,
13 upgrading, demotion, transfer, recruitment, recruitment
14 advertising, selection for training and rates of pay or other
15 forms of compensation.

16 (Source: P.A. 83-886.)

17 (70 ILCS 3615/2.18a) (from Ch. 111 2/3, par. 702.18a)

18 Sec. 2.18a. (a) The provisions of this Section apply to
19 collective bargaining agreements (including extensions and
20 amendments to existing agreements) between Service Boards or
21 transportation agencies subject to the jurisdiction of Service
22 Boards and their employees, which are entered into after
23 January 1, 1984.

24 (b) The Authority shall approve amended budgets prepared by
25 Service Boards which incorporate the costs of collective

1 bargaining agreements between Service Boards and their
2 employees. The Authority shall approve such an amended budget
3 provided that it determines by the affirmative vote of 12 ~~9~~ of
4 its then members that the amended budget meets the standards
5 established in Section 4.11.

6 (Source: P.A. 83-886.)

7 (70 ILCS 3615/2.30)

8 Sec. 2.30. Paratransit services.

9 (a) For purposes of this Act, "ADA paratransit services"
10 shall mean those comparable or specialized transportation
11 services provided by, or under grant or purchase of service
12 contracts of, the Service Boards to individuals with
13 disabilities who are unable to use fixed route transportation
14 systems and who are determined to be eligible, for some or all
15 of their trips, for such services under the Americans with
16 Disabilities Act of 1990 and its implementing regulations.

17 (b) Beginning July 1, 2005, the Authority is responsible
18 for the funding, from amounts on deposit in the ADA Paratransit
19 Fund established under Section 2.01d of this Act, financial
20 review and oversight of all ADA paratransit services that are
21 provided by the Authority or by any of the Service Boards. The
22 Suburban Bus Board shall operate or provide for the operation
23 of all ADA paratransit services by no later than July 1, 2006,
24 except that this date may be extended to the extent necessary
25 to obtain approval from the Federal Transit Administration of

1 the plan prepared pursuant to subsection (c).

2 (c) No later than January 1, 2006, the Authority, in
3 collaboration with the Suburban Bus Board and the Chicago
4 Transit Authority, shall develop a plan for the provision of
5 ADA paratransit services and submit such plan to the Federal
6 Transit Administration for approval. Approval of such plan by
7 the Authority shall require the affirmative votes of 12 ~~9~~ of
8 the then Directors. The Suburban Bus Board, the Chicago Transit
9 Authority and the Authority shall comply with the requirements
10 of the Americans with Disabilities Act of 1990 and its
11 implementing regulations in developing and approving such plan
12 including, without limitation, consulting with individuals
13 with disabilities and groups representing them in the
14 community, and providing adequate opportunity for public
15 comment and public hearings. The plan shall include the
16 contents required for a paratransit plan pursuant to the
17 Americans with Disabilities Act of 1990 and its implementing
18 regulations. The plan shall also include, without limitation,
19 provisions to:

20 (1) maintain, at a minimum, the levels of ADA
21 paratransit service that are required to be provided by the
22 Service Boards pursuant to the Americans with Disabilities
23 Act of 1990 and its implementing regulations;

24 (2) transfer the appropriate ADA paratransit services,
25 management, personnel, service contracts and assets from
26 the Chicago Transit Authority to the Authority or the

1 Suburban Bus Board, as necessary, by no later than July 1,
2 2006, except that this date may be extended to the extent
3 necessary to obtain approval from the Federal Transit
4 Administration of the plan prepared pursuant to this
5 subsection (c);

6 (3) provide for consistent policies throughout the
7 metropolitan region for scheduling of ADA paratransit
8 service trips to and from destinations, with consideration
9 of scheduling of return trips on a "will-call" open-ended
10 basis upon request of the rider, if practicable, and with
11 consideration of an increased number of trips available by
12 subscription service than are available as of the effective
13 date of this amendatory Act;

14 (4) provide that service contracts and rates, entered
15 into or set after the approval by the Federal Transit
16 Administration of the plan prepared pursuant to subsection
17 (c) of this Section, with private carriers and taxicabs for
18 ADA paratransit service are procured by means of an open
19 procurement process;

20 (5) provide for fares, fare collection and billing
21 procedures for ADA paratransit services throughout the
22 metropolitan region;

23 (6) provide for performance standards for all ADA
24 paratransit service transportation carriers, with
25 consideration of door-to-door service;

26 (7) provide, in cooperation with the Illinois

1 Department of Transportation, the Illinois Department of
2 Public Aid and other appropriate public agencies and
3 private entities, for the application and receipt of
4 grants, including, without limitation, reimbursement from
5 Medicaid or other programs for ADA paratransit services;

6 (8) provide for a system of dispatch of ADA paratransit
7 services transportation carriers throughout the
8 metropolitan region, with consideration of county-based
9 dispatch systems already in place as of the effective date
10 of this amendatory Act;

11 (9) provide for a process of determining eligibility
12 for ADA paratransit services that complies with the
13 Americans with Disabilities Act of 1990 and its
14 implementing regulations;

15 (10) provide for consideration of innovative methods
16 to provide and fund ADA paratransit services; and

17 (11) provide for the creation of one or more ADA
18 advisory boards, or the reconstitution of the existing ADA
19 advisory boards for the Service Boards, to represent the
20 diversity of individuals with disabilities in the
21 metropolitan region and to provide appropriate ongoing
22 input from individuals with disabilities into the
23 operation of ADA paratransit services.

24 (d) All revisions and annual updates to the ADA paratransit
25 services plan developed pursuant to subsection (c) of this
26 Section, or certifications of continued compliance in lieu of

1 plan updates, that are required to be provided to the Federal
2 Transit Administration shall be developed by the Authority, in
3 collaboration with the Suburban Bus Board and the Chicago
4 Transit Authority, and the Authority shall submit such
5 revision, update or certification to the Federal Transit
6 Administration for approval. Approval of such revisions,
7 updates or certifications by the Authority shall require the
8 affirmative votes of 12 \ominus of the then Directors.

9 (e) The Illinois Department of Transportation, the
10 Illinois Department of Public Aid, the Authority, the Suburban
11 Bus Board and the Chicago Transit Authority shall enter into
12 intergovernmental agreements as may be necessary to provide
13 funding and accountability for, and implementation of, the
14 requirements of this Section.

15 (f) By no later than April 1, 2007, the Authority shall
16 develop and submit to the General Assembly and the Governor a
17 funding plan for ADA paratransit services. Approval of such
18 plan by the Authority shall require the affirmative votes of 12
19 \ominus of the then Directors. The funding plan shall, at a minimum,
20 contain an analysis of the current costs of providing ADA
21 paratransit services, projections of the long-term costs of
22 providing ADA paratransit services, identification of and
23 recommendations for possible cost efficiencies in providing
24 ADA paratransit services, and identification of and
25 recommendations for possible funding sources for providing ADA
26 paratransit services. The Illinois Department of

1 Transportation, the Illinois Department of Public Aid, the
2 Suburban Bus Board, the Chicago Transit Authority and other
3 State and local public agencies as appropriate shall cooperate
4 with the Authority in the preparation of such funding plan.

5 (g) Any funds derived from the federal Medicaid program for
6 reimbursement of the costs of providing ADA paratransit
7 services within the metropolitan region shall be directed to
8 the Authority and shall be used to pay for or reimburse the
9 costs of providing such services.

10 (h) Nothing in this amendatory Act shall be construed to
11 conflict with the requirements of the Americans with
12 Disabilities Act of 1990 and its implementing regulations.

13 (Source: P.A. 94-370, eff. 7-29-05.)

14 (70 ILCS 3615/2.31 new)

15 Sec. 2.31. Disadvantaged Business Enterprise Contracting
16 and Equal Employment Opportunity Programs. The Authority and
17 each Service Board shall, as soon as is practicable but in no
18 event later than two years after the effective date of this
19 amendatory Act of the 95th General Assembly, establish and
20 maintain a disadvantaged business enterprise contracting
21 program designed to ensure non-discrimination in the award and
22 administration of contracts not covered under a federally
23 mandated disadvantaged business enterprise program. The
24 program shall establish narrowly tailored goals for the
25 participation of disadvantaged business enterprises as the

1 Authority and each Service Board determines appropriate. The
2 goals shall be based on demonstrable evidence of the
3 availability of ready, willing, and able disadvantaged
4 business enterprises relative to all businesses ready,
5 willing, and able to participate on the program's contracts.
6 The program shall require the Authority and each Service Board
7 to monitor the progress of the contractors' obligations with
8 respect to the program's goals. Nothing in this program shall
9 conflict with or interfere with the maintenance or operation
10 of, or compliance with, any federally mandated disadvantaged
11 business enterprise program.

12 The Authority and each Service Board shall establish and
13 maintain a program designed to promote equal employment
14 opportunity. Each year, no later than October 1, the Authority
15 and each Service Board shall report to the General Assembly on
16 the number of their respective employees and the number of
17 their respective employees who have designated themselves as
18 members of a minority group and gender.

19 Each year no later than October 1, and starting no later
20 than the October 1 after the establishment of their
21 disadvantaged business enterprise contracting programs, the
22 Authority and each Service Board shall submit a report with
23 respect to such program to the General Assembly. In addition,
24 each year no later than October 1, the Authority and each
25 Service Board shall submit a copy of its federally mandated
26 semi-annual Uniform Report of Disadvantaged Business

1 Enterprises Awards or Commitments and Payments to the General
2 Assembly.

3 (70 ILCS 3615/3.01) (from Ch. 111 2/3, par. 703.01)

4 Sec. 3.01. Board of Directors. ~~The~~ Upon expiration of the
5 ~~term of the members of the Transition Board as provided for in~~
6 ~~Section 3.09,~~ the corporate authorities and governing body of
7 the Authority shall be a Board consisting of 13 Directors until
8 April 1, 2008, and 16 Directors thereafter, appointed as
9 follows:

10 (a) Four Directors appointed by the Mayor of the City of
11 Chicago, with the advice and consent of the City Council of the
12 City of Chicago, and, only until April 1, 2008, a fifth
13 director who shall be the Chairman of the Chicago Transit
14 Authority. After April 1, 2008, the Mayor of the City of
15 Chicago, with the advice and consent of the City Council of the
16 City of Chicago, shall appoint a fifth Director. The Directors
17 appointed by the Mayor of the City of Chicago shall not be the
18 chairman or a director of the Chicago Transit Authority. Each
19 such Director shall reside in the City of Chicago ~~except the~~
20 ~~Chairman of the Chicago Transit Authority who shall reside~~
21 ~~within the metropolitan area as defined in the Metropolitan~~
22 ~~Transit Authority Act.~~

23 (b) Four Directors appointed by the votes of a majority of
24 the members of the Cook County Board elected from ~~that part of~~
25 ~~Cook County outside of Chicago, or, in the event such Board of~~

1 ~~Commissioners becomes elected from single member districts, by~~
2 ~~those Commissioners elected from~~ districts, a majority of the
3 electors of which reside outside Chicago. After April 1, 2008,
4 a fifth Director appointed by the President of the Cook County
5 Board with the advice and consent of the members of the Cook
6 County Board. ~~In either case, such appointment shall be with~~
7 ~~the concurrence of four such Commissioners.~~ Each ~~such~~ Director
8 appointed under this subparagraph shall reside in that part of
9 Cook County outside Chicago.

10 (c) Until April 1, 2008, 3 Directors appointed by the
11 Chairmen of the county boards of DuPage, Kane, Lake, McHenry,
12 and Will Counties, as follows:

13 (i) Two Directors appointed by the Chairmen of the
14 county boards of Kane, Lake, McHenry and Will Counties,
15 with the concurrence of not less than a majority of the
16 Chairmen from such counties, from nominees by the Chairmen.
17 Each such Chairman may nominate not more than 2 persons for
18 each position. Each such Director shall reside in a county
19 in the metropolitan region other than Cook or DuPage
20 Counties.

21 (ii) ~~(d)~~ One Director ~~shall be~~ appointed by the
22 Chairman of the ~~Board of~~ DuPage County Board with the
23 advice and consent of the ~~County Board of~~ DuPage County
24 Board. ~~Such Director and~~ shall reside in DuPage County.

25 (d) After April 1, 2008, 5 Directors appointed by the
26 Chairmen of the county boards of DuPage, Kane, Lake and McHenry

1 Counties and the County Executive of Will County, as follows:

2 (i) One Director appointed by the Chairman of the Kane
3 County Board with the advice and consent of the Kane County
4 Board. Such Director shall reside in Kane County.

5 (ii) One Director appointed by the County Executive of
6 Will County with the advice and consent of the Will County
7 Board. Such Director shall reside in Will County.

8 (iii) One Director appointed by the Chairman of the
9 DuPage County Board with the advice and consent of the
10 DuPage County Board. Such Director shall reside in DuPage
11 County.

12 (iv) One Director appointed by the Chairman of the Lake
13 County Board with the advice and consent of the Lake County
14 Board. Such Director shall reside in Lake County.

15 (v) One Director appointed by the Chairman of the
16 McHenry County Board with the advice and consent of the
17 McHenry County Board. Such Director shall reside in McHenry
18 County.

19 (vi) To implement the changes in appointing authority
20 under this subparagraph (d) the three Directors appointed
21 under subparagraph (c) and residing in Lake County, DuPage
22 County, and Kane County respectively shall each continue to
23 serve as Director until the expiration of their respective
24 term of office and until his or her successor is appointed
25 and qualified or a vacancy occurs in the office. Thereupon,
26 the appointment shall be made by the officials given

1 appointing authority with respect to the Director whose
2 term has expired or office has become vacant.

3 (e) The Chairman serving on the effective date of this
4 amendatory Act of the 95th General Assembly shall continue to
5 serve as Chairman until the expiration of his or her term of
6 office and until his or her successor is appointed and
7 qualified or a vacancy occurs in the office ~~Before January 1,~~
8 ~~1987, for the term expiring July 1, 1989, the Chairman shall be~~
9 ~~appointed by the Governor. Thereafter the Chairman shall be~~
10 ~~appointed by the other 12 Directors with the concurrence of~~
11 ~~three-fourths of such Directors.~~ Upon the expiration or vacancy
12 of the term of the Chairman then serving upon the effective
13 date of this amendatory Act of the 95th General Assembly, the
14 Chairman shall be appointed by the other Directors, by the
15 affirmative vote of at least 11 of the then Directors. The
16 chairman shall not be appointed from among the other Directors.
17 The chairman shall be a resident of the metropolitan region.

18 (f) Except as otherwise provided by this Act no Director
19 shall, while serving as such, be an officer, a member of the
20 Board of Directors or Trustees or an employee of any Service
21 Board or transportation agency, or be an employee of the State
22 of Illinois or any department or agency thereof, or of any unit
23 of local government or receive any compensation from any
24 elected or appointed office under the Constitution and laws of
25 Illinois; except that a Director may be a member of a school
26 board.

1 (g) Each appointment made under this Section and under
2 Section 3.03 shall be certified by the appointing authority to
3 the Board, which shall maintain the certifications as part of
4 the official records of the Authority; ~~provided that the~~
5 ~~initial appointments shall be certified to the Secretary of~~
6 ~~State, who shall transmit the certifications to the Board~~
7 ~~following its organization. All appointments made by the~~
8 ~~Governor shall be made with the advice and consent of the~~
9 ~~Senate.~~

10 (h) (Blank). ~~The Board of Directors shall be so appointed~~
11 ~~as to represent the City of Chicago, that part of Cook County~~
12 ~~outside the City of Chicago, and that part of the metropolitan~~
13 ~~region outside Cook County on the one man one vote basis. After~~
14 ~~each Federal decennial census the General Assembly shall review~~
15 ~~the composition of the Board and, if a change is needed to~~
16 ~~comply with this requirement, shall provide for the necessary~~
17 ~~revision by July 1 of the third year after such census.~~
18 ~~Provided, however, that the Chairman of the Chicago Transit~~
19 ~~Authority shall be a Director of the Authority and shall be~~
20 ~~considered as representing the City of Chicago for purposes of~~
21 ~~this paragraph.~~

22 ~~Insofar as may be practicable, the changes in Board~~
23 ~~membership necessary to achieve this purpose shall take effect~~
24 ~~as appropriate members terms expire, no member's term being~~
25 ~~reduced by reason of such revision of the composition of the~~
26 ~~Board.~~

1 (Source: P.A. 83-1417.)

2 (70 ILCS 3615/3.03) (from Ch. 111 2/3, par. 703.03)

3 Sec. 3.03. Terms, vacancies. Each Director, ~~including the~~
4 ~~Chairman, shall be appointed for an initial term as provided~~
5 ~~for in Section 3.10 of this Act. Thereafter, each Director~~
6 shall hold office for a term of 5 years, and until his
7 successor has been appointed and has qualified. A vacancy shall
8 occur upon resignation, death, conviction of a felony, or
9 removal from office of a Director. Any Director may be removed
10 from office upon concurrence of not less than 11 ~~9~~ Directors,
11 on a formal finding of incompetence, neglect of duty, or
12 malfeasance in office. Within 30 days after the office of any
13 member becomes vacant for any reason, the appointing
14 authorities of such member shall make an appointment to fill
15 the vacancy. A vacancy shall be filled for the unexpired term.

16 Whenever ~~After October 1, 1984, whenever~~ a vacancy for a
17 Director, except as to the Chairman or those Directors
18 appointed by ~~the Governor or~~ the Mayor of the City of Chicago,
19 exists for longer than 4 months, the new Director shall be
20 chosen by election by all legislative members in the General
21 Assembly representing the affected area. In order to qualify as
22 a voting legislative member in this matter, the affected area
23 must be more than 50% of the geographic area of the legislative
24 district.

25 (Source: P.A. 86-1475.)

1 (70 ILCS 3615/3.05) (from Ch. 111 2/3, par. 703.05)

2 Sec. 3.05. Meetings. The Board shall prescribe the times
3 and places for meetings and the manner in which special
4 meetings may be called. The Board shall comply in all respects
5 with the "Open Meetings Act", approved July 11, 1957, as now or
6 hereafter amended. All records, documents and papers of the
7 Authority, other than those relating to matters concerning
8 which closed sessions of the Board may be held, shall be
9 available for public examination, subject to such reasonable
10 regulations as the Board may adopt.

11 A majority of the Directors holding office shall constitute
12 a quorum for the conduct of business. Except as otherwise
13 provided in this Act, the affirmative votes of at least 9 ~~7~~
14 Directors shall be necessary for approving any contract or
15 agreement, adopting any rule or regulation, and any other
16 action required by this Act to be taken by resolution or
17 ordinance.

18 The Board shall meet with the Regional Citizens Advisory
19 Board at least once every 4 months.

20 (Source: P.A. 83-886.)

21 (70 ILCS 3615/3A.10) (from Ch. 111 2/3, par. 703A.10)

22 Sec. 3A.10. Budget and Program. The Suburban Bus Board,
23 subject to the powers of the Authority in Section 4.11, shall
24 control the finances of the Division. It shall by ordinance

1 appropriate money to perform the Division's purposes and
2 provide for payment of debts and expenses of the Division. Each
3 year the Suburban Bus Board shall prepare and publish a
4 comprehensive annual budget and proposed five-year capital
5 program document, and a financial plan for the 2 years
6 thereafter describing the state of the Division and presenting
7 for the forthcoming fiscal year and the 2 following years the
8 Suburban Bus Board's plans for such operations and capital
9 expenditures as it intends to undertake and the means by which
10 it intends to finance them. The proposed budget, ~~and~~ financial
11 plan, and five-year capital program shall be based on the
12 Authority's estimate of funds to be made available to the
13 Suburban Bus Board by or through the Authority and shall
14 conform in all respects to the requirements established by the
15 Authority. The proposed ~~program and budget,~~ financial plan, and
16 five-year capital program shall contain a statement of the
17 funds estimated to be on hand at the beginning of the fiscal
18 year, the funds estimated to be received from all sources for
19 such year and the funds estimated to be on hand at the end of
20 such year. ~~After adoption of the Authority's first Five-Year~~
21 ~~Program, as provided in Section 2.01 of this Act, the proposed~~
22 ~~program and budget shall specifically identify any respect in~~
23 ~~which the recommended program deviates from the Authority's~~
24 ~~then existing Five-Year Program, giving the reasons for such~~
25 ~~deviation.~~ The fiscal year of the Division shall be the same as
26 the fiscal year of the Authority. Before the proposed budget, ~~and~~

1 ~~and program and~~ financial plan, and five-year capital program
2 are submitted to the Authority, the Suburban Bus Board shall
3 hold at least one public hearing thereon in each of the
4 counties in the metropolitan region in which the Division
5 provides service. The Suburban Bus Board shall hold at least
6 one meeting for consideration of the proposed ~~program and~~
7 budget, financial plan, and five-year capital program with the
8 county board of each of the several counties in the
9 metropolitan region in which the Division provides service.
10 After conducting such hearings and holding such meetings and
11 after making such changes in the proposed ~~program and~~ budget, l
12 financial plan, and five-year capital program as the Suburban
13 Bus Board deems appropriate, it shall adopt an annual budget
14 ordinance at least by November 15 next preceding the beginning
15 of each fiscal year. The budget, ~~and program, and~~ financial
16 plan, and five-year capital program shall then be submitted to
17 the Authority as provided in Section 4.11. In the event that
18 the Board of the Authority determines that the budget ~~and~~
19 ~~program,~~ and financial plan do not meet the standards of
20 Section 4.11, the Suburban Bus Board shall make such changes as
21 are necessary to meet such requirements and adopt an amended
22 budget ordinance. The amended budget ordinance shall be
23 resubmitted to the Authority pursuant to Section 4.11. The
24 ordinance shall appropriate such sums of money as are deemed
25 necessary to defray all necessary expenses and obligations of
26 the Division, specifying purposes and the objects or programs

1 for which appropriations are made and the amount appropriated
2 for each object or program. Additional appropriations,
3 transfers between items and other changes in such ordinance
4 which do not alter the basis upon which the balanced budget
5 determination was made by the Board of the Authority may be
6 made from time to time by the Suburban Bus Board.

7 The budget shall:

8 (i) show a balance between (A) anticipated revenues
9 from all sources including operating subsidies and (B) the
10 costs of providing the services specified and of funding
11 any operating deficits or encumbrances incurred in prior
12 periods, including provision for payment when due of
13 principal and interest on outstanding indebtedness;

14 (ii) show cash balances including the proceeds of any
15 anticipated cash flow borrowing sufficient to pay with
16 reasonable promptness all costs and expenses as incurred;

17 (iii) provide for a level of fares or charges and
18 operating or administrative costs for the public
19 transportation provided by or subject to the jurisdiction
20 of the Suburban Bus Board sufficient to allow the Suburban
21 Bus Board to meet its required system generated revenues
22 recovery ratio and, beginning with the 2007 fiscal year,
23 its system generated ADA paratransit services revenue
24 recovery ratio;

25 (iv) be based upon and employ assumptions and
26 projections which are reasonable and prudent;

1 (v) have been prepared in accordance with sound
2 financial practices as determined by the Board of the
3 Authority; ~~and~~

4 (vi) meet such other uniform financial, budgetary, or
5 fiscal requirements that the Board of the Authority may by
6 rule or regulation establish; and -

7 (vii) be consistent with the goals and objectives
8 adopted by the Regional Transportation Authority in the
9 Strategic Plan.

10 (Source: P.A. 94-370, eff. 7-29-05.)

11 (70 ILCS 3615/3A.11) (from Ch. 111 2/3, par. 703A.11)

12 Sec. 3A.11. Citizens Advisory Board. The Suburban Bus Board
13 shall establish a citizens advisory board composed of 10
14 residents of those portions of the metropolitan region in which
15 the Suburban Bus Board provides service who have an interest in
16 public transportation. The members of the advisory board shall
17 be named for 2 year terms, shall select one of their members to
18 serve as chairman and shall serve without compensation. The
19 citizens advisory board shall meet with the Suburban Bus Board
20 at least quarterly and advise the Suburban Bus Board of the
21 impact of its policies and programs on the communities it
22 serves. Appointments to the citizens advisory board should, to
23 the greatest extent possible, reflect the ethnic, cultural, and
24 geographic diversity of all persons residing within the
25 Suburban Bus Board's jurisdiction.

1 (Source: P.A. 83-886.)

2 (70 ILCS 3615/3A.14) (from Ch. 111 2/3, par. 703A.14)

3 Sec. 3A.14. Labor. (a) The provisions of this Section apply
4 to collective bargaining agreements (including extensions and
5 amendments of existing agreements) entered into on or after
6 January 1, 1984.

7 (b) The Suburban Bus Board shall deal with and enter into
8 written contracts with their employees, through accredited
9 representatives of such employees authorized to act for such
10 employees concerning wages, salaries, hours, working
11 conditions, and pension or retirement provisions about which a
12 collective bargaining agreement has been entered prior to the
13 effective date of this amendatory Act of 1983. Any such
14 agreement of the Suburban Bus Board shall provide that the
15 agreement may be reopened if the amended budget submitted
16 pursuant to Section 2.18a of this Act is not approved by the
17 Board of the Authority. The agreement may not include a
18 provision requiring the payment of wage increases based on
19 changes in the Consumer Price Index. The Suburban Bus Board
20 shall not have the authority to enter collective bargaining
21 agreements with respect to inherent management rights, which
22 include such areas of discretion or policy as the functions of
23 the employer, standards of services, its overall budget, the
24 organizational structure and selection of new employees and
25 direction of personnel. Employers, however, shall be required

1 to bargain collectively with regard to policy matters directly
2 affecting wages, hours and terms and conditions of employment,
3 as well as the impact thereon, upon request by employee
4 representatives. To preserve the rights of employers and
5 exclusive representatives which have established collective
6 bargaining relationships or negotiated collective bargaining
7 agreements prior to the effective date of this amendatory Act
8 of 1983, employers shall be required to bargain collectively
9 with regard to any matter concerning wages, hours or conditions
10 of employment about which they have bargained prior to the
11 effective date of this amendatory Act of 1983.

12 (c) The collective bargaining agreement may not include a
13 prohibition on the use of part-time operators on any service
14 operated by the Suburban Bus Board except where prohibited by
15 federal law.

16 (d) Within 30 days of the signing of any such collective
17 bargaining agreement, the Suburban Bus Board shall determine
18 the costs of each provision of the agreement, prepare an
19 amended budget incorporating the costs of the agreement, and
20 present the amended budget to the Board of the Authority for
21 its approval under Section 4.11. The Board may approve the
22 amended budget by an affirmative vote of 12 ~~9~~ of its then
23 Directors. If the budget is not approved by the Board of the
24 Authority, the agreement may be reopened and its terms may be
25 renegotiated. Any amended budget which may be prepared
26 following renegotiation shall be presented to the Board of the

1 Authority for its approval in like manner.

2 (Source: P.A. 83-886.)

3 (70 ILCS 3615/3B.02) (from Ch. 111 2/3, par. 703B.02)

4 Sec. 3B.02. Commuter Rail Board.

5 (a) Until April 1, 2008, the ~~The~~ governing body of the
6 Commuter Rail Division shall be a board consisting of 7
7 directors appointed pursuant to Sections 3B.03 and 3B.04, as
8 follows:

9 (1) ~~(a)~~ One director shall be appointed by the Chairman
10 of the Board of DuPage County with the advice and consent
11 of the County Board of DuPage County and shall reside in
12 DuPage County. †

13 (2) ~~(b)~~ Two directors appointed by the Chairmen of the
14 County Boards of Kane, Lake, McHenry and Will Counties with
15 the concurrence of not less than a majority of the chairmen
16 from such counties, from nominees by the Chairmen. Each
17 such chairman may nominate not more than two persons for
18 each position. Each such director shall reside in a county
19 in the metropolitan region other than Cook or DuPage
20 County.

21 (3) ~~(c)~~ Three directors appointed by the members of the
22 Cook County Board elected from that part of Cook County
23 outside of Chicago, or, in the event such Board of
24 Commissioners becomes elected from single member
25 districts, by those Commissioners elected from districts,

1 a majority of the residents of which reside outside
2 Chicago. In either case, such appointment shall be with the
3 concurrence of four such Commissioners. Each such director
4 shall reside in that part of Cook County outside Chicago.

5 (4) ~~(d)~~ One director appointed by the Mayor of the City
6 of Chicago, with the advice and consent of the City Council
7 of the City of Chicago. Such director shall reside in the
8 City of Chicago.

9 (5) The chairman shall be appointed by the directors,
10 from the members of the board, with the concurrence of 5 of
11 such directors.

12 (b) After April 1, 2008 the governing body of the Commuter
13 Rail Division shall be a board consisting of 11 directors
14 appointed, pursuant to Sections 3B.03 and 3B.04, as follows:

15 (1) One Director shall be appointed by the Chairman of
16 the DuPage County Board with the advice and consent of the
17 DuPage County Board and shall reside in DuPage County. To
18 implement the changes in appointing authority under this
19 Section, upon the expiration of the term of or vacancy in
20 office of the Director appointed under item (1) of
21 subsection (a) of this Section who resides in DuPage
22 County, a Director shall be appointed under this
23 subparagraph.

24 (2) One Director shall be appointed by the Chairman of
25 the McHenry County Board with the advice and consent of the
26 McHenry County Board and shall reside in McHenry County. To

1 implement the change in appointing authority under this
2 Section, upon the expiration of the term of or vacancy in
3 office of the Director appointed under item (2) of
4 subsection (a) of this Section who resides in McHenry
5 County, a Director shall be appointed under this
6 subparagraph.

7 (3) One Director shall be appointed by the Will County
8 Executive with the advice and consent of the Will County
9 Board and shall reside in Will County. To implement the
10 change in appointing authority under this Section, upon the
11 expiration of the term of or vacancy in office of the
12 Director appointed under item (2) of subsection (a) of this
13 Section who resides in Will County, a Director shall be
14 appointed under this subparagraph.

15 (4) One Director shall be appointed by the Chairman of
16 the Lake County Board with the advice and consent of the
17 Lake County Board and shall reside in Lake County.

18 (5) One Director shall be appointed by the Chairman of
19 the Kane County Board with the advice and consent of the
20 Kane County Board and shall reside in Kane County.

21 (6) One Director shall be appointed by the Mayor of the
22 City of Chicago with the advice and consent of the City
23 Council of the City of Chicago and shall reside in the City
24 of Chicago. To implement the changes in appointing
25 authority under this Section, upon the expiration of the
26 term of or vacancy in office of the Director appointed

1 under item (4) of subsection (a) of this Section who
2 resides in the City of Chicago, a Director shall be
3 appointed under this subparagraph.

4 (7) Five Directors residing in Cook County outside of
5 the City of Chicago, as follows:

6 (i) One Director who resides in Cook County outside
7 of the City of Chicago, appointed by the President of
8 the Cook County Board with the advice and consent of
9 the members of the Cook County Board.

10 (ii) One Director who resides in the township of
11 Barrington, Palatine, Wheeling, Hanover, Schaumburg,
12 or Elk Grove. To implement the changes in appointing
13 authority under this Section, upon the expiration of
14 the term of or vacancy in office of the Director
15 appointed under paragraph (3) of subsection (a) of this
16 Section who resides in the geographic area described in
17 this subparagraph, a Director shall be appointed under
18 this subparagraph.

19 (iii) One Director who resides in the township of
20 Northfield, New Trier, Maine, Niles, Evanston, Leyden,
21 Norwood Park, River Forest, or Oak Park.

22 (iv) One Director who resides in the township of
23 Proviso, Riverside, Berwyn, Cicero, Lyons, Stickney,
24 Lemont, Palos, or Orland. To implement the changes in
25 appointing authority under this Section, upon the
26 expiration of the term of or vacancy in office of the

1 Director appointed under paragraph (3) of subsection
2 (a) of this Section who resides in the geographic area
3 described in this subparagraph and whose term of office
4 had not expired as of August 1, 2007, a Director shall
5 be appointed under this subparagraph.

6 (v) One Director who resides in the township of
7 Worth, Calumet, Bremen, Thornton, Rich, or Bloom. To
8 implement the changes in appointing authority under
9 this Section, upon the expiration of the term of or
10 vacancy in office of the Director appointed under
11 paragraph (3) of subsection (a) of this Section who
12 resides in the geographic area described in this
13 subparagraph and whose term of office had expired as of
14 August 1, 2007, a Director shall be appointed under
15 this subparagraph.

16 (vi) The Directors identified under the provisions
17 of subparagraphs (ii) through (v) of this paragraph (7)
18 shall be appointed by the members of the Cook County
19 Board. Each individual Director shall be appointed by
20 those members of the Cook County Board whose Board
21 districts overlap in whole or in part with the
22 geographic territory described in the relevant
23 subparagraph. The vote of County Board members
24 eligible to appoint directors under the provisions of
25 subparagraphs (ii) through (v) of this paragraph (7)
26 shall be weighted by the number of electors residing in

1 those portions of their Board districts within the
2 geographic territory described in the relevant
3 subparagraph (ii) through (v) of this paragraph (7).

4 (8) The chairman shall be appointed by the directors,
5 from the members of the board, with the concurrence of 8 of
6 such directors. To implement the changes in appointing
7 authority under this Section, upon the expiration of the
8 term of or vacancy in office of the Chairman appointed
9 under item (5) of subsection (a) of this Section, a
10 Chairman shall be appointed under this subparagraph.

11 (c) No director, while serving as such, shall be an
12 officer, a member of the board of directors or trustee or an
13 employee of any transportation agency, or be an employee of the
14 State of Illinois or any department or agency thereof, or of
15 any unit of local government or receive any compensation from
16 any elected or appointed office under the Constitution and laws
17 of Illinois.

18 (d) Each appointment made under subsections (a) and (b) of
19 this Section paragraphs (a) through (d) and under Section 3B.03
20 shall be certified by the appointing authority to the Commuter
21 Rail Board which shall maintain the certifications as part of
22 the official records of the Commuter Rail Board; ~~provided that~~
23 ~~the initial appointments shall be certified to the Secretary of~~
24 ~~State, who shall transmit the certifications to the Commuter~~
25 ~~Rail Board following its organization.~~

26 ~~Appointments to the Commuter Rail Board shall be~~

1 ~~apportioned so as to represent the City of Chicago, that part~~
2 ~~of Cook County outside of the City of Chicago, and DuPage~~
3 ~~County and that part of the metropolitan region other than Cook~~
4 ~~and DuPage Counties based on morning boardings of the services~~
5 ~~provided by the Commuter Rail Division as certified to the~~
6 ~~Board of the Authority by the Commuter Rail Board, provided~~
7 ~~however that the Mayor of the City of Chicago shall appoint no~~
8 ~~fewer than 1 member of the Commuter Rail Board. Within two~~
9 ~~years after each federal decennial census, the Board of the~~
10 ~~Authority shall review the composition of the Commuter Rail~~
11 ~~Board and, if change is needed to comply with this requirement,~~
12 ~~shall provide for the necessary reapportionment by July 1 of~~
13 ~~the second year after such census. Insofar as may be~~
14 ~~practicable, the changes in board membership necessary to~~
15 ~~achieve this purpose shall take effect as appropriate members~~
16 ~~terms expire, no member's term being reduced by reason of such~~
17 ~~revision of the composition of the Commuter Rail Board.~~

18 (Source: P.A. 83-886.)

19 (70 ILCS 3615/3B.03) (from Ch. 111 2/3, par. 703B.03)

20 Sec. 3B.03. Terms, Vacancies. Each ~~The initial term of the~~
21 ~~director appointed pursuant to subdivision (a) of Section 3B.02~~
22 ~~and the initial term of one of the directors appointed pursuant~~
23 ~~to subdivision (b) of Section 3B.02 shall expire on June 30,~~
24 ~~1985; the initial term of one of the directors appointed~~
25 ~~pursuant to subdivision (b) of Section 3B.02 and the initial~~

1 ~~term of one of the directors appointed pursuant to subdivision~~
2 ~~(c) of Section 3B.02 shall expire on June 30, 1986; the initial~~
3 ~~terms of two of the directors appointed pursuant to subdivision~~
4 ~~(c) of Section 3B.02 shall expire on June 30, 1987; the initial~~
5 ~~term of the director appointed pursuant to subdivision (d) of~~
6 ~~Section 3B.02 shall expire on June 30, 1988. Thereafter, each~~
7 director shall be appointed for a term of 4 years, and until
8 his successor has been appointed and qualified. A vacancy shall
9 occur upon the resignation, death, conviction of a felony, or
10 removal from office of a director. Any director may be removed
11 from office upon the concurrence of not less than 8 ~~6~~
12 directors, on a formal finding of incompetence, neglect of
13 duty, or malfeasance in office. Within 30 days after the office
14 of any director becomes vacant for any reason, the appropriate
15 appointing authorities of such director, as provided in Section
16 3B.02, shall make an appointment to fill the vacancy. A vacancy
17 shall be filled for the unexpired term.

18 (Source: P.A. 84-939.)

19 (70 ILCS 3615/3B.05) (from Ch. 111 2/3, par. 703B.05)

20 Sec. 3B.05. Appointment of officers and employees. The
21 Commuter Rail Board shall appoint an Executive Director who
22 shall be the chief executive officer of the Division,
23 appointed, retained or dismissed with the concurrence of 8 ~~6~~
24 of the directors of the Commuter Rail Board. The Executive
25 Director shall appoint, retain and employ officers, attorneys,

1 agents, engineers, employees and shall organize the staff,
2 shall allocate their functions and duties, fix compensation and
3 conditions of employment, and consistent with the policies of
4 and direction from the Commuter Rail Board take all actions
5 necessary to achieve its purposes, fulfill its
6 responsibilities and carry out its powers, and shall have such
7 other powers and responsibilities as the Commuter Rail Board
8 shall determine. The Executive Director shall be an individual
9 of proven transportation and management skills and may not be a
10 member of the Commuter Rail Board. The Division may employ its
11 own professional management personnel to provide professional
12 and technical expertise concerning its purposes and powers and
13 to assist it in assessing the performance of transportation
14 agencies in the metropolitan region.

15 No unlawful discrimination, as defined and prohibited in
16 the Illinois Human Rights Act, shall be made in any term or
17 aspect of employment nor shall there be discrimination based
18 upon political reasons or factors. The Commuter Rail Board
19 shall establish regulations to insure that its discharges shall
20 not be arbitrary and that hiring and promotion are based on
21 merit.

22 The Division shall be subject to the "Illinois Human Rights
23 Act", as now or hereafter amended, and the remedies and
24 procedure established thereunder. The Commuter Rail Board
25 shall file an affirmative action program for employment by it
26 with the Department of Human Rights to ensure that applicants

1 are employed and that employees are treated during employment,
2 without regard to unlawful discrimination. Such affirmative
3 action program shall include provisions relating to hiring,
4 upgrading, demotion, transfer, recruitment, recruitment
5 advertising, selection for training and rates of pay or other
6 forms of compensation.

7 (Source: P.A. 83-885; 83-886.)

8 (70 ILCS 3615/3B.07) (from Ch. 111 2/3, par. 703B.07)

9 Sec. 3B.07. Meetings. The Commuter Rail Board shall
10 prescribe the times and places for meetings and the manner in
11 which special meetings may be called. The Commuter Rail Board
12 shall comply in all respects with the "Open Meetings Act", as
13 now or hereafter amended. All records, documents and papers of
14 the Commuter Rail Division, other than those relating to
15 matters concerning which closed sessions of the Commuter Rail
16 Board may be held, shall be available for public examination,
17 subject to such reasonable regulations as the board may adopt.

18 A majority of the members shall constitute a quorum for the
19 conduct of business. The affirmative votes of at least 6 4
20 members shall be necessary for any action required by this Act
21 to be taken by ordinance.

22 (Source: P.A. 83-886.)

23 (70 ILCS 3615/3B.09) (from Ch. 111 2/3, par. 703B.09)

24 Sec. 3B.09. General Powers. In addition to any powers

1 elsewhere provided to the Commuter Rail Board, it shall have
2 all of the powers specified in Section 2.20 of this Act except
3 for the powers specified in Section 2.20(a)(v). The Board shall
4 also have the power:

5 (a) to cooperate with the Regional Transportation
6 Authority in the exercise by the Regional Transportation
7 Authority of all the powers granted it by such Act;

8 (b) to receive funds from the Regional Transportation
9 Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and 4.10
10 of the "Regional Transportation Authority Act", all as provided
11 in the "Regional Transportation Authority Act"; ~~and~~

12 (c) to receive financial grants from the Regional
13 Transportation Authority or a Service Board, as defined in the
14 "Regional Transportation Authority Act", upon such terms and
15 conditions as shall be set forth in a grant contract between
16 either the Division and the Regional Transportation Authority
17 or the Division and another Service Board, which contract or
18 agreement may be for such number of years or duration as the
19 parties may agree, all as provided in the "Regional
20 Transportation Authority Act"; ~~and~~

21 (d) to borrow money for the purpose of acquiring,
22 constructing, reconstructing, extending, or improving any
23 Public Transportation Facilities (as defined in Section 1.03 of
24 the Regional Transportation Authority Act) operated by or to be
25 operated by or on behalf of the Commuter Rail Division. For the
26 purpose of evidencing the obligation of the Commuter Rail Board

1 to repay any money borrowed as provided in this subsection, the
2 Commuter Rail Board may issue revenue bonds from time to time
3 pursuant to ordinance adopted by the Commuter Rail Board,
4 subject to the approval of the Regional Transportation
5 Authority of each such issuance by the affirmative vote of 12
6 of its then Directors; provided that the Commuter Rail Board
7 may not issue bonds for the purpose of financing the
8 acquisition, construction, or improvement of a corporate
9 headquarters building. All such bonds shall be payable solely
10 from the revenues or income or any other funds that the
11 Commuter Rail Board may receive, provided that the Commuter
12 Rail Board may not pledge as security for such bonds the
13 moneys, if any, that the Commuter Rail Board receives from the
14 Regional Transportation Authority pursuant to Section
15 4.03.3(f) of the Regional Transportation Authority Act. The
16 bonds shall bear interest at a rate not to exceed the maximum
17 rate authorized by the Bond Authorization Act and shall mature
18 at such time or times not exceeding 25 years from their
19 respective dates. Bonds issued pursuant to this paragraph must
20 be issued with scheduled principal or mandatory redemption
21 payments in equal amounts in each fiscal year over the term of
22 the bonds, with the first principal or mandatory redemption
23 payment scheduled within the fiscal year in which bonds are
24 issued or within the next succeeding fiscal year. At least 25%,
25 based on total principal amount, of all bonds authorized
26 pursuant to this Section shall be sold pursuant to notice of

1 sale and public bid. No more than 75%, based on total principal
2 amount, of all bonds authorized pursuant to this Section shall
3 be sold by negotiated sale. The maximum principal amount of the
4 bonds that may be issued and outstanding at any time may not
5 exceed \$1,000,000,000. The bonds shall have all the qualities
6 of negotiable instruments under the laws of this State. To
7 secure the payment of any or all of such bonds and for the
8 purpose of setting forth the covenants and undertakings of the
9 Commuter Rail Board in connection with the issuance thereof and
10 the issuance of any additional bonds payable from such revenue
11 or income as well as the use and application of the revenue or
12 income received by the Commuter Rail Board, the Commuter Rail
13 Board may execute and deliver a trust agreement or agreements;
14 provided that no lien upon any physical property of the
15 Commuter Rail Board shall be created thereby. A remedy for any
16 breach or default of the terms of any such trust agreement by
17 the Commuter Rail Board may be by mandamus proceedings in any
18 court of competent jurisdiction to compel performance and
19 compliance therewith, but the trust agreement may prescribe by
20 whom or on whose behalf such action may be instituted. Under no
21 circumstances shall any bonds issued by the Commuter Rail Board
22 or any other obligation of the Commuter Rail Board in
23 connection with the issuance of such bonds be or become an
24 indebtedness or obligation of the State of Illinois, the
25 Regional Transportation Authority, or any other political
26 subdivision of or municipality within the State, nor shall any

1 such bonds or obligations be or become an indebtedness of the
2 Commuter Rail Board within the purview of any constitutional
3 limitation or provision, and it shall be plainly stated on the
4 face of each bond that it does not constitute such an
5 indebtedness or obligation but is payable solely from the
6 revenues or income as aforesaid.

7 (Source: P.A. 83-885; 83-886.)

8 (70 ILCS 3615/3B.10) (from Ch. 111 2/3, par. 703B.10)

9 Sec. 3B.10. Budget and Program. The Commuter Rail Board,
10 subject to the powers of the Authority in Section 4.11, shall
11 control the finances of the Division. It shall by ordinance
12 appropriate money to perform the Division's purposes and
13 provide for payment of debts and expenses of the Division. Each
14 year the Commuter Rail Board shall prepare and publish a
15 comprehensive annual budget and proposed five-year capital
16 program document, and a financial plan for the two years
17 thereafter describing the state of the Division and presenting
18 for the forthcoming fiscal year and the two following years the
19 Commuter Rail Board's plans for such operations and capital
20 expenditures as the Commuter Rail Board intends to undertake
21 and the means by which it intends to finance them. The proposed
22 budget, ~~and~~ financial plan, and five-year capital program shall
23 be based on the Authority's estimate of funds to be made
24 available to the Commuter Rail Board by or through the
25 Authority and shall conform in all respects to the requirements

1 established by the Authority. The proposed ~~program and~~ budget, financial plan, and five-year capital program shall contain a
2
3 statement of the funds estimated to be on hand at the beginning
4 of the fiscal year, the funds estimated to be received from all
5 sources for such year and the funds estimated to be on hand at
6 the end of such year. ~~After adoption of the Authority's first~~
7 ~~Five Year Program, as provided in Section 2.01 of this Act, the~~
8 ~~proposed program and budget shall specifically identify any~~
9 ~~respect in which the recommended program deviates from the~~
10 ~~Authority's then existing Five Year Program, giving the~~
11 ~~reasons for such deviation.~~ The fiscal year of the Division
12 shall be the same as the fiscal year of the Authority. Before
13 the proposed budget, ~~and program and~~ financial plan, and
14 five-year capital program are submitted to the Authority, the
15 Commuter Rail Board shall hold at least one public hearing
16 thereon in each of the counties in the metropolitan region in
17 which the Division provides service. The Commuter Rail Board
18 shall hold at least one meeting for consideration of the
19 proposed ~~program and~~ budget, financial plan, and five-year
20 capital plan with the county board of each of the several
21 counties in the metropolitan region in which the Division
22 provides service. After conducting such hearings and holding
23 such meetings and after making such changes in the proposed
24 ~~program and~~ budget, financial plan, and five-year capital plan
25 as the Commuter Rail Board deems appropriate, the board shall
26 adopt its annual budget ordinance at least by November 15 next

1 preceding the beginning of each fiscal year. The budget, ~~and~~
2 ~~program,~~ and financial plan, and five-year capital program
3 shall then be submitted to the Authority as provided in Section
4 4.11. In the event that the Board of the Authority determines
5 that the budget and program, and financial plan do not meet the
6 standards of Section 4.11, the Commuter Rail Board shall make
7 such changes as are necessary to meet such requirements and
8 adopt an amended budget ordinance. The amended budget ordinance
9 shall be resubmitted to the Authority pursuant to Section 4.11.
10 The ordinance shall appropriate such sums of money as are
11 deemed necessary to defray all necessary expenses and
12 obligations of the Division, specifying purposes and the
13 objects or programs for which appropriations are made and the
14 amount appropriated for each object or program. Additional
15 appropriations, transfers between items and other changes in
16 such ordinance which do not alter the basis upon which the
17 balanced budget determination was made by the Board of the
18 Authority may be made from time to time by the Commuter Rail
19 Board.

20 The budget shall:

21 (i) show a balance between (A) anticipated revenues from
22 all sources including operating subsidies and (B) the costs of
23 providing the services specified and of funding any operating
24 deficits or encumbrances incurred in prior periods, including
25 provision for payment when due of principal and interest on
26 outstanding indebtedness;

1 (ii) show cash balances including the proceeds of any
2 anticipated cash flow borrowing sufficient to pay with
3 reasonable promptness all costs and expenses as incurred;

4 (iii) provide for a level of fares or charges for the
5 public transportation provided by or subject to the
6 jurisdiction of such Commuter Rail Board sufficient to allow
7 the Commuter Rail Board to meet its required system generated
8 revenue recovery ratio;

9 (iv) be based upon and employ assumptions and projections
10 which the Board of the Authority finds to be reasonable and
11 prudent;

12 (v) have been prepared in accordance with sound financial
13 practices as determined by the Board of the Authority; ~~and~~

14 (vi) meet such other uniform financial, budgetary, or
15 fiscal requirements that the Board of the Authority may by rule
16 or regulation establish; and -

17 (vii) be consistent with the goals and objectives adopted
18 by the Regional Transportation Authority in the Strategic Plan.

19 (Source: P.A. 83-885; 83-886.)

20 (70 ILCS 3615/3B.11) (from Ch. 111 2/3, par. 703B.11)

21 Sec. 3B.11. Citizens Advisory Board. The Commuter Rail
22 Board shall establish a citizens advisory board composed of ten
23 residents of those portions of the metropolitan region in which
24 the Commuter Rail Board provides service who have an interest
25 in public transportation. The members of the advisory board

1 shall be named for two year terms, shall select one of their
2 members to serve as chairman and shall serve without
3 compensation. The citizens advisory board shall meet with the
4 Commuter Rail Board at least quarterly and advise the Commuter
5 Rail Board of the impact of its policies and programs on the
6 communities it serves. Appointments to the citizens advisory
7 board should, to the greatest extent possible, reflect the
8 ethnic, cultural, and geographic diversity of all persons
9 residing within the Commuter Rail Division's jurisdiction.

10 (Source: P.A. 83-886.)

11 (70 ILCS 3615/3B.12) (from Ch. 111 2/3, par. 703B.12)

12 Sec. 3B.12. Working Cash Borrowing. The Commuter Rail Board
13 with the affirmative vote of 7 ~~5~~ of its Directors may demand
14 and direct the Board of the Authority to issue Working Cash
15 Notes at such time and in such amounts and having such
16 maturities as the Commuter Rail Board deems proper, provided
17 however any such borrowing shall have been specifically
18 identified in the budget of the Commuter Rail Board as approved
19 by the Board of the Authority. Provided further, that the
20 Commuter Rail Board may not demand and direct the Board of the
21 Authority to have issued and have outstanding at any time in
22 excess of \$20,000,000 in Working Cash Notes.

23 (Source: P.A. 83-886.)

24 (70 ILCS 3615/3B.13) (from Ch. 111 2/3, par. 703B.13)

1 Sec. 3B.13. Labor.

2 (a) The provisions of this Section apply to collective
3 bargaining agreements (including extensions and amendments of
4 existing agreements) entered into on or after January 1, 1984.
5 This Section does not apply to collective bargaining agreements
6 that are subject to the provisions of the Railway Labor Act, as
7 now or hereafter amended.

8 (b) The Commuter Rail Board shall deal with and enter into
9 written contracts with their employees, through accredited
10 representatives of such employees authorized to act for such
11 employees concerning wages, salaries, hours, working
12 conditions, and pension or retirement provisions about which a
13 collective bargaining agreement has been entered prior to the
14 effective date of this amendatory Act of 1983. Any such
15 agreement of the Commuter Rail Board shall provide that the
16 agreement may be reopened if the amended budget submitted
17 pursuant to Section 2.18a of this Act is not approved by the
18 Board of the Authority. The agreement may not include a
19 provision requiring the payment of wage increases based on
20 changes in the Consumer Price Index. The Commuter Rail Board
21 shall not have the authority to enter collective bargaining
22 agreements with respect to inherent management rights which
23 include such areas of discretion or policy as the functions of
24 the employer, standards of services, its overall budget, the
25 organizational structure and selection of new employees and
26 direction of personnel. Employers, however, shall be required

1 to bargain collectively with regard to policy matters directly
2 affecting wages, hours and terms and conditions of employment,
3 as well as the impact thereon, upon request by employee
4 representatives. To preserve the rights of the Commuter Rail
5 Board and exclusive representatives which have established
6 collective bargaining relationships or negotiated collective
7 bargaining agreements prior to the effective date of this
8 amendatory Act of 1983, the Commuter Rail Board shall be
9 required to bargain collectively with regard to any matter
10 concerning wages, hours or conditions of employment about which
11 they have bargained prior to the effective date of this
12 amendatory Act of 1983.

13 (c) The collective bargaining agreement may not include a
14 prohibition on the use of part-time operators on any service
15 operated by the Commuter Rail Board except where prohibited by
16 federal law.

17 (d) Within 30 days of the signing of any such collective
18 bargaining agreement, the Commuter Rail Board shall determine
19 the costs of each provision of the agreement, prepare an
20 amended budget incorporating the costs of the agreement, and
21 present the amended budget to the Board of the Authority for
22 its approval under Section 4.11. The Board may approve the
23 amended budget by an affirmative vote of 12 ~~9~~ of its then
24 Directors. If the budget is not approved by the Board of the
25 Authority, the agreement may be reopened and its terms may be
26 renegotiated. Any amended budget which may be prepared

1 following renegotiation shall be presented to the Board of the
2 Authority for its approval in like manner.

3 (Source: P.A. 84-1308.)

4 (70 ILCS 3615/4.01) (from Ch. 111 2/3, par. 704.01)

5 Sec. 4.01. Budget and Program.

6 (a) The Board shall control the finances of the Authority.
7 It shall by ordinance adopted by the affirmative vote of at
8 least 12 of its then Directors (i) appropriate money to perform
9 the Authority's purposes and provide for payment of debts and
10 expenses of the Authority, (ii) take action with respect to the
11 budget and two-year financial plan of each Service Board, as
12 provided in Section 4.11, and (iii) adopt an Annual Budget and
13 Two-Year Financial Plan for the Authority that includes the
14 annual budget and two-year financial plan of each Service Board
15 that has been approved by the Authority. ~~Each year the~~
16 Authority shall prepare and publish a comprehensive annual
17 budget and program document describing the state of the
18 Authority and presenting for the forthcoming fiscal year the
19 Authority's plans for such operations and capital expenditures
20 as the Authority intends to undertake and the means by which it
21 intends to finance them. The Annual Budget and Two-Year
22 Financial Plan ~~proposed program and budget~~ shall contain a
23 statement of the funds estimated to be on hand for the
24 Authority and each Service Board at the beginning of the fiscal
25 year, the funds estimated to be received from all sources for

1 such year, the estimated expenses and obligations of the
2 Authority and each Service Board for all purposes, including
3 expenses for contributions to be made with respect to pension
4 and other employee benefits, and the funds estimated to be on
5 hand at the end of such year. ~~After adoption of the Authority's~~
6 ~~first Five Year Program, as provided in Section 2.01 of this~~
7 ~~Act, the proposed program and budget shall specifically~~
8 ~~identify any respect in which the recommended program deviates~~
9 ~~from the Authority's then existing Five Year Program, giving~~
10 ~~the reasons for such deviation.~~ The fiscal year of the
11 Authority and each Service Board shall begin on January 1st and
12 end on the succeeding December 31st ~~except that the fiscal year~~
13 ~~that began October 1, 1982, shall end December 31, 1983.~~ By
14 ~~July 1st 1981 and July 1st of each year thereafter~~ the Director
15 of the Illinois Governor's Office of Management and Budget
16 (formerly Bureau of the Budget) shall submit to the Authority
17 an estimate of revenues for the next fiscal year of the
18 Authority to be collected from the taxes imposed by the
19 Authority and the amounts to be available in the Public
20 Transportation Fund and the Regional Transportation Authority
21 Occupation and Use Tax Replacement Fund and the amounts
22 otherwise to be appropriated by the State to the Authority for
23 its purposes. The Authority shall file a copy of its Annual
24 Budget and Two-Year Financial Plan with ~~For the fiscal year~~
25 ~~ending on December 31, 1983, the Board shall report its results~~
26 ~~from operations and financial condition to the General Assembly~~

1 ~~and the Governor by January 31. For the fiscal year beginning~~
2 ~~January 1, 1984, and thereafter, the budget and program shall~~
3 ~~be presented to~~ the General Assembly and the Governor after its
4 adoption ~~not later than the preceding December 31st.~~ Before the
5 proposed Annual Budget and Two-Year Financial Plan ~~budget and~~
6 ~~program~~ is adopted, the Authority shall hold at least one
7 public hearing thereon in the metropolitan region, and shall
8 meet . ~~The Board shall hold at least one meeting for~~
9 ~~consideration of the proposed program and budget~~ with the
10 county board or its designee of each of the several counties in
11 the metropolitan region. After conducting such hearings and
12 holding such meetings and after making such changes in the
13 proposed Annual Budget and Two-Year Financial Plan ~~program and~~
14 ~~budget~~ as the Board deems appropriate, the Board shall adopt
15 its annual appropriation and Annual Budget and Two-Year
16 Financial Plan ~~budget~~ ordinance. The ordinance may be adopted
17 only upon the affirmative votes of 12 ~~9~~ of its then Directors.
18 The ordinance shall appropriate such sums of money as are
19 deemed necessary to defray all necessary expenses and
20 obligations of the Authority, specifying purposes and the
21 objects or programs for which appropriations are made and the
22 amount appropriated for each object or program. Additional
23 appropriations, transfers between items and other changes in
24 such ordinance may be made from time to time by the Board upon
25 the affirmative votes of 12 ~~9~~ of its then Directors.

26 (b) The Annual Budget and Two-Year Financial Plan ~~budget~~

1 shall show a balance between anticipated revenues from all
2 sources and anticipated expenses including funding of
3 operating deficits or the discharge of encumbrances incurred in
4 prior periods and payment of principal and interest when due,
5 and shall show cash balances sufficient to pay with reasonable
6 promptness all obligations and expenses as incurred.

7 The Annual Budget and Two-Year Financial Plan ~~annual budget~~
8 ~~and financial plan~~ must show:

9 (i) that the level of fares and charges for mass
10 transportation provided by, or under grant or purchase of
11 service contracts of, the Service Boards is sufficient to
12 cause the aggregate of all projected fare revenues from
13 such fares and charges received in each fiscal year to
14 equal at least 50% of the aggregate costs of providing such
15 public transportation in such fiscal year. "Fare revenues"
16 include the proceeds of all fares and charges for services
17 provided, contributions received in connection with public
18 transportation from units of local government other than
19 the Authority and from the State pursuant to subsection (i)
20 of Section 2705-305 of the Department of Transportation Law
21 (20 ILCS 2705/2705-305), and all other operating revenues
22 properly included consistent with generally accepted
23 accounting principles but do not include: the proceeds of
24 any borrowings, revenues received by the Chicago Transit
25 Authority from a real estate transfer tax imposed under
26 Section 55 of the Metropolitan Transit Authority Act, and,

1 beginning with the 2007 fiscal year, all revenues and
2 receipts, including but not limited to fares and grants
3 received from the federal, State or any unit of local
4 government or other entity, derived from providing ADA
5 paratransit service pursuant to Section 2.30 of the
6 Regional Transportation Authority Act. "Costs" include all
7 items properly included as operating costs consistent with
8 generally accepted accounting principles, including
9 administrative costs, but do not include: depreciation;
10 payment of principal and interest on bonds, notes or other
11 evidences of obligation for borrowed money issued by the
12 Authority; payments with respect to public transportation
13 facilities made pursuant to subsection (b) of Section 2.20
14 of this Act; any payments with respect to rate protection
15 contracts, credit enhancements or liquidity agreements
16 made under Section 4.14; any other cost to which it is
17 reasonably expected that a cash expenditure will not be
18 made; costs ~~up to \$5,000,000 annually~~ for passenger
19 security including grants, contracts, personnel, equipment
20 and administrative expenses, except in the case of the
21 Chicago Transit Authority, in which case the term does not
22 include costs spent annually by that entity for protection
23 against crime as required by Section 27a of the
24 Metropolitan Transit Authority Act; the payment by the
25 Chicago Transit Authority of Debt Service, as defined in
26 Section 12c of the Metropolitan Transit Authority Act, on

1 bonds or notes issued pursuant to that Section; the payment
2 by the Commuter Rail Division of debt service on bonds
3 issued pursuant to Section 3B.09; expenses incurred by the
4 Suburban Bus Division for the cost of new public
5 transportation services funded from grants pursuant to
6 Section 2.01e of this amendatory Act of the 95th General
7 Assembly for a period of 2 years from the date of
8 initiation of each such service; costs as exempted by the
9 Board for projects pursuant to Section 2.09 of this Act;
10 or, beginning with the 2007 fiscal year, expenses related
11 to providing ADA paratransit service pursuant to Section
12 2.30 of the Regional Transportation Authority Act; and in
13 fiscal years 2008 through 2012 inclusive, costs in the
14 amount of \$200,000,000 in fiscal year 2008, reducing by
15 \$40,000,000 in each fiscal year thereafter until this
16 exemption is eliminated; and

17 (ii) that the level of fares charged for ADA
18 paratransit services is sufficient to cause the aggregate
19 of all projected revenues from such fares charged and
20 received in each fiscal year to equal at least 10% of the
21 aggregate costs of providing such ADA paratransit services
22 in fiscal years 2007 and 2008 and at least 12% of the
23 aggregate costs of providing such ADA paratransit services
24 in fiscal years 2009 and thereafter; for purposes of this
25 Act, the percentages in this subsection (b)(ii) shall be
26 referred to as the "system generated ADA paratransit

1 services revenue recovery ratio".

2 (c) The actual administrative expenses of the Authority for
3 the fiscal year commencing January 1, 1985 may not exceed
4 \$5,000,000. The actual administrative expenses of the
5 Authority for the fiscal year commencing January 1, 1986, and
6 for each fiscal year thereafter shall not exceed the maximum
7 administrative expenses for the previous fiscal year plus 5%.
8 "Administrative expenses" are defined for purposes of this
9 Section as all expenses except: (1) capital expenses and
10 purchases of the Authority on behalf of the Service Boards; (2)
11 payments to Service Boards; and (3) payment of principal and
12 interest on bonds, notes or other evidence of obligation for
13 borrowed money issued by the Authority; (4) costs for passenger
14 security including grants, contracts, personnel, equipment and
15 administrative expenses; (5) payments with respect to public
16 transportation facilities made pursuant to subsection (b) of
17 Section 2.20 of this Act; and (6) any payments with respect to
18 rate protection contracts, credit enhancements or liquidity
19 agreements made pursuant to Section 4.14.

20 (d) This subsection applies only until the Department
21 begins administering and enforcing an increased tax under
22 Section 4.03(m) as authorized by this amendatory Act of the
23 95th General Assembly. After withholding 15% of the proceeds of
24 any tax imposed by the Authority and 15% of money received by
25 the Authority from the Regional Transportation Authority
26 Occupation and Use Tax Replacement Fund, the Board shall

1 allocate the proceeds and money remaining to the Service Boards
2 as follows: (1) an amount equal to 85% of the proceeds of those
3 taxes collected within the City of Chicago and 85% of the money
4 received by the Authority on account of transfers to the
5 Regional Transportation Authority Occupation and Use Tax
6 Replacement Fund from the County and Mass Transit District Fund
7 attributable to retail sales within the City of Chicago shall
8 be allocated to the Chicago Transit Authority; (2) an amount
9 equal to 85% of the proceeds of those taxes collected within
10 Cook County outside the City of Chicago and 85% of the money
11 received by the Authority on account of transfers to the
12 Regional Transportation Authority Occupation and Use Tax
13 Replacement Fund from the County and Mass Transit District Fund
14 attributable to retail sales within Cook County outside of the
15 city of Chicago shall be allocated 30% to the Chicago Transit
16 Authority, 55% to the Commuter Rail Board and 15% to the
17 Suburban Bus Board; and (3) an amount equal to 85% of the
18 proceeds of the taxes collected within the Counties of DuPage,
19 Kane, Lake, McHenry and Will shall be allocated 70% to the
20 Commuter Rail Board and 30% to the Suburban Bus Board.

21 (e) This subsection applies only until the Department
22 begins administering and enforcing an increased tax under
23 Section 4.03(m) as authorized by this amendatory Act of the
24 95th General Assembly. Moneys received by the Authority on
25 account of transfers to the Regional Transportation Authority
26 Occupation and Use Tax Replacement Fund from the State and

1 Local Sales Tax Reform Fund shall be allocated among the
2 Authority and the Service Boards as follows: 15% of such moneys
3 shall be retained by the Authority and the remaining 85% shall
4 be transferred to the Service Boards as soon as may be
5 practicable after the Authority receives payment. Moneys which
6 are distributable to the Service Boards pursuant to the
7 preceding sentence shall be allocated among the Service Boards
8 on the basis of each Service Board's distribution ratio. The
9 term "distribution ratio" means, for purposes of this
10 subsection (e) of this Section 4.01, the ratio of the total
11 amount distributed to a Service Board pursuant to subsection
12 (d) of Section 4.01 for the immediately preceding calendar year
13 to the total amount distributed to all of the Service Boards
14 pursuant to subsection (d) of Section 4.01 for the immediately
15 preceding calendar year.

16 (f) To carry out its duties and responsibilities under this
17 Act, further and accomplish the preparation of the annual
18 budget and program as well as the Five Year Program provided
19 for in Section 2.01 of this Act and to make such interim
20 management decisions as may be necessary, the Board shall
21 employ staff which shall: (1) propose for adoption by the Board
22 of the Authority rules for the Service Boards that establish
23 (i) forms and schedules to be used and information required to
24 be provided with respect to a five-year capital program, annual
25 budgets, and two-year financial plans and regular reporting of
26 actual results against adopted budgets and financial plans,

1 (ii) financial practices to be followed in the budgeting and
2 expenditure of public funds, (iii) assumptions and projections
3 that must be followed in preparing and submitting its annual
4 budget and two-year financial plan or a five-year capital
5 program; (2) evaluate for the Board public transportation
6 programs operated or proposed by the Service Boards and
7 transportation agencies in terms of the goals and objectives
8 set out in the Strategic Plan , ~~costs and relative priorities;~~
9 (3) ~~(2)~~ keep the Board and the public informed of the extent to
10 which the Service Boards and transportation agencies are
11 meeting the goals and objectives adopted by the Authority in
12 the Strategic Plan ~~public transportation programs and~~
13 ~~accomplishments of such transportation agencies;~~ and (4)
14 assess the efficiency or adequacy of public transportation
15 services provided by a Service Board and make recommendations
16 for change in that service ~~(3) coordinate the development and~~
17 ~~implementation of public transportation programs~~ to the end
18 that the moneys ~~monies~~ available to the Authority may be
19 expended in the most economical manner possible with the least
20 possible duplication.

21 (g) All ~~Under such regulations as the Board may prescribe,~~
22 ~~all~~ Service Boards, transportation agencies, comprehensive
23 planning agencies, including the Chicago Metropolitan Agency
24 for Planning, or transportation planning agencies in the
25 metropolitan region shall furnish to the Authority ~~Board~~ such
26 information pertaining to public transportation or relevant

1 for plans therefor as it may from time to time require. The
2 Executive Director, or his or her designee, upon payment to any
3 such agency or Service Board of the reasonable additional cost
4 of its so providing such information except as may otherwise be
5 provided by agreement with the Authority, and the Board or any
6 duly authorized employee of the Board shall, for the purpose of
7 securing any such information necessary or appropriate to carry
8 out any of the powers and responsibilities of the Authority
9 under this Act, have access to, and the right to examine, all
10 books, documents, papers or records of a Service Board or any
11 transportation such agency receiving funds from the Authority
12 or Service Board, and such Service Board or transportation
13 agency shall comply with any request by the Executive Director,
14 or his or her designee, within 30 days or an extended time
15 provided by the Executive Director pertaining to public
16 transportation or relevant for plans therefor.

17 (h) No Service Board shall undertake any capital
18 improvement which is not identified in the Five-Year Capital
19 Program.

20 (Source: P.A. 94-370, eff. 7-29-05.)

21 (70 ILCS 3615/4.02) (from Ch. 111 2/3, par. 704.02)

22 Sec. 4.02. Federal, State and Other Funds.

23 (a) The Authority shall have the power to apply for,
24 receive and expend grants, loans or other funds from the State
25 of Illinois or any department or agency thereof, from any unit

1 of local government, from the federal government or any
2 department or agency thereof, for use in connection with any of
3 the powers or purposes of the Authority as set forth in this
4 Act. The Authority shall have power to make such studies as may
5 be necessary and to enter into contracts or agreements with the
6 State of Illinois or any department or agency thereof, with any
7 unit of local government, or with the federal government or any
8 department or agency thereof, concerning such grants, loans or
9 other funds, or any conditions relating thereto, including
10 obligations to repay such funds. The Authority may make such
11 covenants concerning such grants, loans and funds as it deems
12 proper and necessary in carrying out its responsibilities,
13 purposes and powers as provided in this Act.

14 (b) The Authority shall be the primary public body in the
15 metropolitan region with authority to apply for and receive any
16 grants, loans or other funds relating to public transportation
17 programs from the State of Illinois or any department or agency
18 thereof, or from the federal government or any department or
19 agency thereof. Any unit of local government, Service Board or
20 transportation agency may apply for and receive any such
21 federal or state capital grants, loans or other funds,
22 provided, however that a Service Board may not apply for or
23 receive any grant or loan which is not identified in the
24 Five-Year Capital Program. Any Service Board, unit of local
25 government or transportation agency shall notify the Authority
26 prior to making any such application and shall file a copy

1 thereof with the Authority. Nothing in this Section shall be
2 construed to impose any limitation on the ability of the State
3 of Illinois or any department or agency thereof, any unit of
4 local government or Service Board or transportation agency to
5 make any grants or to enter into any agreement or contract with
6 the National Rail Passenger Corporation. Nor shall anything in
7 this Section impose any limitation on the ability of any school
8 district to apply for or receive any grant, loan or other funds
9 for transportation of school children.

10 (c) The Authority shall provide to the Service Board any
11 monies received relating to public transportation services
12 under the jurisdiction of the Service Boards as provided in
13 Section 4.03.3 of this Act. ~~follows:~~

14 ~~(1) As soon as may be practicable after the Authority~~
15 ~~receives payment, under Section 4.03(m) or Section~~
16 ~~4.03.1(d), of the proceeds of those taxes levied by the~~
17 ~~Authority, the Authority shall transfer to each Service~~
18 ~~Board the amount to which it is entitled under Section~~
19 ~~4.01(d).~~

20 ~~(2) The Authority by ordinance adopted by 9 of its then~~
21 ~~Directors shall establish a formula apportioning any~~
22 ~~federal funds for operating assistance purposes the~~
23 ~~Authority receives to each Service Board. In establishing~~
24 ~~the formula, the Board shall consider, among other factors:~~
25 ~~ridership levels, the efficiency with which the service is~~
26 ~~provided, the degree of transit dependence of the area~~

1 ~~served and the cost of service. That portion of any federal~~
2 ~~funds for operating assistance received by the Authority~~
3 ~~shall be paid to each Service Board as soon as may be~~
4 ~~practicable upon their receipt provided the Authority has~~
5 ~~adopted a balanced budget as required by Section 4.01 and~~
6 ~~further provided that the Service Boards are in compliance~~
7 ~~with the requirements in Section 4.11.~~

8 ~~(3) The Authority by ordinance adopted by 9 of its then~~
9 ~~Directors shall apportion to the Service Boards funds~~
10 ~~provided by the State of Illinois under Section 4.09 and~~
11 ~~shall make payment of said funds to each Service Board as~~
12 ~~soon as may be practicable upon their receipt provided the~~
13 ~~Authority has adopted a balanced budget as required by~~
14 ~~Section 4.01 and further provided the Service Board is in~~
15 ~~compliance with the requirements in Section 4.11.~~

16 ~~(4) Beginning January 1, 2009, before making any~~
17 ~~payments, transfers, or expenditures under this subsection~~
18 ~~to a Service Board, the Authority must first comply with~~
19 ~~Section 4.02a or 4.02b of this Act, whichever may be~~
20 ~~applicable.~~

21 (Source: P.A. 94-839, eff. 6-6-06; 95-331, eff. 8-21-07.)

22 (70 ILCS 3615/4.02a)

23 Sec. 4.02a. Chicago Transit Authority contributions to
24 pension funds.

25 (a) The Authority shall continually review the Chicago

1 Transit Authority's payment of the required contributions to
2 its retirement system under Section 22-101 of the Illinois
3 Pension Code.

4 (b) Beginning January 1, 2009, if at any time the Authority
5 determines that the Chicago Transit Authority's payment of any
6 portion of the required contributions to its retirement system
7 under Section 22-101 of the Illinois Pension Code is more than
8 one month overdue, it shall as soon as possible pay the amount
9 of those overdue contributions to the Board of Trustees ~~trustee~~
10 of the Retirement Plan ~~retirement system~~ on behalf of the
11 Chicago Transit Authority out of moneys otherwise payable to
12 the Chicago Transit Authority under ~~subsection (c) of~~ Section
13 4.03.3 ~~4.02~~ of this Act. The Authority shall thereafter have no
14 liability to the Chicago Transit Authority for amounts paid to
15 the Board of Trustees ~~trustee~~ of the Retirement Plan ~~retirement~~
16 ~~system~~ under this Section.

17 (c) Whenever the Authority acts or determines that it is
18 required to act under subsection (b), it shall so notify the
19 Chicago Transit Authority, the Mayor of Chicago, the Governor,
20 the Auditor General of the State of Illinois, and the General
21 Assembly.

22 (Source: P.A. 94-839, eff. 6-6-06.)

23 (70 ILCS 3615/4.02b)

24 Sec. 4.02b. Other contributions to pension funds.

25 (a) The Authority shall continually review the payment of

1 the required employer contributions to affected pension plans
2 under Section 22-103 of the Illinois Pension Code.

3 (b) Beginning January 1, 2009, if at any time the Authority
4 determines that the Commuter Rail Board's or Suburban Bus
5 Board's payment of any portion of the required contributions to
6 an affected pension plan under Section 22-103 of the Illinois
7 Pension Code is more than one month overdue, it shall as soon
8 as possible pay the amount of those overdue contributions to
9 the trustee of the affected pension plan on behalf of that
10 Service Board out of moneys otherwise payable to that Service
11 Board under Section 4.03.3 ~~subsection (c) of Section 4.02~~ of
12 this Act. The Authority shall thereafter have no liability to
13 the Service Board for amounts paid to the trustee of the
14 affected pension plan under this Section.

15 (c) Whenever the Authority acts or determines that it is
16 required to act under subsection (b), it shall so notify the
17 affected Service Board, the Mayor of Chicago, the Governor, the
18 Auditor General of the State of Illinois, and the General
19 Assembly.

20 (d) Beginning January 1, 2009, if the Authority fails to
21 pay to an affected pension fund within 30 days after it is due
22 any employer contribution that it is required to make as a
23 contributing employer under Section 22-103 of the Illinois
24 Pension Code, it shall promptly so notify the Commission on
25 Government Forecasting and Accountability, the Mayor of
26 Chicago, the Governor, and the General Assembly, and it shall

1 promptly pay the overdue amount out of the first money
2 available to the Authority for its administrative expenses, as
3 that term is defined in Section 4.01(c).

4 (Source: P.A. 94-839, eff. 6-6-06.)

5 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

6 Sec. 4.03. Taxes.

7 (a) In order to carry out any of the powers or purposes of
8 the Authority, the Board may by ordinance adopted with the
9 concurrence of 12 ~~9~~ of the then Directors, impose throughout
10 the metropolitan region any or all of the taxes provided in
11 this Section. Except as otherwise provided in this Act, taxes
12 imposed under this Section and civil penalties imposed incident
13 thereto shall be collected and enforced by the State Department
14 of Revenue. The Department shall have the power to administer
15 and enforce the taxes and to determine all rights for refunds
16 for erroneous payments of the taxes. Nothing in this amendatory
17 Act of the 95th General Assembly is intended to invalidate any
18 taxes currently imposed by the Authority. The increased vote
19 requirements to impose a tax shall only apply to actions taken
20 after the effective date of this amendatory Act of the 95th
21 General Assembly.

22 (b) The Board may impose a public transportation tax upon
23 all persons engaged in the metropolitan region in the business
24 of selling at retail motor fuel for operation of motor vehicles
25 upon public highways. The tax shall be at a rate not to exceed

1 5% of the gross receipts from the sales of motor fuel in the
2 course of the business. As used in this Act, the term "motor
3 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
4 The Board may provide for details of the tax. The provisions of
5 any tax shall conform, as closely as may be practicable, to the
6 provisions of the Municipal Retailers Occupation Tax Act,
7 including without limitation, conformity to penalties with
8 respect to the tax imposed and as to the powers of the State
9 Department of Revenue to promulgate and enforce rules and
10 regulations relating to the administration and enforcement of
11 the provisions of the tax imposed, except that reference in the
12 Act to any municipality shall refer to the Authority and the
13 tax shall be imposed only with regard to receipts from sales of
14 motor fuel in the metropolitan region, at rates as limited by
15 this Section.

16 (c) In connection with the tax imposed under paragraph (b)
17 of this Section the Board may impose a tax upon the privilege
18 of using in the metropolitan region motor fuel for the
19 operation of a motor vehicle upon public highways, the tax to
20 be at a rate not in excess of the rate of tax imposed under
21 paragraph (b) of this Section. The Board may provide for
22 details of the tax.

23 (d) The Board may impose a motor vehicle parking tax upon
24 the privilege of parking motor vehicles at off-street parking
25 facilities in the metropolitan region at which a fee is
26 charged, and may provide for reasonable classifications in and

1 exemptions to the tax, for administration and enforcement
2 thereof and for civil penalties and refunds thereunder and may
3 provide criminal penalties thereunder, the maximum penalties
4 not to exceed the maximum criminal penalties provided in the
5 Retailers' Occupation Tax Act. The Authority may collect and
6 enforce the tax itself or by contract with any unit of local
7 government. The State Department of Revenue shall have no
8 responsibility for the collection and enforcement unless the
9 Department agrees with the Authority to undertake the
10 collection and enforcement. As used in this paragraph, the term
11 "parking facility" means a parking area or structure having
12 parking spaces for more than 2 vehicles at which motor vehicles
13 are permitted to park in return for an hourly, daily, or other
14 periodic fee, whether publicly or privately owned, but does not
15 include parking spaces on a public street, the use of which is
16 regulated by parking meters.

17 (e) The Board may impose a Regional Transportation
18 Authority Retailers' Occupation Tax upon all persons engaged in
19 the business of selling tangible personal property at retail in
20 the metropolitan region. In Cook County the tax rate shall be
21 1.25% ~~1%~~ of the gross receipts from sales of food for human
22 consumption that is to be consumed off the premises where it is
23 sold (other than alcoholic beverages, soft drinks and food that
24 has been prepared for immediate consumption) and prescription
25 and nonprescription medicines, drugs, medical appliances and
26 insulin, urine testing materials, syringes and needles used by

1 diabetics, and 1% ~~3/4%~~ of the gross receipts from other taxable
2 sales made in the course of that business. In DuPage, Kane,
3 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
4 ~~1/4%~~ of the gross receipts from all taxable sales made in the
5 course of that business. The tax imposed under this Section and
6 all civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The Department shall have full power to administer and
9 enforce this Section; to collect all taxes and penalties so
10 collected in the manner hereinafter provided; and to determine
11 all rights to credit memoranda arising on account of the
12 erroneous payment of tax or penalty hereunder. In the
13 administration of, and compliance with this Section, the
14 Department and persons who are subject to this Section shall
15 have the same rights, remedies, privileges, immunities, powers
16 and duties, and be subject to the same conditions,
17 restrictions, limitations, penalties, exclusions, exemptions
18 and definitions of terms, and employ the same modes of
19 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
20 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
21 therein other than the State rate of tax), 2c, 3 (except as to
22 the disposition of taxes and penalties collected), 4, 5, 5a,
23 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
24 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
25 Section 3-7 of the Uniform Penalty and Interest Act, as fully
26 as if those provisions were set forth herein.

1 Persons subject to any tax imposed under the authority
2 granted in this Section may reimburse themselves for their
3 seller's tax liability hereunder by separately stating the tax
4 as an additional charge, which charge may be stated in
5 combination in a single amount with State taxes that sellers
6 are required to collect under the Use Tax Act, under any
7 bracket schedules the Department may prescribe.

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the warrant to be drawn for the
12 amount specified, and to the person named, in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the Regional Transportation Authority tax fund
15 established under paragraph (n) of this Section.

16 If a tax is imposed under this subsection (e), a tax shall
17 also be imposed under subsections (f) and (g) of this Section.

18 For the purpose of determining whether a tax authorized
19 under this Section is applicable, a retail sale by a producer
20 of coal or other mineral mined in Illinois, is a sale at retail
21 at the place where the coal or other mineral mined in Illinois
22 is extracted from the earth. This paragraph does not apply to
23 coal or other mineral when it is delivered or shipped by the
24 seller to the purchaser at a point outside Illinois so that the
25 sale is exempt under the Federal Constitution as a sale in
26 interstate or foreign commerce.

1 No tax shall be imposed or collected under this subsection
2 on the sale of a motor vehicle in this State to a resident of
3 another state if that motor vehicle will not be titled in this
4 State.

5 Nothing in this Section shall be construed to authorize the
6 Regional Transportation Authority to impose a tax upon the
7 privilege of engaging in any business that under the
8 Constitution of the United States may not be made the subject
9 of taxation by this State.

10 (f) If a tax has been imposed under paragraph (e), a
11 Regional Transportation Authority Service Occupation Tax shall
12 also be imposed upon all persons engaged, in the metropolitan
13 region in the business of making sales of service, who as an
14 incident to making the sales of service, transfer tangible
15 personal property within the metropolitan region, either in the
16 form of tangible personal property or in the form of real
17 estate as an incident to a sale of service. In Cook County, the
18 tax rate shall be: (1) 1.25% ~~1%~~ of the serviceman's cost price
19 of food prepared for immediate consumption and transferred
20 incident to a sale of service subject to the service occupation
21 tax by an entity licensed under the Hospital Licensing Act or
22 the Nursing Home Care Act that is located in the metropolitan
23 region; (2) 1.25% ~~1%~~ of the selling price of food for human
24 consumption that is to be consumed off the premises where it is
25 sold (other than alcoholic beverages, soft drinks and food that
26 has been prepared for immediate consumption) and prescription

1 and nonprescription medicines, drugs, medical appliances and
2 insulin, urine testing materials, syringes and needles used by
3 diabetics; and (3) 1% ~~3/4%~~ of the selling price from other
4 taxable sales of tangible personal property transferred. In
5 DuPage, Kane, Lake, McHenry and Will Counties the rate shall be
6 0.75% ~~1/4%~~ of the selling price of all tangible personal
7 property transferred.

8 The tax imposed under this paragraph and all civil
9 penalties that may be assessed as an incident thereof shall be
10 collected and enforced by the State Department of Revenue. The
11 Department shall have full power to administer and enforce this
12 paragraph; to collect all taxes and penalties due hereunder; to
13 dispose of taxes and penalties collected in the manner
14 hereinafter provided; and to determine all rights to credit
15 memoranda arising on account of the erroneous payment of tax or
16 penalty hereunder. In the administration of and compliance with
17 this paragraph, the Department and persons who are subject to
18 this paragraph shall have the same rights, remedies,
19 privileges, immunities, powers and duties, and be subject to
20 the same conditions, restrictions, limitations, penalties,
21 exclusions, exemptions and definitions of terms, and employ the
22 same modes of procedure, as are prescribed in Sections 1a-1, 2,
23 2a, 3 through 3-50 (in respect to all provisions therein other
24 than the State rate of tax), 4 (except that the reference to
25 the State shall be to the Authority), 5, 7, 8 (except that the
26 jurisdiction to which the tax shall be a debt to the extent

1 indicated in that Section 8 shall be the Authority), 9 (except
2 as to the disposition of taxes and penalties collected, and
3 except that the returned merchandise credit for this tax may
4 not be taken against any State tax), 10, 11, 12 (except the
5 reference therein to Section 2b of the Retailers' Occupation
6 Tax Act), 13 (except that any reference to the State shall mean
7 the Authority), the first paragraph of Section 15, 16, 17, 18,
8 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
9 the Uniform Penalty and Interest Act, as fully as if those
10 provisions were set forth herein.

11 Persons subject to any tax imposed under the authority
12 granted in this paragraph may reimburse themselves for their
13 serviceman's tax liability hereunder by separately stating the
14 tax as an additional charge, that charge may be stated in
15 combination in a single amount with State tax that servicemen
16 are authorized to collect under the Service Use Tax Act, under
17 any bracket schedules the Department may prescribe.

18 Whenever the Department determines that a refund should be
19 made under this paragraph to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the warrant to be drawn for the
22 amount specified, and to the person named in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the Regional Transportation Authority tax fund
25 established under paragraph (n) of this Section.

26 Nothing in this paragraph shall be construed to authorize

1 the Authority to impose a tax upon the privilege of engaging in
2 any business that under the Constitution of the United States
3 may not be made the subject of taxation by the State.

4 (g) If a tax has been imposed under paragraph (e), a tax
5 shall also be imposed upon the privilege of using in the
6 metropolitan region, any item of tangible personal property
7 that is purchased outside the metropolitan region at retail
8 from a retailer, and that is titled or registered with an
9 agency of this State's government. In Cook County the tax rate
10 shall be 1% ~~3/4%~~ of the selling price of the tangible personal
11 property, as "selling price" is defined in the Use Tax Act. In
12 DuPage, Kane, Lake, McHenry and Will counties the tax rate
13 shall be 0.75% ~~1/4%~~ of the selling price of the tangible
14 personal property, as "selling price" is defined in the Use Tax
15 Act. The tax shall be collected from persons whose Illinois
16 address for titling or registration purposes is given as being
17 in the metropolitan region. The tax shall be collected by the
18 Department of Revenue for the Regional Transportation
19 Authority. The tax must be paid to the State, or an exemption
20 determination must be obtained from the Department of Revenue,
21 before the title or certificate of registration for the
22 property may be issued. The tax or proof of exemption may be
23 transmitted to the Department by way of the State agency with
24 which, or the State officer with whom, the tangible personal
25 property must be titled or registered if the Department and the
26 State agency or State officer determine that this procedure

1 will expedite the processing of applications for title or
2 registration.

3 The Department shall have full power to administer and
4 enforce this paragraph; to collect all taxes, penalties and
5 interest due hereunder; to dispose of taxes, penalties and
6 interest collected in the manner hereinafter provided; and to
7 determine all rights to credit memoranda or refunds arising on
8 account of the erroneous payment of tax, penalty or interest
9 hereunder. In the administration of and compliance with this
10 paragraph, the Department and persons who are subject to this
11 paragraph shall have the same rights, remedies, privileges,
12 immunities, powers and duties, and be subject to the same
13 conditions, restrictions, limitations, penalties, exclusions,
14 exemptions and definitions of terms and employ the same modes
15 of procedure, as are prescribed in Sections 2 (except the
16 definition of "retailer maintaining a place of business in this
17 State"), 3 through 3-80 (except provisions pertaining to the
18 State rate of tax, and except provisions concerning collection
19 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
20 19 (except the portions pertaining to claims by retailers and
21 except the last paragraph concerning refunds), 20, 21 and 22 of
22 the Use Tax Act, and are not inconsistent with this paragraph,
23 as fully as if those provisions were set forth herein.

24 Whenever the Department determines that a refund should be
25 made under this paragraph to a claimant instead of issuing a
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the order to be drawn for the
2 amount specified, and to the person named in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the Regional Transportation Authority tax fund
5 established under paragraph (n) of this Section.

6 (h) The Authority may impose a replacement vehicle tax of
7 \$50 on any passenger car as defined in Section 1-157 of the
8 Illinois Vehicle Code purchased within the metropolitan region
9 by or on behalf of an insurance company to replace a passenger
10 car of an insured person in settlement of a total loss claim.
11 The tax imposed may not become effective before the first day
12 of the month following the passage of the ordinance imposing
13 the tax and receipt of a certified copy of the ordinance by the
14 Department of Revenue. The Department of Revenue shall collect
15 the tax for the Authority in accordance with Sections 3-2002
16 and 3-2003 of the Illinois Vehicle Code.

17 The Department shall immediately pay over to the State
18 Treasurer, ex officio, as trustee, all taxes collected
19 hereunder. On or before the 25th day of each calendar month,
20 the Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to the Authority. The
22 amount to be paid to the Authority shall be the amount
23 collected hereunder during the second preceding calendar month
24 by the Department, less any amount determined by the Department
25 to be necessary for the payment of refunds. Within 10 days
26 after receipt by the Comptroller of the disbursement

1 certification to the Authority provided for in this Section to
2 be given to the Comptroller by the Department, the Comptroller
3 shall cause the orders to be drawn for that amount in
4 accordance with the directions contained in the certification.

5 (i) The Board may not impose any other taxes except as it
6 may from time to time be authorized by law to impose.

7 (j) A certificate of registration issued by the State
8 Department of Revenue to a retailer under the Retailers'
9 Occupation Tax Act or under the Service Occupation Tax Act
10 shall permit the registrant to engage in a business that is
11 taxed under the tax imposed under paragraphs (b), (e), (f) or
12 (g) of this Section and no additional registration shall be
13 required under the tax. A certificate issued under the Use Tax
14 Act or the Service Use Tax Act shall be applicable with regard
15 to any tax imposed under paragraph (c) of this Section.

16 (k) The provisions of any tax imposed under paragraph (c)
17 of this Section shall conform as closely as may be practicable
18 to the provisions of the Use Tax Act, including without
19 limitation conformity as to penalties with respect to the tax
20 imposed and as to the powers of the State Department of Revenue
21 to promulgate and enforce rules and regulations relating to the
22 administration and enforcement of the provisions of the tax
23 imposed. The taxes shall be imposed only on use within the
24 metropolitan region and at rates as provided in the paragraph.

25 (l) The Board in imposing any tax as provided in paragraphs
26 (b) and (c) of this Section, shall, after seeking the advice of

1 the State Department of Revenue, provide means for retailers,
2 users or purchasers of motor fuel for purposes other than those
3 with regard to which the taxes may be imposed as provided in
4 those paragraphs to receive refunds of taxes improperly paid,
5 which provisions may be at variance with the refund provisions
6 as applicable under the Municipal Retailers Occupation Tax Act.
7 The State Department of Revenue may provide for certificates of
8 registration for users or purchasers of motor fuel for purposes
9 other than those with regard to which taxes may be imposed as
10 provided in paragraphs (b) and (c) of this Section to
11 facilitate the reporting and nontaxability of the exempt sales
12 or uses.

13 (m) Any ordinance imposing or discontinuing any tax under
14 this Section shall be adopted and a certified copy thereof
15 filed with the Department on or before June 1, whereupon the
16 Department of Revenue shall proceed to administer and enforce
17 this Section on behalf of the Regional Transportation Authority
18 as of September 1 next following such adoption and filing.
19 Beginning January 1, 1992, an ordinance or resolution imposing
20 or discontinuing the tax hereunder shall be adopted and a
21 certified copy thereof filed with the Department on or before
22 the first day of July, whereupon the Department shall proceed
23 to administer and enforce this Section as of the first day of
24 October next following such adoption and filing. Beginning
25 January 1, 1993, an ordinance or resolution imposing,
26 increasing, decreasing, or discontinuing the tax hereunder

1 shall be adopted and a certified copy thereof filed with the
2 Department ~~on or before the first day of October~~, whereupon the
3 Department shall proceed to administer and enforce this Section
4 as of the first day of the first month to occur not less than 60
5 days ~~January next~~ following such adoption and filing. Any
6 ordinance or resolution of the Authority imposing a tax under
7 this Section and in effect on August 1, 2007 shall remain in
8 full force and effect and shall be administered by the
9 Department of Revenue under the terms and conditions and rates
10 of tax established by such ordinance or resolution until the
11 Department begins administering and enforcing an increased tax
12 under this Section as authorized by this amendatory Act of the
13 95th General Assembly. The tax rates authorized by this
14 amendatory Act of the 95th General Assembly are effective only
15 if imposed by ordinance of the Authority.

16 (n) The State Department of Revenue shall, upon collecting
17 any taxes as provided in this Section, pay the taxes over to
18 the State Treasurer as trustee for the Authority. The taxes
19 shall be held in a trust fund outside the State Treasury. On or
20 before the 25th day of each calendar month, the State
21 Department of Revenue shall prepare and certify to the
22 Comptroller of the State of Illinois and ~~the amount to be paid~~
23 ~~to the Authority, which shall be the then balance in the fund,~~
24 ~~less any amount determined by the Department to be necessary~~
25 ~~for the payment of refunds. The State Department of Revenue~~
26 ~~shall also certify~~ to the Authority (i) the amount of taxes

1 collected in each County other than Cook County in the
2 metropolitan region, (ii) ~~less the amount necessary for the~~
3 ~~payment of refunds to taxpayers in the County. With regard to~~
4 ~~the County of Cook, the certification shall specify~~ the amount
5 of taxes collected within the City of Chicago, ~~less the amount~~
6 ~~necessary for the payment of refunds to taxpayers in the City~~
7 ~~of Chicago~~ and (iii) the amount collected in that portion of
8 Cook County outside of Chicago, each amount less the amount
9 necessary for the payment of refunds to taxpayers located in
10 those areas described in items (i), (ii), and (iii) in that
11 ~~portion of Cook County outside of Chicago~~. Within 10 days after
12 receipt by the Comptroller of the certification of the amounts
13 ~~amount to be paid to the Authority~~, the Comptroller shall cause
14 an order to be drawn for the payment of two-thirds of the
15 amounts certified in item (i) of this subsection to the
16 Authority and one-third of the amounts certified in item (i) of
17 this subsection to the respective counties other than Cook
18 County and the amount certified in items (ii) and (iii) of this
19 subsection to the Authority ~~for the amount in accordance with~~
20 ~~the direction in the certification.~~

21 In addition to the disbursement required by the preceding
22 paragraph, an allocation shall be made in July 1991 and each
23 year thereafter to the Regional Transportation Authority. The
24 allocation shall be made in an amount equal to the average
25 monthly distribution during the preceding calendar year
26 (excluding the 2 months of lowest receipts) and the allocation

1 shall include the amount of average monthly distribution from
2 the Regional Transportation Authority Occupation and Use Tax
3 Replacement Fund. The distribution made in July 1992 and each
4 year thereafter under this paragraph and the preceding
5 paragraph shall be reduced by the amount allocated and
6 disbursed under this paragraph in the preceding calendar year.
7 The Department of Revenue shall prepare and certify to the
8 Comptroller for disbursement the allocations made in
9 accordance with this paragraph.

10 (o) Failure to adopt a budget ordinance or otherwise to
11 comply with Section 4.01 of this Act or to adopt a Five-year
12 Capital Program or otherwise to comply with paragraph (b) of
13 Section 2.01 of this Act shall not affect the validity of any
14 tax imposed by the Authority otherwise in conformity with law.

15 (p) At no time shall a public transportation tax or motor
16 vehicle parking tax authorized under paragraphs (b), (c) and
17 (d) of this Section be in effect at the same time as any
18 retailers' occupation, use or service occupation tax
19 authorized under paragraphs (e), (f) and (g) of this Section is
20 in effect.

21 Any taxes imposed under the authority provided in
22 paragraphs (b), (c) and (d) shall remain in effect only until
23 the time as any tax authorized by paragraphs (e), (f) or (g) of
24 this Section are imposed and becomes effective. Once any tax
25 authorized by paragraphs (e), (f) or (g) is imposed the Board
26 may not reimpose taxes as authorized in paragraphs (b), (c) and

1 (d) of the Section unless any tax authorized by paragraphs (e),
2 (f) or (g) of this Section becomes ineffective by means other
3 than an ordinance of the Board.

4 (q) Any existing rights, remedies and obligations
5 (including enforcement by the Regional Transportation
6 Authority) arising under any tax imposed under paragraphs (b),
7 (c) or (d) of this Section shall not be affected by the
8 imposition of a tax under paragraphs (e), (f) or (g) of this
9 Section.

10 (Source: P.A. 92-221, eff. 8-2-01; 92-651, eff. 7-11-02;
11 93-1068, eff. 1-15-05.)

12 (70 ILCS 3615/4.03.3 new)

13 Sec. 4.03.3. Distribution of Revenues. This Section
14 applies only after the Department begins administering and
15 enforcing an increased tax under Section 4.03(m) as authorized
16 by this amendatory Act of the 95th General Assembly. After
17 providing for payment of its obligations with respect to bonds
18 and notes issued under the provisions of Section 4.04 and
19 obligations related to those bonds and notes, the Authority
20 shall disburse the remaining proceeds from taxes it has
21 received from the Department of Revenue under this Article IV
22 and the remaining proceeds it has received from the State under
23 Section 4.09(a) as follows:

24 (a) With respect to taxes imposed by the Authority under
25 Section 4.03, after withholding 15% of 80% of the receipts from

1 those taxes collected in Cook County at a rate of 1.25%, 15% of
2 75% of the receipts from those taxes collected in Cook County
3 at the rate of 1%, 15% of one-half of the receipts from those
4 taxes collected in DuPage, Kane, Lake, McHenry, and Will
5 Counties, and 15% of money received by the Authority from the
6 Regional Transportation Authority Occupation and Use Tax
7 Replacement Fund or from the Regional Transportation Authority
8 tax fund created in Section 4.03(n), the Board shall allocate
9 the proceeds and money remaining to the Service Boards as
10 follows:

11 (1) an amount equal to (i) 85% of 80% of the receipts
12 from those taxes collected within the City of Chicago at a
13 rate of 1.25%, (ii) 85% of 75% of the receipts from those
14 taxes collected in the City of Chicago at the rate of 1%,
15 and (iii) 85% of the money received by the Authority on
16 account of transfers to the Regional Transportation
17 Authority Occupation and Use Tax Replacement Fund or to the
18 Regional Transportation Authority tax fund created in
19 Section 4.03(n) from the County and Mass Transit District
20 Fund attributable to retail sales within the City of
21 Chicago shall be allocated to the Chicago Transit
22 Authority;

23 (2) an amount equal to (i) 85% of 80% of the receipts
24 from those taxes collected within Cook County outside of
25 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of
26 the receipts from those taxes collected within Cook County

1 outside the City of Chicago at a rate of 1%, and (iii) 85%
2 of the money received by the Authority on account of
3 transfers to the Regional Transportation Authority
4 Occupation and Use Tax Replacement Fund or to the Regional
5 Transportation Authority tax fund created in Section
6 4.03(n) from the County and Mass Transit District Fund
7 attributable to retail sales within Cook County outside of
8 the City of Chicago shall be allocated 30% to the Chicago
9 Transit Authority, 55% to the Commuter Rail Board, and 15%
10 to the Suburban Bus Board; and

11 (3) an amount equal to 85% of one-half of the receipts
12 from the taxes collected within the Counties of DuPage,
13 Kane, Lake, McHenry, and Will shall be allocated 70% to the
14 Commuter Rail Board and 30% to the Suburban Bus Board.

15 (b) Moneys received by the Authority on account of
16 transfers to the Regional Transportation Authority Occupation
17 and Use Tax Replacement Fund from the State and Local Sales Tax
18 Reform Fund shall be allocated among the Authority and the
19 Service Boards as follows: 15% of such moneys shall be retained
20 by the Authority and the remaining 85% shall be transferred to
21 the Service Boards as soon as may be practicable after the
22 Authority receives payment. Moneys which are distributable to
23 the Service Boards pursuant to the preceding sentence shall be
24 allocated among the Service Boards on the basis of each Service
25 Board's distribution ratio. The term "distribution ratio"
26 means, for purposes of this subsection (b), the ratio of the

1 total amount distributed to a Service Board pursuant to
2 subsection (a) of Section 4.03.3 for the immediately preceding
3 calendar year to the total amount distributed to all of the
4 Service Boards pursuant to subsection (a) of Section 4.03.3 for
5 the immediately preceding calendar year.

6 (c) (i) 20% of the receipts from those taxes collected in
7 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%
8 of the receipts from those taxes collected in Cook County under
9 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from
10 those taxes collected in DuPage, Kane, Lake, McHenry, and Will
11 Counties under Section 4.03, and (iv) amounts received from the
12 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)
13 of Section 4.09 (a) (3) shall be allocated as follows: in 2008,
14 \$100,000,000 shall be deposited in the ADA Paratransit Fund
15 described in Section 2.01d, \$20,000,000 shall be deposited in
16 the Suburban Community Mobility Fund described in Section
17 2.01e, and \$10,000,000 shall be deposited in the Innovation,
18 Coordination and Enhancement Fund described in Section 2.01c,
19 and the balance shall be allocated 48% to the Chicago Transit
20 Authority, 39% to the Commuter Rail Board, and 13% to the
21 Suburban Bus Board; and in 2009 and each year thereafter, the
22 amounts deposited in the ADA Paratransit Fund, the Suburban
23 Community Mobility Fund and the Innovation, Coordination and
24 Enhancement Fund respectively shall equal the amount deposited
25 in the previous year increased or decreased by the percentage
26 growth or decline in revenues received by the Authority from

1 taxes imposed under Section 4.03 in the previous year, and the
2 balance shall be allocated 48% to the Chicago Transit
3 Authority, 39% to the Commuter Rail Board and 13% to the
4 Suburban Bus Board.

5 (d) Amounts received from the State under Section 4.09
6 (a)(3)(iv) shall be distributed 100% to the Chicago Transit
7 Authority.

8 (e) With respect to those taxes collected in DuPage, Kane,
9 Lake, McHenry, and Will Counties and paid directly to the
10 counties under Section 4.03, the County Board of each county
11 shall use those amounts to fund operating and capital costs of
12 public transportation services or facilities or to fund
13 operating, capital, right-of-way, construction, and
14 maintenance costs of other transportation purposes, including
15 road, bridge, public safety, and transit purposes intended to
16 improve mobility or reduce congestion in the county. With
17 respect to those taxes collected in DuPage and paid directly to
18 DuPage under Section 4.03, the County Board may also use those
19 amounts to fund the costs of providing public safety services.
20 The receipt of funding by such counties pursuant to this
21 paragraph shall not be used as the basis for reducing any funds
22 that such counties would otherwise have received from the State
23 of Illinois, any agency or instrumentality thereof, the
24 Authority, or the Service Boards.

25 (f) The Authority by ordinance adopted by 12 of its then
26 Directors shall apportion to the Service Boards funds provided

1 by the State of Illinois under Section 4.09(a)(1) as it shall
2 determine and shall make payment of the amounts to each Service
3 Board as soon as may be practicable upon their receipt provided
4 the Authority has adopted a balanced budget as required by
5 Section 4.01 and further provided the Service Board is in
6 compliance with the requirements in Section 4.11.

7 (g) Beginning January 1, 2009, before making any payments,
8 transfers, or expenditures under this Section to a Service
9 Board, the Authority must first comply with Section 4.02a or
10 4.02b of this Act, whichever may be applicable.

11 (70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 such deposits and pay the principal and interest and to meet
2 other debt service requirements of such bonds or notes as they
3 become due. A certified copy of the ordinance authorizing the
4 issuance of any such obligations shall be filed at or prior to
5 the issuance of such obligations with the Comptroller of the
6 State of Illinois and the Illinois Department of Revenue.

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

26 (g) (1) Except as provided in subdivisions (g)(2) and

1 (g) (3) of Section 4.04 of this Act, the Authority shall not
2 at any time issue, sell or deliver any bonds or notes
3 (other than Working Cash Notes) pursuant to this Section
4 4.04 which will cause it to have issued and outstanding at
5 any time in excess of \$800,000,000 of such bonds and notes
6 (other than Working Cash Notes). The Authority shall not at
7 any time issue, sell, or deliver any Working Cash Notes
8 pursuant to this Section that will cause it to have issued
9 and outstanding at any time in excess of \$100,000,000.
10 Notwithstanding the foregoing, before July 1, 2009, the
11 Authority may issue, sell, and deliver an additional
12 \$300,000,000 in Working Cash Notes, provided that any such
13 additional notes shall mature on or before June 30, 2011.
14 ~~The Authority shall not at any time issue, sell or deliver~~
15 ~~any Working Cash Notes pursuant to this Section which will~~
16 ~~cause it to have issued and outstanding at any time in~~
17 ~~excess of \$100,000,000 of Working Cash Notes.~~ Bonds or
18 notes which are being paid or retired by such issuance,
19 sale or delivery of bonds or notes, and bonds or notes for
20 which sufficient funds have been deposited with the paying
21 agency of such bonds or notes to provide for payment of
22 principal and interest thereon or to provide for the
23 redemption thereof, all pursuant to the ordinance
24 authorizing the issuance of such bonds or notes, shall not
25 be considered to be outstanding for the purposes of the
26 first two sentences of this subsection.

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

5 \$100,000,000 is authorized to be issued on or after
6 January 1, 1990;

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

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

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

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

15 the aggregate total authorization of bonds and notes
16 for Strategic Capital Improvement Projects as of January 1,
17 1994, shall be \$500,000,000.

18 The Authority is also authorized to issue, sell, and
19 deliver bonds or notes in such amounts as are necessary to
20 provide for the refunding or advance refunding of bonds or
21 notes issued for Strategic Capital Improvement Projects
22 under this subdivision (g)(2), provided that no such
23 refunding bond or note shall mature later than the final
24 maturity date of the series of bonds or notes being
25 refunded, and provided further that the debt service
26 requirements for such refunding bonds or notes in the

1 current or any future fiscal year shall not exceed the debt
2 service requirements for that year on the refunded bonds or
3 notes.

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

9 \$260,000,000 is authorized to be issued on or after
10 January 1, 2000;

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

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

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

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

19 the aggregate total authorization of bonds and notes
20 for Strategic Capital Improvement Projects pursuant to
21 this paragraph (3) as of January 1, 2004 shall be
22 \$1,300,000,000.

23 The Authority is also authorized to issue, sell, and
24 deliver bonds or notes in such amounts as are necessary to
25 provide for the refunding or advance refunding of bonds or
26 notes issued for Strategic Capital Improvement projects

1 under this subdivision (g)(3), provided that no such
2 refunding bond or note shall mature later than the final
3 maturity date of the series of bonds or notes being
4 refunded, and provided further that the debt service
5 requirements for such refunding bonds or notes in the
6 current or any future fiscal year shall not exceed the debt
7 service requirements for that year on the refunded bonds or
8 notes.

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

13 (i) In addition to any other authority granted by law, the
14 State Treasurer may, with the approval of the Governor, invest
15 or reinvest, at a price not to exceed par, any State money in
16 the State Treasury which is not needed for current expenditures
17 due or about to become due in Working Cash Notes.

18 (Source: P.A. 94-793, eff. 5-19-06.)

19 (70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

20 Sec. 4.09. Public Transportation Fund and the Regional
21 Transportation Authority Occupation and Use Tax Replacement
22 Fund.

23 (a) (1) ~~(a) As soon as possible after the first day of each~~
24 ~~month, beginning November 1, 1983, the Comptroller shall order~~
25 ~~transferred and the Treasurer shall transfer from the General~~

1 ~~Revenue Fund to a special fund in the State Treasury, to be~~
2 ~~known as the "Public Transportation Fund" \$9,375,000 for each~~
3 ~~month remaining in State fiscal year 1984.~~ As soon as possible
4 after the first day of each month, beginning July 1, 1984, upon
5 certification of the Department of Revenue, the Comptroller
6 shall order transferred and the Treasurer shall transfer from
7 the General Revenue Fund to a special fund in the State
8 Treasury to be known as the Public Transportation Fund an
9 amount equal to 25% of the net revenue, before the deduction of
10 the serviceman and retailer discounts pursuant to Section 9 of
11 the Service Occupation Tax Act and Section 3 of the Retailers'
12 Occupation Tax Act, realized from any tax imposed by the
13 Authority pursuant to Sections 4.03 and 4.03.1 and 25% of the
14 amounts deposited into the Regional Transportation Authority
15 tax fund created by Section 4.03 of this Act, from the County
16 and Mass Transit District Fund as provided in Section 6z-20 of
17 the State Finance Act and 25% of the amounts deposited into the
18 Regional Transportation Authority Occupation and Use Tax
19 Replacement Fund from the State and Local Sales Tax Reform Fund
20 as provided in Section 6z-17 of the State Finance Act. On the
21 first day of the month following the date that the Department
22 receives revenues from increased taxes under Section 4.03(m) as
23 authorized by this amendatory Act of the 95th General Assembly,
24 in lieu of the transfers authorized in the preceding sentence,
25 upon certification of the Department of Revenue, the
26 Comptroller shall order transferred and the Treasurer shall

1 transfer from the General Revenue Fund to the Public
2 Transportation Fund an amount equal to 25% of the net revenue,
3 before the deduction of the serviceman and retailer discounts
4 pursuant to Section 9 of the Service Occupation Tax Act and
5 Section 3 of the Retailers' Occupation Tax Act, realized from
6 (i) 80% of the proceeds of any tax imposed by the Authority at
7 a rate of 1.25% in Cook County, (ii) 75% of the proceeds of any
8 tax imposed by the Authority at the rate of 1% in Cook County,
9 and (iii) one-third of the proceeds of any tax imposed by the
10 Authority at the rate of 0.75% in the Counties of DuPage, Kane,
11 Lake, McHenry, and Will, all pursuant to Section 4.03, and 25%
12 of the net revenue realized from any tax imposed by the
13 Authority pursuant to Section 4.03.1, and 25% of the amounts
14 deposited into the Regional Transportation Authority tax fund
15 created by Section 4.03 of this Act from the County and Mass
16 Transit District Fund as provided in Section 6z-20 of the State
17 Finance Act, and 25% of the amounts deposited into the Regional
18 Transportation Authority Occupation and Use Tax Replacement
19 Fund from the State and Local Sales Tax Reform Fund as provided
20 in Section 6z-17 of the State Finance Act. As used in this
21 Section, net ~~Net~~ revenue realized for a month shall be the
22 revenue collected by the State pursuant to Sections 4.03 and
23 4.03.1 during the previous month from within the metropolitan
24 region, less the amount paid out during that same month as
25 refunds to taxpayers for overpayment of liability in the
26 metropolitan region under Sections 4.03 and 4.03.1.

1 (2) On the first day of the month following the effective
2 date of this amendatory Act of the 95th General Assembly and
3 each month thereafter, upon certification by the Department of
4 Revenue, the Comptroller shall order transferred and the
5 Treasurer shall transfer from the General Revenue Fund to the
6 Public Transportation Fund an amount equal to 5% of the net
7 revenue, before the deduction of the serviceman and retailer
8 discounts pursuant to Section 9 of the Service Occupation Tax
9 Act and Section 3 of the Retailers' Occupation Tax Act,
10 realized from any tax imposed by the Authority pursuant to
11 Sections 4.03 and 4.03.1 and certified by the Department of
12 Revenue under Section 4.03(n) of this Act to be paid to the
13 Authority and 5% of the revenue realized by the Chicago Transit
14 Authority from the proceeds of any tax imposed by the Chicago
15 Transit Authority under Section 55 of the Metropolitan Transit
16 Authority Act.

17 (3) As soon as possible after the first day of January,
18 2009 and each month thereafter, upon certification of the
19 Department of Revenue with respect to the taxes collected under
20 Section 4.03, the Comptroller shall order transferred and the
21 Treasurer shall transfer from the General Revenue Fund to the
22 Public Transportation Fund an amount equal to 25% of the net
23 revenue, before the deduction of the serviceman and retailer
24 discounts pursuant to Section 9 of the Service Occupation Tax
25 Act and Section 3 of the Retailers' Occupation Tax Act,
26 realized from (i) 20% of the proceeds of any tax imposed by the

1 Authority at a rate of 1.25% in Cook County, (ii) 25% of the
2 proceeds of any tax imposed by the Authority at the rate of 1%
3 in Cook County, and (iii) one-third of the proceeds of any tax
4 imposed by the Authority at the rate of 0.75% in the Counties
5 of DuPage, Kane, Lake, McHenry, and Will, all pursuant to
6 Section 4.03, and the Comptroller shall order transferred and
7 the Treasurer shall transfer from the General Revenue Fund to
8 the Public Transportation Fund (iv) an amount equal to 25% of
9 the revenue realized by the Chicago Transit Authority from the
10 proceeds of any tax imposed by the Chicago Transit Authority
11 under Section 55 of the Metropolitan Transit Authority Act.

12 (b) (1) All moneys deposited in the Public Transportation
13 Fund and the Regional Transportation Authority Occupation and
14 Use Tax Replacement Fund, whether deposited pursuant to this
15 Section or otherwise, are allocated to the Authority. The
16 ~~Pursuant to appropriation,~~ the Comptroller, as soon as possible
17 after each monthly transfer provided in this Section and after
18 each deposit into the Public Transportation Fund, shall order
19 the Treasurer to pay to the Authority out of the Public
20 Transportation Fund the amount so transferred or deposited. Any
21 Additional State Assistance and Additional Financial
22 Assistance paid to the Authority under this Section shall be
23 expended by the Authority for its purposes as provided in this
24 Act. The balance of the amounts paid to the Authority from the
25 Public Transportation Fund shall be expended by the Authority
26 as provided in Section 4.03.3. The ~~Such amounts paid to the~~

1 ~~Authority may be expended by it for its purposes as provided in~~
2 ~~this Act. Subject to appropriation to the Department of~~
3 ~~Revenue, the~~ Comptroller, as soon as possible after each
4 deposit into the Regional Transportation Authority Occupation
5 and Use Tax Replacement Fund provided in this Section and
6 Section 6z-17 of the State Finance Act, shall order the
7 Treasurer to pay to the Authority out of the Regional
8 Transportation Authority Occupation and Use Tax Replacement
9 Fund the amount so deposited. Such amounts paid to the
10 Authority may be expended by it for its purposes as provided in
11 this Act. The provisions directing the distributions from the
12 Public Transportation Fund and the Regional Transportation
13 Authority Occupation and Use Tax Replacement Fund provided for
14 in this Section shall constitute an irrevocable and continuing
15 appropriation of all amounts as provided herein. The State
16 Treasurer and State Comptroller are hereby authorized and
17 directed to make distributions as provided in this Section. (2)
18 Provided, however, no moneys deposited under subsection (a) of
19 this Section shall be paid from the Public Transportation Fund
20 to the Authority or its assignee for any fiscal year ~~beginning~~
21 ~~after the effective date of this amendatory Act of 1983~~ until
22 the Authority has certified to the Governor, the Comptroller,
23 and the Mayor of the City of Chicago that it has adopted for
24 that fiscal year an Annual Budget and Two-Year Financial Plan ~~a~~
25 ~~budget and financial plan~~ meeting the requirements in Section
26 4.01(b).

1 (c) In recognition of the efforts of the Authority to
2 enhance the mass transportation facilities under its control,
3 the State shall provide financial assistance ("Additional
4 State Assistance") in excess of the amounts transferred to the
5 Authority from the General Revenue Fund under subsection (a) of
6 this Section. Additional State Assistance shall be calculated
7 as provided in subsection (d), but shall in no event exceed the
8 following specified amounts with respect to the following State
9 fiscal years:

10	1990	\$5,000,000;
11	1991	\$5,000,000;
12	1992	\$10,000,000;
13	1993	\$10,000,000;
14	1994	\$20,000,000;
15	1995	\$30,000,000;
16	1996	\$40,000,000;
17	1997	\$50,000,000;
18	1998	\$55,000,000; and
19	each year thereafter	\$55,000,000.

20 (c-5) The State shall provide financial assistance
21 ("Additional Financial Assistance") in addition to the
22 Additional State Assistance provided by subsection (c) and the
23 amounts transferred to the Authority from the General Revenue
24 Fund under subsection (a) of this Section. Additional Financial
25 Assistance provided by this subsection shall be calculated as
26 provided in subsection (d), but shall in no event exceed the

1 following specified amounts with respect to the following State
2 fiscal years:

3	2000	\$0;
4	2001	\$16,000,000;
5	2002	\$35,000,000;
6	2003	\$54,000,000;
7	2004	\$73,000,000;
8	2005	\$93,000,000; and
9	each year thereafter	\$100,000,000.

10 (d) Beginning with State fiscal year 1990 and continuing
11 for each State fiscal year thereafter, the Authority shall
12 annually certify to the State Comptroller and State Treasurer,
13 separately with respect to each of subdivisions (g)(2) and
14 (g)(3) of Section 4.04 of this Act, the following amounts:

15 (1) The amount necessary and required, during the State
16 fiscal year with respect to which the certification is
17 made, to pay its obligations for debt service on all
18 outstanding bonds or notes issued by the Authority under
19 subdivisions (g)(2) and (g)(3) of Section 4.04 of this Act.

20 (2) An estimate of the amount necessary and required to
21 pay its obligations for debt service for any bonds or notes
22 which the Authority anticipates it will issue under
23 subdivisions (g)(2) and (g)(3) of Section 4.04 during that
24 State fiscal year.

25 (3) Its debt service savings during the preceding State
26 fiscal year from refunding or advance refunding of bonds or

1 notes issued under subdivisions (g) (2) and (g) (3) of
2 Section 4.04.

3 (4) The amount of interest, if any, earned by the
4 Authority during the previous State fiscal year on the
5 proceeds of bonds or notes issued pursuant to subdivisions
6 (g) (2) and (g) (3) of Section 4.04, other than refunding or
7 advance refunding bonds or notes.

8 The certification shall include a specific schedule of debt
9 service payments, including the date and amount of each payment
10 for all outstanding bonds or notes and an estimated schedule of
11 anticipated debt service for all bonds and notes it intends to
12 issue, if any, during that State fiscal year, including the
13 estimated date and estimated amount of each payment.

14 Immediately upon the issuance of bonds for which an
15 estimated schedule of debt service payments was prepared, the
16 Authority shall file an amended certification with respect to
17 item (2) above, to specify the actual schedule of debt service
18 payments, including the date and amount of each payment, for
19 the remainder of the State fiscal year.

20 On the first day of each month of the State fiscal year in
21 which there are bonds outstanding with respect to which the
22 certification is made, the State Comptroller shall order
23 transferred and the State Treasurer shall transfer from the
24 General Revenue Fund to the Public Transportation Fund the
25 Additional State Assistance and Additional Financial
26 Assistance in an amount equal to the aggregate of (i)

1 one-twelfth of the sum of the amounts certified under items (1)
2 and (3) above less the amount certified under item (4) above,
3 plus (ii) the amount required to pay debt service on bonds and
4 notes issued during the fiscal year, if any, divided by the
5 number of months remaining in the fiscal year after the date of
6 issuance, or some smaller portion as may be necessary under
7 subsection (c) or (c-5) of this Section for the relevant State
8 fiscal year, plus (iii) any cumulative deficiencies in
9 transfers for prior months, until an amount equal to the sum of
10 the amounts certified under items (1) and (3) above, plus the
11 actual debt service certified under item (2) above, less the
12 amount certified under item (4) above, has been transferred;
13 except that these transfers are subject to the following
14 limits:

15 (A) In no event shall the total transfers in any State
16 fiscal year relating to outstanding bonds and notes issued
17 by the Authority under subdivision (g)(2) of Section 4.04
18 exceed the lesser of the annual maximum amount specified in
19 subsection (c) or the sum of the amounts certified under
20 items (1) and (3) above, plus the actual debt service
21 certified under item (2) above, less the amount certified
22 under item (4) above, with respect to those bonds and
23 notes.

24 (B) In no event shall the total transfers in any State
25 fiscal year relating to outstanding bonds and notes issued
26 by the Authority under subdivision (g)(3) of Section 4.04

1 exceed the lesser of the annual maximum amount specified in
2 subsection (c-5) or the sum of the amounts certified under
3 items (1) and (3) above, plus the actual debt service
4 certified under item (2) above, less the amount certified
5 under item (4) above, with respect to those bonds and
6 notes.

7 The term "outstanding" does not include bonds or notes for
8 which refunding or advance refunding bonds or notes have been
9 issued.

10 (e) Neither Additional State Assistance nor Additional
11 Financial Assistance may be pledged, either directly or
12 indirectly as general revenues of the Authority, as security
13 for any bonds issued by the Authority. The Authority may not
14 assign its right to receive Additional State Assistance or
15 Additional Financial Assistance, or direct payment of
16 Additional State Assistance or Additional Financial
17 Assistance, to a trustee or any other entity for the payment of
18 debt service on its bonds.

19 (f) The certification required under subsection (d) with
20 respect to outstanding bonds and notes of the Authority shall
21 be filed as early as practicable before the beginning of the
22 State fiscal year to which it relates. The certification shall
23 be revised as may be necessary to accurately state the debt
24 service requirements of the Authority.

25 (g) Within 6 months of the end of ~~the 3 month period ending~~
26 ~~December 31, 1983,~~ and each fiscal year thereafter, the

1 Authority shall determine:

2 (i) whether the aggregate of all system generated
3 revenues for public transportation in the metropolitan
4 region which is provided by, or under grant or purchase of
5 service contracts with, the Service Boards equals 50% of
6 the aggregate of all costs of providing such public
7 transportation. "System generated revenues" include all
8 the proceeds of fares and charges for services provided,
9 contributions received in connection with public
10 transportation from units of local government other than
11 the Authority and from the State pursuant to subsection (i)
12 of Section 2705-305 of the Department of Transportation Law
13 (20 ILCS 2705/2705-305), and all other revenues properly
14 included consistent with generally accepted accounting
15 principles but may not include: the proceeds from any
16 borrowing, revenues received by the Chicago Transit
17 Authority from a real estate transfer tax imposed under
18 Section 55 of the Metropolitan Transit Authority Act, and,
19 beginning with the 2007 fiscal year, all revenues and
20 receipts, including but not limited to fares and grants
21 received from the federal, State or any unit of local
22 government or other entity, derived from providing ADA
23 paratransit service pursuant to Section 2.30 of the
24 Regional Transportation Authority Act. "Costs" include all
25 items properly included as operating costs consistent with
26 generally accepted accounting principles, including

1 administrative costs, but do not include: depreciation;
2 payment of principal and interest on bonds, notes or other
3 evidences of obligations for borrowed money of the
4 Authority; payments with respect to public transportation
5 facilities made pursuant to subsection (b) of Section 2.20;
6 any payments with respect to rate protection contracts,
7 credit enhancements or liquidity agreements made under
8 Section 4.14; any other cost as to which it is reasonably
9 expected that a cash expenditure will not be made; costs ~~up~~
10 ~~to \$5,000,000 annually~~ for passenger security including
11 grants, contracts, personnel, equipment and administrative
12 expenses, except in the case of the Chicago Transit
13 Authority, in which case the term does not include costs
14 spent annually by that entity for protection against crime
15 as required by Section 27a of the Metropolitan Transit
16 Authority Act; the costs of Debt Service paid by the
17 Chicago Transit Authority, as defined in Section 12c of the
18 Metropolitan Transit Authority Act, or bonds or notes
19 issued pursuant to that Section; the payment by the
20 Commuter Rail Division of debt service on bonds issued
21 pursuant to Section 3B.09; expenses incurred by the
22 Suburban Bus Division for the cost of new public
23 transportation services funded from grants pursuant to
24 Section 2.01e of this amendatory Act of the 95th General
25 Assembly for a period of 2 years from the date of
26 initiation of each such service; costs as exempted by the

1 Board for projects pursuant to Section 2.09 of this Act;
2 or, beginning with the 2007 fiscal year, expenses related
3 to providing ADA paratransit service pursuant to Section
4 2.30 of the Regional Transportation Authority Act; or in
5 fiscal years 2008 through 2012 inclusive, costs in the
6 amount of \$200,000,000 in fiscal year 2008, reducing by
7 \$40,000,000 in each fiscal year thereafter until this
8 exemption is eliminated. If said system generated revenues
9 are less than 50% of said costs, the Board shall remit an
10 amount equal to the amount of the deficit to the State. The
11 Treasurer shall deposit any such payment in the General
12 Revenue Fund; and

13 (ii) whether, beginning with the 2007 fiscal year, the
14 aggregate of all fares charged and received for ADA
15 paratransit services equals the system generated ADA
16 paratransit services revenue recovery ratio percentage of
17 the aggregate of all costs of providing such ADA
18 paratransit services.

19 (h) If the Authority makes any payment to the State under
20 paragraph (g), the Authority shall reduce the amount provided
21 to a Service Board from funds transferred under paragraph (a)
22 in proportion to the amount by which that Service Board failed
23 to meet its required system generated revenues recovery ratio.
24 A Service Board which is affected by a reduction in funds under
25 this paragraph shall submit to the Authority concurrently with
26 its next due quarterly report a revised budget incorporating

1 the reduction in funds. The revised budget must meet the
2 criteria specified in clauses (i) through (vi) of Section
3 4.11(b)(2). The Board shall review and act on the revised
4 budget as provided in Section 4.11(b)(3).

5 (Source: P.A. 94-370, eff. 7-29-05.)"; and

6 (70 ILCS 3615/4.11) (from Ch. 111 2/3, par. 704.11)

7 Sec. 4.11. Budget Review Powers.

8 ~~(a) The provisions of this Section shall only be applicable~~
9 ~~to financial periods beginning after December 31, 1983. The~~
10 ~~Transition Board shall adopt a timetable governing the~~
11 ~~certification of estimates and any submissions required under~~
12 ~~this Section for fiscal year 1984 which shall control over the~~
13 ~~provisions of this Act.~~ Based upon estimates which shall be
14 given to the Authority by the Director of the Governor's Office
15 of Management and Budget (formerly Bureau of the Budget) of the
16 receipts to be received by the Authority from the taxes imposed
17 by the Authority and the authorized estimates of amounts to be
18 available from State and other sources to the Service Boards,
19 and the times at which such receipts and amounts will be
20 available, the Board shall, not later than the next preceding
21 September 15th prior to the beginning of the Authority's next
22 fiscal year, advise each Service Board of the amounts estimated
23 by the Board to be available for such Service Board during such
24 fiscal year and the two following fiscal years and the times at
25 which such amounts will be available. The Board shall, at the

1 same time, also advise each Service Board of its required
2 system generated revenues recovery ratio for the next fiscal
3 year which shall be the percentage of the aggregate costs of
4 providing public transportation by or under jurisdiction of
5 that Service Board which must be recovered from system
6 generated revenues. The Board shall, at the same time,
7 beginning with the 2007 fiscal year, also advise each Service
8 Board that provides ADA paratransit services of its required
9 system generated ADA paratransit services revenue recovery
10 ratio for the next fiscal year which shall be the percentage of
11 the aggregate costs of providing ADA paratransit services by or
12 under jurisdiction of that Service Board which must be
13 recovered from fares charged for such services, except that
14 such required system generated ADA paratransit services
15 revenue recovery ratio shall not exceed the minimum percentage
16 established pursuant to Section 4.01(b)(ii) of this Act. In
17 determining a Service Board's system generated revenue
18 recovery ratio, the Board shall consider the historical system
19 generated revenues recovery ratio for the services subject to
20 the jurisdiction of that Service Board. The Board shall not
21 increase a Service Board's system generated revenues recovery
22 ratio for the next fiscal year over such ratio for the current
23 fiscal year disproportionately or prejudicially to increases
24 in such ratios for other Service Boards. The Board may, by
25 ordinance, provide that (i) the cost of research and
26 development projects in the fiscal year beginning January 1,

1 1986 and ending December 31, 1986 conducted pursuant to Section
2 2.09 of this Act, ~~and (ii) up to \$5,000,000 annually of the~~
3 ~~costs for passenger security, and (iii) expenditures of amounts~~
4 ~~granted to a Service Board from the Innovation, Coordination,~~
5 ~~and Enhancement Fund for operating purposes~~ may be exempted
6 from the farebox recovery ratio or the system generated
7 revenues recovery ratio of the Chicago Transit Authority, the
8 Suburban Bus Board, and the Commuter Rail Board, or any of
9 them. During fiscal years 2008 through 2012, the Board may also
10 allocate the exemption of \$200,000,000 and the reducing amounts
11 of costs provided by this amendatory Act of the 95th General
12 Assembly from the farebox recovery ratio or system generated
13 revenues recovery ratio of each Service Board. For the fiscal
14 ~~year beginning January 1, 1986 and ending December 31, 1986,~~
15 ~~and for the fiscal year beginning January 1, 1987 and ending~~
16 ~~December 31, 1987, the Board shall, by ordinance, provide that:~~
17 ~~(1) the amount of a grant, pursuant to Section 2705-310 of the~~
18 ~~Department of Transportation Law (20 ILCS 2705/2705-310), from~~
19 ~~the Department of Transportation for the cost of services for~~
20 ~~the mobility limited provided by the Chicago Transit Authority,~~
21 ~~and (2) the amount of a grant, pursuant to Section 2705-310 of~~
22 ~~the Department of Transportation Law (20 ILCS 2705/2705-310),~~
23 ~~from the Department of Transportation for the cost of services~~
24 ~~for the mobility limited by the Suburban Bus Board or the~~
25 ~~Commuter Rail Board, be exempt from the farebox recovery ratio~~
26 ~~or the system generated revenues recovery ratio.~~

1 (b) (1) Not later than the next preceding November 15 prior
2 to the commencement of such fiscal year, each Service Board
3 shall submit to the Authority its proposed budget for such
4 fiscal year and its proposed financial plan for the two
5 following fiscal years. Such budget and financial plan shall
6 (i) be prepared in the format, follow the financial and
7 budgetary practices, and be based on any assumptions and
8 projections required by the Authority and (ii) not project or
9 assume a receipt of revenues from the Authority in amounts
10 greater than those set forth in the estimates provided by the
11 Authority pursuant to subsection (a) of this Section.

12 (2) The Board shall review the proposed budget and two-year
13 financial plan submitted by each Service Board, ~~and shall adopt~~
14 ~~a consolidated budget and financial plan.~~ The Board shall
15 approve the budget and two-year financial plan of a Service
16 Board if:

17 ~~(i) the Board has approved the proposed budget and cash~~
18 ~~flow plan for such fiscal year of each Service Board,~~
19 ~~pursuant to the conditions set forth in clauses (ii)~~
20 ~~through (vii) of this paragraph;~~

21 (i) ~~(ii)~~ such budget and plan show a balance between
22 (A) anticipated revenues from all sources including
23 operating subsidies and (B) the costs of providing the
24 services specified and of funding any operating deficits or
25 encumbrances incurred in prior periods, including
26 provision for payment when due of principal and interest on

1 outstanding indebtedness;

2 (ii) ~~(iii)~~ such budget and plan show cash balances
3 including the proceeds of any anticipated cash flow
4 borrowing sufficient to pay with reasonable promptness all
5 costs and expenses as incurred;

6 (iii) ~~(iv)~~ such budget and plan provide for a level of
7 fares or charges and operating or administrative costs for
8 the public transportation provided by or subject to the
9 jurisdiction of such Service Board sufficient to allow the
10 Service Board to meet its required system generated revenue
11 recovery ratio and, beginning with the 2007 fiscal year,
12 system generated ADA paratransit services revenue recovery
13 ratio;

14 (iv) ~~(v)~~ such budget and plan are based upon and employ
15 assumptions and projections which are reasonable and
16 prudent;

17 (v) ~~(vi)~~ such budget and plan have been prepared in
18 accordance with sound financial practices as determined by
19 the Board; ~~and~~

20 (vi) ~~(vii)~~ such budget and plan meet such other
21 financial, budgetary, or fiscal requirements that the
22 Board may by rule or regulation establish; and ~~-~~

23 (vii) such budget and plan are consistent with the
24 goals and objectives adopted by the Authority in the
25 Strategic Plan.

26 (3) (Blank) ~~In determining whether the budget and financial~~

1 ~~plan provide a level of fares or charges sufficient to allow a~~
2 ~~Service Board to meet its required system generated revenue~~
3 ~~recovery ratio and, beginning with the 2007 fiscal year, system~~
4 ~~generated ADA paratransit services revenue recovery ratio~~
5 ~~under clause (iv) in subparagraph (2), the Board shall allow a~~
6 ~~Service Board to carry over cash from farebox revenues to~~
7 ~~subsequent fiscal years.~~

8 (4) Unless the Board by an affirmative vote of 12 ~~9~~ of the
9 then Directors determines that the budget and financial plan of
10 a Service Board meets the criteria specified in clauses (i)
11 ~~(ii)~~ through (vii) of subparagraph (2) of this paragraph (b),
12 the Board shall withhold from ~~not release to~~ that Service Board
13 25% of any funds for the periods covered by such budget and
14 financial plan except for the cash proceeds of taxes imposed by
15 the Authority under Section 4.03 and Section 4.03.1 and
16 received after February 1 and 25% of the amounts transferred to
17 the Authority from the Public Transportation Fund under Section
18 4.09(a) (but not including Section 4.09(a)(3)(iv)) after
19 February 1 that the Board has estimated to be available to that
20 Service Board under Section 4.11(a). Such funding shall be
21 released to the Service Board only upon approval of a budget
22 and financial plan under this Section or adoption of a budget
23 and financial plan on behalf of the Service Board by the
24 Authority which are allocated to the Service Board under
25 Section 4.01.

26 (5) If the Board has not found that the budget and

1 financial plan of a Service Board meets the criteria specified
2 in clauses (i) through (vii) of subparagraph (2) of this
3 paragraph (b), the Board, by the affirmative vote of at least
4 12 of its then Directors, shall ~~shall, five working days after~~
5 ~~the start of the Service Board's fiscal year~~ adopt a budget and
6 financial plan meeting such criteria for that Service Board.

7 (c)(1) If the Board shall at any time have received a
8 revised estimate, or revises any estimate the Board has made,
9 pursuant to this Section of the receipts to be collected by the
10 Authority which, in the judgment of the Board, requires a
11 change in the estimates on which the budget of any Service
12 Board is based, the Board shall advise the affected Service
13 Board of such revised estimates, and such Service Board shall
14 within 30 days after receipt of such advice submit a revised
15 budget incorporating such revised estimates. If the revised
16 estimates require, in the judgment of the Board, that the
17 system generated revenues recovery ratio of one or more Service
18 Boards be revised in order to allow the Authority to meet its
19 required ratio, the Board shall advise any such Service Board
20 of its revised ratio and such Service Board shall within 30
21 days after receipt of such advice submit a revised budget
22 incorporating such revised estimates or ratio.

23 (2) Each Service Board shall, within such period after the
24 end of each fiscal quarter as shall be specified by the Board,
25 report to the Authority its financial condition and results of
26 operations and the financial condition and results of

1 operations of the public transportation services subject to its
2 jurisdiction, as at the end of and for such quarter. If in the
3 judgment of the Board such condition and results are not
4 substantially in accordance with such Service Board's budget
5 for such period, the Board shall so advise such Service Board
6 and such Service Board shall within the period specified by the
7 Board submit a revised budget incorporating such results.

8 (3) If the Board shall determine that a revised budget
9 submitted by a Service Board pursuant to subparagraph (1) or
10 (2) of this paragraph (c) does not meet the criteria specified
11 in clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of
12 paragraph (b) of this Section, the Board shall withhold from
13 ~~not release any monies to~~ that Service Board 25% of ~~except~~ the
14 cash proceeds of taxes imposed by the Authority under Section
15 4.03 or 4.03.1 and received by the Authority after February 1
16 and 25% of the amounts transferred to the Authority from the
17 Public Transportation Fund under Section 4.09(a) (but not
18 including Section 4.09(a) (3) (iv)) after February 1 that the
19 Board has estimated to be available ~~which are allocated to that~~
20 ~~the~~ Service Board under Section 4.11(a) ~~4.01~~. If the Service
21 Board submits a revised financial plan and budget which plan
22 and budget shows that the criteria will be met within a four
23 quarter period, the Board shall ~~continue to~~ release any such
24 withheld funds to the Service Board. The Board by the
25 affirmative vote of at least 12 ~~a 9 vote~~ of its then Directors
26 may require a Service Board to submit a revised financial plan

1 and budget which shows that the criteria will be met in a time
2 period less than four quarters.

3 (d) All budgets and financial plans, financial statements,
4 audits and other information presented to the Authority
5 pursuant to this Section or which may be required by the Board
6 to permit it to monitor compliance with the provisions of this
7 Section shall be prepared and presented in such manner and
8 frequency and in such detail as shall have been prescribed by
9 the Board, shall be prepared on both an accrual and cash flow
10 basis as specified by the Board, shall present such information
11 as the Authority shall prescribe that fairly presents the
12 condition of any pension plan or trust for health care benefits
13 with respect to retirees established by the Service Board and
14 describes the plans of the Service Board to meet the
15 requirements of Sections 4.02a and 4.02b, and shall identify
16 and describe the assumptions and projections employed in the
17 preparation thereof to the extent required by the Board. If the
18 Executive Director certifies that a Service Board has not
19 presented its budget and two-year financial plan in conformity
20 with the rules adopted by the Authority under the provisions of
21 Section 4.01(f) and this subsection (d), and such certification
22 is accepted by the affirmative vote of at least 12 of the then
23 Directors of the Authority, the Authority shall not distribute
24 to that Service Board any funds for operating purposes in
25 excess of the amounts distributed for such purposes to the
26 Service Board in the previous fiscal year. Except when the

1 Board adopts a budget and a financial plan for a Service Board
2 under paragraph (b) (5), a Service Board shall provide for such
3 levels of transportation services and fares or charges therefor
4 as it deems appropriate and necessary in the preparation of a
5 budget and financial plan meeting the criteria set forth in
6 clauses (i) ~~(ii)~~ through (vii) of subparagraph (2) of paragraph
7 (b) of this Section. The Authority Board shall have access to
8 and the right to examine and copy all books, documents, papers,
9 records, or other source data of a Service Board relevant to
10 any information submitted pursuant to this Section.

11 (e) Whenever this Section requires the Board to make
12 determinations with respect to estimates, budgets or financial
13 plans, or rules or regulations with respect thereto such
14 determinations shall be made upon the affirmative vote of at
15 least 12 ~~9~~ of the then Directors and shall be incorporated in a
16 written report of the Board and such report shall be submitted
17 within 10 days after such determinations are made to the
18 Governor, the Mayor of Chicago (if such determinations relate
19 to the Chicago Transit Authority), and the Auditor General of
20 Illinois.

21 (Source: P.A. 94-370, eff. 7-29-05.)

22 (70 ILCS 3615/4.13) (from Ch. 111 2/3, par. 704.13)

23 Sec. 4.13. Annual Capital Improvement Plan.

24 (a) With respect to each calendar year, the Authority shall
25 prepare as part of its Five Year Program an Annual Capital

1 Improvement Plan (the "Plan") which shall describe its intended
2 development and implementation of the Strategic Capital
3 Improvement Program. The Plan shall include the following
4 information:

5 (i) a list of projects for which approval is sought
6 from the Governor, with a description of each project
7 stating at a minimum the project cost, its category, its
8 location and the entity responsible for its
9 implementation;

10 (ii) a certification by the Authority that the
11 Authority and the Service Boards have applied for all
12 grants, loans and other moneys made available by the
13 federal government or the State of Illinois during the
14 preceding federal and State fiscal years for financing its
15 capital development activities;

16 (iii) a certification that, as of September 30 of the
17 preceding calendar year or any later date, the balance of
18 all federal capital grant funds and all other funds to be
19 used as matching funds therefor which were committed to or
20 possessed by the Authority or a Service Board but which had
21 not been obligated was less than \$350,000,000, or a greater
22 amount as authorized in writing by the Governor (for
23 purposes of this subsection (a), "obligated" means
24 committed to be paid by the Authority or a Service Board
25 under a contract with a nongovernmental entity in
26 connection with the performance of a project or committed

1 under a force account plan approved by the federal
2 government);

3 (iv) a certification that the Authority has adopted a
4 balanced budget with respect to such calendar year under
5 Section 4.01 of this Act;

6 (v) a schedule of all bonds or notes previously issued
7 for Strategic Capital Improvement Projects and all debt
8 service payments to be made with respect to all such bonds
9 and the estimated additional debt service payments through
10 June 30 of the following calendar year expected to result
11 from bonds to be sold prior thereto;

12 (vi) a long-range summary of the Strategic Capital
13 Improvement Program describing the projects to be funded
14 through the Program with respect to project cost, category,
15 location, and implementing entity, and presenting a
16 financial plan including an estimated time schedule for
17 obligating funds for the performance of approved projects,
18 issuing bonds, expending bond proceeds and paying debt
19 service throughout the duration of the Program; and

20 (vii) the source of funding for each project in the
21 Plan. For any project for which full funding has not yet
22 been secured and which is not subject to a federal full
23 funding contract, the Authority must identify alternative,
24 dedicated funding sources available to complete the
25 project. The Governor may waive this requirement on a
26 project by project basis.

1 (b) The Authority shall submit the Plan with respect to any
2 calendar year to the Governor on or before January 15 of that
3 year, or as soon as possible thereafter; provided, however,
4 that the Plan shall be adopted on the affirmative votes of 12 ~~9~~
5 of the then Directors. The Plan may be revised or amended at
6 any time, but any revision in the projects approved shall
7 require the Governor's approval.

8 (c) The Authority shall seek approval from the Governor
9 only through the Plan or an amendment thereto. The Authority
10 shall not request approval of the Plan from the Governor in any
11 calendar year in which it is unable to make the certifications
12 required under items (ii), (iii) and (iv) of subsection (a). In
13 no event shall the Authority seek approval of the Plan from the
14 Governor for projects in an aggregate amount exceeding the
15 proceeds of bonds or notes for Strategic Capital Improvement
16 Projects issued under Section 4.04 of this Act.

17 (d) The Governor may approve the Plan for which approval is
18 requested. The Governor's approval is limited to the amount of
19 the project cost stated in the Plan. The Governor shall not
20 approve the Plan in a calendar year if the Authority is unable
21 to make the certifications required under items (ii), (iii) and
22 (iv) of subsection (a). In no event shall the Governor approve
23 the Plan for projects in an aggregate amount exceeding the
24 proceeds of bonds or notes for Strategic Capital Improvement
25 Projects issued under Section 4.04 of this Act.

26 (e) With respect to capital improvements, only those

1 capital improvements which are in a Plan approved by the
2 Governor shall be financed with the proceeds of bonds or notes
3 issued for Strategic Capital Improvement Projects.

4 (f) Before the Authority or a Service Board obligates any
5 funds for a project for which the Authority or Service Board
6 intends to use the proceeds of bonds or notes for Strategic
7 Capital Improvement Projects, but which project is not included
8 in an approved Plan, the Authority must notify the Governor of
9 the intended obligation. No project costs incurred prior to
10 approval of the Plan including that project may be paid from
11 the proceeds of bonds or notes for Strategic Capital
12 Improvement Projects issued under Section 4.04 of this Act.

13 (Source: P.A. 94-839, eff. 6-6-06.)

14 (70 ILCS 3615/4.14) (from Ch. 111 2/3, par. 704.14)

15 Sec. 4.14. Rate Protection Contract. "Rate Protection
16 Contract" means interest rate price exchange agreements;
17 currency exchange agreements; forward payment conversion
18 agreements; contracts providing for payment or receipt of funds
19 based on levels of, or changes in, interest rates, currency
20 exchange rates, stock or other indices; contracts to exchange
21 cash flows or a series of payments; contracts, including
22 without limitation, interest rate caps; interest rate floor;
23 interest rate locks; interest rate collars; rate of return
24 guarantees or assurances, to manage payment, currency, rate,
25 spread or similar exposure; the obligation, right, or option to

1 issue, put, lend, sell, grant a security interest in, buy,
2 borrow or otherwise acquire, a bond, note or other security or
3 interest therein as an investment, as collateral, as a hedge,
4 or otherwise as a source or assurance of payment to or by the
5 Authority or as a reduction of the Authority's or an obligor's
6 risk exposure; repurchase agreements; securities lending
7 agreements; and other agreements or arrangements similar to the
8 foregoing.

9 Notwithstanding any provision in Section 2.20 (a) (ii) of
10 this Act to the contrary, in connection with or incidental to
11 the issuance by the Authority of its bonds or notes under the
12 provisions of Section 4.04 or the exercise of its powers under
13 subsection (b) of Section 2.20, the Authority, for its own
14 benefit or for the benefit of the holders of its obligations or
15 their trustee, may enter into rate protection contracts. The
16 Authority may enter into rate protection contracts only
17 pursuant to a determination by a vote of 12 ~~9~~ of the then
18 Directors that the terms of the contracts and any related
19 agreements reduce the risk of loss to the Authority, or
20 protect, preserve or enhance the value of its assets, or
21 provide compensation to the Authority for losses resulting from
22 changes in interest rates. The Authority's obligations under
23 any rate protection contract or credit enhancement or liquidity
24 agreement shall not be considered bonds or notes for purposes
25 of this Act. For purposes of this Section a rate protection
26 contract is a contract determined by the Authority as necessary

1 or appropriate to permit it to manage payment, currency or
2 interest rate risks or levels.

3 (Source: P.A. 87-764.)

4 (70 ILCS 3615/5.01) (from Ch. 111 2/3, par. 705.01)

5 Sec. 5.01. Hearings and Citizen Participation.

6 (a) The Authority shall provide for and encourage
7 participation by the public in the development and review of
8 public transportation policy, and in the process by which major
9 decisions significantly affecting the provision of public
10 transportation are made. The Authority shall coordinate such
11 public participation processes with the Chicago Metropolitan
12 Agency for Planning to the extent practicable.

13 (b) The Authority shall hold such public hearings as may be
14 required by this Act or as the Authority may deem appropriate
15 to the performance of any of its functions. The Authority shall
16 coordinate such public hearings with the Chicago Metropolitan
17 Agency for Planning to the extent practicable.

18 (c) Unless such items are specifically provided for either
19 in the Five-Year Capital Program or in the annual budget
20 program which has been the subject of public hearings as
21 provided in Sections 2.01 or 4.01 of this Act, the Board shall
22 hold public hearings at which citizens may be heard prior to:

23 (i) the construction or acquisition of any public
24 transportation facility, the aggregate cost of which exceeds \$5
25 million; and

1 (ii) the extension of, or major addition to services
2 provided by the Authority or by any transportation agency
3 pursuant to a purchase of service agreement with the Authority.

4 (d) Unless such items are specifically provided for in the
5 annual budget and program which has been the subject of public
6 hearing, as provided in Section 4.01 of this Act, the Board
7 shall hold public hearings at which citizens may be heard prior
8 to the providing for or allowing, by means of any purchase of
9 service agreement or any grant pursuant to Section 2.02 of this
10 Act, any general increase or series of increases in fares or
11 charges for public transportation, whether by the Authority or
12 by any transportation agency, which increase or series of
13 increases within any twelve months affects more than 25% of the
14 consumers of service of the Authority or of the transportation
15 agency; or so providing for or allowing any discontinuance of
16 any public transportation route, or major portion thereof,
17 which has been in service for more than a year.

18 (e) At least twenty days prior notice of any public
19 hearing, as required in this Section, shall be given by public
20 advertisement in a newspaper of general circulation in the
21 metropolitan region.

22 (f) The Authority may designate one or more Directors or
23 may appoint one or more hearing officers to preside over any
24 hearing pursuant to this Act. The Authority shall have the
25 power in connection with any such hearing to issue subpoenas to
26 require the attendance of witnesses and the production of

1 documents, and the Authority may apply to any circuit court in
2 the State to require compliance with such subpoenas.

3 (g) The Authority may require any Service Board to hold one
4 or more public hearings with respect to any item described in
5 paragraphs (c) and (d) of this Section 5.01, notwithstanding
6 whether such item has been the subject of a public hearing
7 under this Section 5.01 or Section 2.01 or 4.01 of this Act.

8 (Source: P.A. 78-3rd S.S.-5.)

9 (70 ILCS 3615/2.12a rep.)

10 (70 ILCS 3615/3.09 rep.)

11 (70 ILCS 3615/3.10 rep.)

12 Section 25. The Regional Transportation Authority Act is
13 amended by repealing Sections 2.12a, 3.09, and 3.10.

14 Section 97. Severability. The provisions of this Act are
15 severable under Section 1.31 of the Statute on Statutes.

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