



Rep. Roger L. Eddy

Filed: 1/17/2008

09500SB1409ham002

LRB095 08811 RCE 44863 a

1 AMENDMENT TO SENATE BILL 1409

2 AMENDMENT NO. _____. Amend Senate Bill 1409, AS AMENDED,
3 with reference to page and line numbers of House Amendment No.
4 1, on page 3, line 22, by replacing "Section 2.04" with
5 "Sections 2.04 and 4.09"; and

6 on page 6, below line 13, by inserting the following:

7 "(70 ILCS 3615/4.09) (from Ch. 111 2/3, par. 704.09)

8 Sec. 4.09. Public Transportation Fund and the Regional
9 Transportation Authority Occupation and Use Tax Replacement
10 Fund.

11 (a) (1) As soon as possible after the first day of each
12 month, beginning July 1, 1984, upon certification of the
13 Department of Revenue, the Comptroller shall order transferred
14 and the Treasurer shall transfer from the General Revenue Fund
15 to a special fund in the State Treasury to be known as the
16 Public Transportation Fund an amount equal to 25% of the net

1 revenue, before the deduction of the serviceman and retailer
2 discounts pursuant to Section 9 of the Service Occupation Tax
3 Act and Section 3 of the Retailers' Occupation Tax Act,
4 realized from any tax imposed by the Authority pursuant to
5 Sections 4.03 and 4.03.1 and 25% of the amounts deposited into
6 the Regional Transportation Authority tax fund created by
7 Section 4.03 of this Act, from the County and Mass Transit
8 District Fund as provided in Section 6z-20 of the State Finance
9 Act and 25% of the amounts deposited into the Regional
10 Transportation Authority Occupation and Use Tax Replacement
11 Fund from the State and Local Sales Tax Reform Fund as provided
12 in Section 6z-17 of the State Finance Act. On the first day of
13 the month following the date that the Department receives
14 revenues from increased taxes under Section 4.03(m) as
15 authorized by this amendatory Act of the 95th General Assembly,
16 in lieu of the transfers authorized in the preceding sentence,
17 upon certification of the Department of Revenue, the
18 Comptroller shall order transferred and the Treasurer shall
19 transfer from the General Revenue Fund to the Public
20 Transportation Fund an amount equal to 25% of the net revenue,
21 before the deduction of the serviceman and retailer discounts
22 pursuant to Section 9 of the Service Occupation Tax Act and
23 Section 3 of the Retailers' Occupation Tax Act, realized from
24 (i) 80% of the proceeds of any tax imposed by the Authority at
25 a rate of 1.25% in Cook County, (ii) 75% of the proceeds of any
26 tax imposed by the Authority at the rate of 1% in Cook County,

1 and (iii) one-third of the proceeds of any tax imposed by the
2 Authority at the rate of 0.75% in the Counties of DuPage, Kane,
3 Lake, McHenry, and Will, all pursuant to Section 4.03, and 25%
4 of the net revenue realized from any tax imposed by the
5 Authority pursuant to Section 4.03.1, and 25% of the amounts
6 deposited into the Regional Transportation Authority tax fund
7 created by Section 4.03 of this Act from the County and Mass
8 Transit District Fund as provided in Section 6z-20 of the State
9 Finance Act, and 25% of the amounts deposited into the Regional
10 Transportation Authority Occupation and Use Tax Replacement
11 Fund from the State and Local Sales Tax Reform Fund as provided
12 in Section 6z-17 of the State Finance Act. As used in this
13 Section, net revenue realized for a month shall be the revenue
14 collected by the State pursuant to Sections 4.03 and 4.03.1
15 during the previous month from within the metropolitan region,
16 less the amount paid out during that same month as refunds to
17 taxpayers for overpayment of liability in the metropolitan
18 region under Sections 4.03 and 4.03.1.

19 (2) On the first day of the month following the effective
20 date of this amendatory Act of the 95th General Assembly and
21 each month thereafter, upon certification by the Department of
22 Revenue, the Comptroller shall order transferred and the
23 Treasurer shall transfer from the General Revenue Fund to the
24 Public Transportation Fund an amount equal to 5% of the net
25 revenue, before the deduction of the serviceman and retailer
26 discounts pursuant to Section 9 of the Service Occupation Tax

1 Act and Section 3 of the Retailers' Occupation Tax Act,
2 realized from any tax imposed by the Authority pursuant to
3 Sections 4.03 and 4.03.1 and certified by the Department of
4 Revenue under Section 4.03(n) of this Act to be paid to the
5 Authority and 5% of the revenue realized by the Chicago Transit
6 Authority as financial assistance from the City of Chicago from
7 the proceeds of any tax imposed by the City of Chicago under
8 Section 8-3-19 of the Illinois Municipal Code. After the first
9 12 transfers have been made under this item (2), then each
10 transfer may not exceed 105% of one-twelfth of the total
11 amounts transferred in the preceding 12 transfers.

12 (3) As soon as possible after the first day of January,
13 2009 and each month thereafter, upon certification of the
14 Department of Revenue with respect to the taxes collected under
15 Section 4.03, the Comptroller shall order transferred and the
16 Treasurer shall transfer from the General Revenue Fund to the
17 Public Transportation Fund an amount equal to 25% of the net
18 revenue, before the deduction of the serviceman and retailer
19 discounts pursuant to Section 9 of the Service Occupation Tax
20 Act and Section 3 of the Retailers' Occupation Tax Act,
21 realized from (i) 20% of the proceeds of any tax imposed by the
22 Authority at a rate of 1.25% in Cook County, (ii) 25% of the
23 proceeds of any tax imposed by the Authority at the rate of 1%
24 in Cook County, and (iii) one-third of the proceeds of any tax
25 imposed by the Authority at the rate of 0.75% in the Counties
26 of DuPage, Kane, Lake, McHenry, and Will, all pursuant to

1 Section 4.03, and the Comptroller shall order transferred and
2 the Treasurer shall transfer from the General Revenue Fund to
3 the Public Transportation Fund (iv) an amount equal to 25% of
4 the revenue realized by the Chicago Transit Authority as
5 financial assistance from the City of Chicago from the proceeds
6 of any tax imposed by the City of Chicago under Section 8-3-19
7 of the Illinois Municipal Code. After the first 12 transfers
8 have been made under this item (3), then each transfer may not
9 exceed 105% of one-twelfth of the total amounts transferred in
10 the preceding 12 transfers.

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

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

21 (c) In recognition of the efforts of the Authority to
22 enhance the mass transportation facilities under its control,
23 the State shall provide financial assistance ("Additional
24 State Assistance") in excess of the amounts transferred to the
25 Authority from the General Revenue Fund under subsection (a) of
26 this Section. Additional State Assistance shall be calculated

1 as provided in subsection (d), but shall in no event exceed the
2 following specified amounts with respect to the following State
3 fiscal years:

| | | |
|----|----------------------|-------------------|
| 4 | 1990 | \$5,000,000; |
| 5 | 1991 | \$5,000,000; |
| 6 | 1992 | \$10,000,000; |
| 7 | 1993 | \$10,000,000; |
| 8 | 1994 | \$20,000,000; |
| 9 | 1995 | \$30,000,000; |
| 10 | 1996 | \$40,000,000; |
| 11 | 1997 | \$50,000,000; |
| 12 | 1998 | \$55,000,000; and |
| 13 | each year thereafter | \$55,000,000. |

14 (c-5) The State shall provide financial assistance
15 ("Additional Financial Assistance") in addition to the
16 Additional State Assistance provided by subsection (c) and the
17 amounts transferred to the Authority from the General Revenue
18 Fund under subsection (a) of this Section. Additional Financial
19 Assistance provided by this subsection shall be calculated as
20 provided in subsection (d), but shall in no event exceed the
21 following specified amounts with respect to the following State
22 fiscal years:

| | | |
|----|------|---------------|
| 23 | 2000 | \$0; |
| 24 | 2001 | \$16,000,000; |
| 25 | 2002 | \$35,000,000; |
| 26 | 2003 | \$54,000,000; |

1 2004 \$73,000,000;
2 2005 \$93,000,000; and
3 each year thereafter \$100,000,000.

4 (d) Beginning with State fiscal year 1990 and continuing
5 for each State fiscal year thereafter, the Authority shall
6 annually certify to the State Comptroller and State Treasurer,
7 separately with respect to each of subdivisions (g)(2) and
8 (g)(3) of Section 4.04 of this Act, the following amounts:

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

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

19 (3) Its debt service savings during the preceding State
20 fiscal year from refunding or advance refunding of bonds or
21 notes issued under subdivisions (g)(2) and (g)(3) of
22 Section 4.04.

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

1 advance refunding bonds or notes.

2 The certification shall include a specific schedule of debt
3 service payments, including the date and amount of each payment
4 for all outstanding bonds or notes and an estimated schedule of
5 anticipated debt service for all bonds and notes it intends to
6 issue, if any, during that State fiscal year, including the
7 estimated date and estimated amount of each payment.

8 Immediately upon the issuance of bonds for which an
9 estimated schedule of debt service payments was prepared, the
10 Authority shall file an amended certification with respect to
11 item (2) above, to specify the actual schedule of debt service
12 payments, including the date and amount of each payment, for
13 the remainder of the State fiscal year.

14 On the first day of each month of the State fiscal year in
15 which there are bonds outstanding with respect to which the
16 certification is made, the State Comptroller shall order
17 transferred and the State Treasurer shall transfer from the
18 General Revenue Fund to the Public Transportation Fund the
19 Additional State Assistance and Additional Financial
20 Assistance in an amount equal to the aggregate of (i)
21 one-twelfth of the sum of the amounts certified under items (1)
22 and (3) above less the amount certified under item (4) above,
23 plus (ii) the amount required to pay debt service on bonds and
24 notes issued during the fiscal year, if any, divided by the
25 number of months remaining in the fiscal year after the date of
26 issuance, or some smaller portion as may be necessary under

1 subsection (c) or (c-5) of this Section for the relevant State
2 fiscal year, plus (iii) any cumulative deficiencies in
3 transfers for prior months, until an amount equal to the sum of
4 the amounts certified under items (1) and (3) above, plus the
5 actual debt service certified under item (2) above, less the
6 amount certified under item (4) above, has been transferred;
7 except that these transfers are subject to the following
8 limits:

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

18 (B) In no event shall the total transfers in any State
19 fiscal year relating to outstanding bonds and notes issued
20 by the Authority under subdivision (g)(3) of Section 4.04
21 exceed the lesser of the annual maximum amount specified in
22 subsection (c-5) or the sum of the amounts certified under
23 items (1) and (3) above, plus the actual debt service
24 certified under item (2) above, less the amount certified
25 under item (4) above, with respect to those bonds and
26 notes.

1 The term "outstanding" does not include bonds or notes for
2 which refunding or advance refunding bonds or notes have been
3 issued.

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

13 (f) The certification required under subsection (d) with
14 respect to outstanding bonds and notes of the Authority shall
15 be filed as early as practicable before the beginning of the
16 State fiscal year to which it relates. The certification shall
17 be revised as may be necessary to accurately state the debt
18 service requirements of the Authority.

19 (g) Within 6 months of the end of each fiscal year, the
20 Authority shall determine:

21 (i) whether the aggregate of all system generated
22 revenues for public transportation in the metropolitan
23 region which is provided by, or under grant or purchase of
24 service contracts with, the Service Boards equals 50% of
25 the aggregate of all costs of providing such public
26 transportation. "System generated revenues" include all

1 the proceeds of fares and charges for services provided,
2 contributions received in connection with public
3 transportation from units of local government other than
4 the Authority, except for contributions received by the
5 Chicago Transit Authority from a real estate transfer tax
6 imposed under subsection (i) of Section 8-3-19 of the
7 Illinois Municipal Code, and from the State pursuant to
8 subsection (i) of Section 2705-305 of the Department of
9 Transportation Law (20 ILCS 2705/2705-305), and all other
10 revenues properly included consistent with generally
11 accepted accounting principles but may not include: the
12 proceeds from any borrowing, and, beginning with the 2007
13 fiscal year, all revenues and receipts, including but not
14 limited to fares and grants received from the federal,
15 State or any unit of local government or other entity,
16 derived from providing ADA paratransit service pursuant to
17 Section 2.30 of the Regional Transportation Authority Act.
18 "Costs" include all items properly included as operating
19 costs consistent with generally accepted accounting
20 principles, including administrative costs, but do not
21 include: depreciation; payment of principal and interest
22 on bonds, notes or other evidences of obligations for
23 borrowed money of the Authority; payments with respect to
24 public transportation facilities made pursuant to
25 subsection (b) of Section 2.20; any payments with respect
26 to rate protection contracts, credit enhancements or

1 liquidity agreements made under Section 4.14; any other
2 cost as to which it is reasonably expected that a cash
3 expenditure will not be made; costs for passenger security
4 including grants, contracts, personnel, equipment and
5 administrative expenses, except in the case of the Chicago
6 Transit Authority, in which case the term does not include
7 costs spent annually by that entity for protection against
8 crime as required by Section 27a of the Metropolitan
9 Transit Authority Act; the costs of Debt Service paid by
10 the Chicago Transit Authority, as defined in Section 12c of
11 the Metropolitan Transit Authority Act, or bonds or notes
12 issued pursuant to that Section; the payment by the
13 Commuter Rail Division of debt service on bonds issued
14 pursuant to Section 3B.09; expenses incurred by the
15 Suburban Bus Division for the cost of new public
16 transportation services funded from grants pursuant to
17 Section 2.01e of this amendatory Act of the 95th General
18 Assembly for a period of 2 years from the date of
19 initiation of each such service; costs as exempted by the
20 Board for projects pursuant to Section 2.09 of this Act;
21 or, beginning with the 2007 fiscal year, expenses related
22 to providing ADA paratransit service pursuant to Section
23 2.30 of the Regional Transportation Authority Act; or in
24 fiscal years 2008 through 2012 inclusive, costs in the
25 amount of \$200,000,000 in fiscal year 2008, reducing by
26 \$40,000,000 in each fiscal year thereafter until this

1 exemption is eliminated. If said system generated revenues
2 are less than 50% of said costs, the Board shall remit an
3 amount equal to the amount of the deficit to the State. The
4 Treasurer shall deposit any such payment in the General
5 Revenue Fund; and

6 (ii) whether, beginning with the 2007 fiscal year, the
7 aggregate of all fares charged and received for ADA
8 paratransit services equals the system generated ADA
9 paratransit services revenue recovery ratio percentage of
10 the aggregate of all costs of providing such ADA
11 paratransit services.

12 (h) If the Authority makes any payment to the State under
13 paragraph (g), the Authority shall reduce the amount provided
14 to a Service Board from funds transferred under paragraph (a)
15 in proportion to the amount by which that Service Board failed
16 to meet its required system generated revenues recovery ratio.
17 A Service Board which is affected by a reduction in funds under
18 this paragraph shall submit to the Authority concurrently with
19 its next due quarterly report a revised budget incorporating
20 the reduction in funds. The revised budget must meet the
21 criteria specified in clauses (i) through (vi) of Section
22 4.11(b)(2). The Board shall review and act on the revised
23 budget as provided in Section 4.11(b)(3).

24 (Source: P.A. 94-370, eff. 7-29-05; 95HB0656enr.)".