



# Northeastern Illinois PUBLIC TRANSIT *Task Force*



September 2013 – DRAFT

**Background Materials**

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*Note: Throughout this document there will be links to supplemental documents and websites. There will be a working PDF that will include many of the supplemental documents. Additionally, this is a working document that will evolve with the Task Force.*

## Background

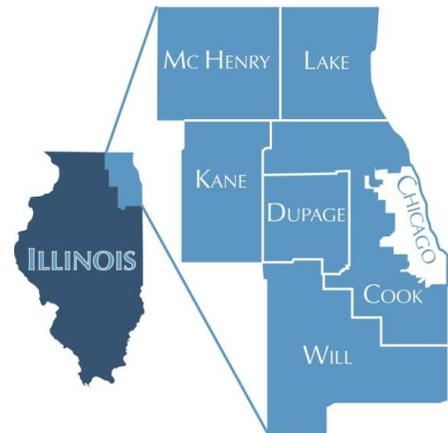
[The Regional Transportation Authority \(RTA\)](#) was created in 1974 upon approval of a referendum in the Northeastern Illinois region of Cook, DuPage, Kane, Lake, McHenry and Will counties. The RTA is considered a special purpose unit of local government and a municipal corporation of the state of Illinois. Initially, the RTA provided financial assistance to existing public transit operators. As the need for public transportation increased, the RTA's role expanded to include the acquisition and operation of public transportation carriers as well as contracting to provide service.

In 1983, the RTA Act was amended to make substantial changes to the RTA's organization, funding and operations. The amended Act created three "service boards" known as the [Chicago Transit Authority \(CTA\)](#), [Metra commuter rail](#) and [Pace suburban bus](#) (linked to applicable service board website). The RTA's primary responsibilities became financial and budgetary oversight of the service boards and regional transit planning. Please see [Appendix A](#) for a brief overview of the service boards. The RTA is also the safety and security oversight agency for Northeastern Illinois.

A fully functioning mass transit system should be managed, designed and operated to meet the needs of the people who use and depend upon these systems. It is clear that the Northeastern Illinois transit system is not functioning effectively and oversight of the service boards has been lacking.

To address the serious concerns regarding the current structure of the Northeastern Illinois transit system, on August 15, 2013 Governor Pat Quinn issued [Executive Order 13-06](#) ([Appendix B](#)) creating the Northeastern Illinois Public Transit Task Force, an independent panel of transit, finance, and good government leaders who will issue recommendations to the Governor and the General Assembly to reform the existing structure of the Northeastern Illinois mass transit system.

These recommendations will be focused on developing ways to eliminate waste, fraud and abuse, streamlining operations, and ensuring the system works for people who rely upon an efficient, cost-effective public transit system. Scandals, failed oversight, wasteful spending of taxpayer money, and failure to grow ridership cannot continue. The reformed Northeastern Illinois public transportation system's vision must be to create the world class transit system its riders deserve. The following resources and objectives have been identified in the Executive Order.



### Quick Stats

- » Third largest public transportation system in North America, providing more than two million rides a day. (See [Appendix A](#) for more on ridership).
- » The system has 7,200 route miles in the six-county region that currently has a population of approximately eight million people.
- » The combined assets of the RTA are valued at more than \$42 billion and include 5,640 bus and rail cars plus 650 vanpool vehicles.

Source: RTA Website

### Reference

For official correspondence after the announcement of the Task Force to the Governor or Task Force Co-Chairs see [Appendix C](#).

## Resources

Governor Quinn has appointed 15 members to serve on the task force. Illinois Department of Transportation (IDOT) Secretary Ann Schneider and Metropolis Strategies CEO George Ranney have been appointed as Co-Chairs. Additionally, per the Executive Order, Secretary Schneider has identified IDOT staff to support the NEIL Task Force with subject matter expertise and administrative support. The Governor's Office and the Governor's Office of Management and Budget have identified staff to assist as needed as well.

Please see the Task Force charter ([Appendix D](#)) for a listing of the appointed members. There is a detailed list of contact information found on the task force's [SharePoint site](#) for task force members to utilize.

## Objectives & Goals

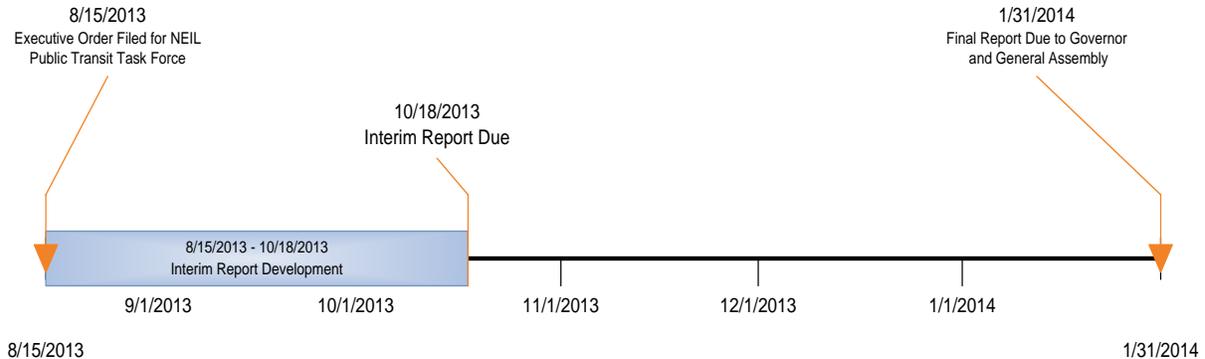
The Task Force has two deliverables set forth in [Executive Order 13-06](#), an interim report and a final report. To this end, the Task Force will:

- a. Examine and evaluate the structures, practices and policies of each transit agency to determine its impact and effect on the synergy of the agencies as a whole for the purpose of improving inter-agency coordination, transparency, accountability, and overall operating efficiency;
- b. Examine and evaluate the appropriate oversight and authority that the Illinois Department of Transportation shall have over the transit agencies to ensure taxpayers are getting the best return on their investments of limited tax resources;
- c. Submit, no later than October 18, 2013, to the Governor, a written interim report, detailing immediate measures necessary to address short-term and long-term solutions to ongoing problems at the transit agencies; and submit a final report no later than January 31, 2014, to the Governor and General Assembly, providing specific recommendations to improve the efficiency, accountability, coordination and transparency of the transit agencies.

*[Upon discussion with the members, specific goals will be developed and inserted here.]*

## General Timeline

Updates will be applied to the timeline upon schedule updates that are approved by task force members.



The following meeting schedule is being proposed to meet the interim report deadline of October 18, 2013. The post October 18, 2013 meeting schedule will be discussed with the task force.

### Introductions

Timing: .....

**Purpose:** Assemble members for initial meeting. Discuss the Task Force’s mission to ensure a full understanding of the scope and structure of the task force. Identify roles and proposed schedule moving forward. Discuss major tasks: interim report and final report.

**Material:** The Governor’s Executive Order, the Task Force Charter, and the Task Force Work Plan, which includes high-level background data and reference material on the state of the Northeastern Illinois transit system, and an overview of transit system challenges.

### Initial Round of Meetings

Timing: September (u")

**Purpose:** Develop an understanding of the structure, powers, and performance of the existing transit system. Provide an overview of the issues and engage in a preliminary discussion of potential solutions to the region’s transit challenges.

Brainstorming / robust exploration and discussion of potential solutions to the region’s transit challenges based on the objectives set forth in the Governor’s Executive Order.

Public hearings and input from stakeholders, transit users, and others.

**Material:** Additional background data on the state of the Northeastern Illinois transit system, an overview of transit system challenges, comparisons with other large transit systems, information about potential solutions.

Details on potential solutions and materials on best practices. Review written statements from the chairpersons of the four transit agencies setting forth their comments and recommendations for changes (to be solicited prior to the meeting). Similar requests for

written comments should be made to the elected officials who appoint transit Board members.

## Second Round of Meetings

Timing: October 1-18

Purpose: Discuss, prepare and finalize the Task Force’s interim report and initial recommendations due October 18 and plan for additional work to complete a final report to the Governor by January 31, 2014.

Material: Full details of the interim report and recommendations, a strategy for implementation and outline of next steps.

## Proposed Core Areas

The following core areas have been identified to ensure the purpose of the Executive Order is met or exceeded. Each of the areas is aligned with identified transit system issues. During the first two meetings, Task Force members will assess the core areas for each of the service boards and the RTA. Findings and determinations will be discussed by the task force.

Core Area	Focus
<b>Governance &amp; Administration</b>	<ul style="list-style-type: none"> <li>» Board Structure (all service boards and RTA)</li> <li>» Board Appointment Process</li> <li>» Policies</li> <li>» Transit Agency Internal Organization Structure</li> <li>» Contracting, Consulting</li> <li>» Ethics Rules</li> </ul>
<b>Finance</b>	<ul style="list-style-type: none"> <li>» Revenue Sources</li> <li>» Revenue Allocation</li> <li>» Bonding</li> <li>» Oversight by IDOT</li> </ul>
<b>Operations, Planning &amp; Programming</b>	<ul style="list-style-type: none"> <li>» Maintenance</li> <li>» Training (Day Operations)</li> <li>» Capital Planning and Programming</li> <li>» Procurement</li> <li>» Design and Construction</li> <li>» Safety and Security</li> </ul>

## Issues\*

### Governance and Administration

Authority over and responsibility for the Northeastern Illinois transit system is dispersed among four boards with 47 members appointed by 16 elected officials (see [Appendix E](#) for more information on the boards). This can lead to the overlap of services and a lack of a strategic direction for the future, with the corresponding potential to negatively impact service continuity to transit users.

- » Coordination and Accountability: Multiple boards can make coordination and accountability difficult.

- » Board Pay: The rationale for payments to multiple board members should be examined in light of the overall system’s four different boards, each with members paid \$10,000 to \$50,000 per year.
- » Board Structures: Duplicative structures and competing boards can cause competition for scarce federal and state dollars and legislative issues.
- » Board Appointments and Emergency Removal Powers: Currently there is no requirement that board members have background checks, experience, or knowledge of transit systems. Once appointed, it can be difficult to remove a board member even when there is just cause.
- » Administration: With duplicative structures, procurement, hiring and policy reforms need to be addressed to identify the potential for streamlining. There are unnecessary expenditures such as “golden parachutes” and hiring of expensive outside firms, and a need to streamline operations so that any savings can be passed along to mass transit riders to make commutes more acceptable. Currently, each service board conducts its own purchasing, advertising, and lobbying. It could also be beneficial to identify current accountability and oversight roles held by IDOT and the state.
- » Ethics Rules: There needs to be consistent ethics rules applied universally to anyone overseeing mass transit funds or operations.

## Finance

Among the four boards, there is inconsistent audited information for programs and lack of oversight for grant funding and contract administration. There is also a lack of capital project coordination among the service boards. For additional information on the finances of the public transit system, please see [Appendix F](#).

- » Operating and Capital Funding Formulas: Operating funding is distributed to the transit agencies based on a law put in place 30 years ago which distributes the revenues received from the sales tax based on where goods were purchased— not according to ridership, population, or need. Capital funding is distributed according to fixed percentages based on past practices rather than law.
- » Transit Investment: The RTA reports that the transit system requires \$31.1 billion to achieve a state of good repair (see [Appendix F](#)). The Chaddick Institute puts the estimate at \$2 billion a year. The transit agencies receive capital from the federal government each year, but have no recurring state or local source of capital funding. However, the state of Illinois has invested billions of dollars in all of the service boards through its capital bond program. Waste, inefficiency and scandals undermine the case for directing additional investment into the systems until governance issues are resolved to restore public trust.

## Operations, Planning, and Programming

The Northeastern Illinois area is served by a transit system that provides rides to over two million riders each day (see [Appendix A](#) for more information). This system requires day-to-day maintenance, regular improvements and a staff that effectively ensures public needs are being met. These needs include accessibility to public transportation options, safe and reliable service, adequate service locations, reduced road traffic and congestion.

- » System Maintenance and Improvements: In the 30 years since the public transit system was established in its current form, the region has changed drastically; more residents and businesses have moved to parts of the region that do not have access to public transit. Since 1980, commuting from one collar county to another increased by 344 percent and commuting from Cook County to the collar counties increased by nearly 200 percent. Public transit's share of those commutes has steadily declined.
- » Public Transit Ridership: In 1980, 18 percent of all work commutes in metropolitan Chicago were on public transit. By 2010, that number had declined to 13 percent. Ridership in other regions such as New York, Boston, Washington DC, and Los Angeles has grown by as much as 58 percent in the past 20 years, while Chicago's public transit ridership has declined by one percent in the same period.
- » Job Access: According to a [study by the Brookings Institution](#), only 24 percent of the region's jobs can be reached within 90 minutes by public transit. For those who, by choice or necessity, live without a car, access to the job market is severely limited.
- » Accessibility: Chicago area public transit is operated by three separate agencies; it is not planned, designed, or built as a cohesive regional system. In 2007, the Illinois Auditor General found that the public transit agencies did not coordinate routes, implement a universal fare system, or consult each other on new initiatives. Commuters, business travelers and tourists care little about which system they are riding—Metra, Pace, or the CTA; they simply want transit that can easily move them around the region. The current system falls short in this regard. There is a new law requiring implementation of a universal fare card, but only two of the three service boards (CTA and Pace) are implementing it while Metra continues to lag behind such integration.

\*Statistics provided in the Issues section were presented by Metropolis Strategies.

[END]

## **Appendix A: Service Board Background and Stats**

- **Operating Characteristics**  
[\(RTA Annual Report 2012 page 11\)](#)
- **RTA System Ridership 1980 – 2012**  
[\(RTAMS \(Regional Transportation Authority – Mapping & Statistics\)\)](#)

# OPERATING CHARACTERISTICS

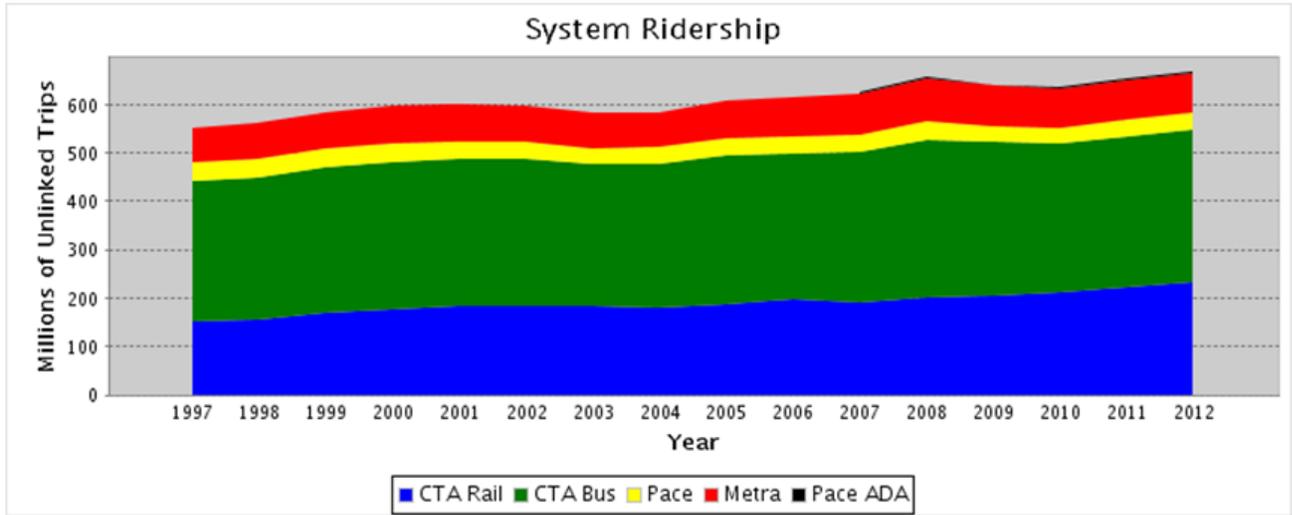
CHICAGO TRANSIT AUTHORITY	METRA COMMUTER RAIL DIVISION*	PACE SUBURBAN BUS DIVISION
<b>Heavy Rail</b>	<b>Commuter Rail</b>	<b>Fixed-Route Bus</b>
8 rail routes	11 rail routes	138 regular routes
145 stations served	488 route miles	35 feeder routes
1,200 rapid transit cars	1,155 miles of track	14 shuttle routes
231.1 million riders per year	241 stations	7 seasonal routes
1,090 STO* positions	146 locomotives	32.1 million riders per year
	839 passenger cars	581 vehicles in use at peak
<b>Bus</b>	171 electric cars	687 Pace-owned buses
129 bus routes	703 weekday trains operated	1,460 full-time employees
1,781 buses	95.8 percent on-time performance	
314.4 million riders per year	81.3 million riders per year	<b>ADA Paratransit</b>
3,688 STO* positions	4,380 full-time employees	234 Pace-owned lift-equipped vehicles
	1.6 billion passenger miles per year	3.8 million riders per year
<b>CTA</b>	43.1 million vehicle revenue miles per year	35 full-time employees
1.4 billion rail passenger miles per year		
712.9 million bus passenger miles per year	<i>*All data excludes Northern Indiana Commuter Transportation District South Shore.</i>	<b>Dial-a-Ride</b>
119.1 million vehicle revenue miles per year		68 local services
4,428 without STO* positions		176 Pace-owned lift-equipped vehicles
		210 communities served
		1.3 million riders per year
		<b>Vanpool</b>
		694 Vanpool vehicles in operation
		2.0 million riders per year

*\*STO is Scheduled Transit Operators.  
This classification includes bus operators,  
motormen, conductors and customer assistants.*

Sources: Service Board websites, Service Board budget books, National Transit Database, and RTA records  
\*\*Operating characteristics as of December 31, 2012



# System Ridership



Annual Unlinked Passenger Trips (in millions)							
Year	CTA Bus	CTA Rail	Total CTA	Metra	Pace	Pace ADA	System
2012	314.4	231.2	545.6	81.3	35.4	3.8	<b>666.1</b>
2011	310.4	221.6	532	82.7	33.7	3.4	<b>651.8</b>
2010	306	210.9	516.9	81.4	32.3	2.8	<b>633.4</b>
2009	318.7	202.6	521.3	82.3	32.3	2.8	<b>638.7</b>
2008	328.2	198.1	526.3	86.8	37.8	2.7	<b>653.6</b>
2007	309.3	190.3	499.5	83.3	36.6	2.6	<b>622.1</b>
2006	299.6	195.2	494.7	79.9	38	N/A	<b>612.6</b>
2005	305.5	186.8	492.3	76.1	36.9	N/A	<b>605.3</b>
2004	296	178.7	474.8	73.8	34.1	N/A	<b>582.7</b>
2003	293.6	181.1	474.7	74	33.7	N/A	<b>582.5</b>
2002	304.8	180.4	485.2	75.5	34.8	N/A	<b>595.5</b>
2001	303.1	181.7	484.8	78.4	37	N/A	<b>600.2</b>
2000	303.3	176.3	479.6	78	38.6	N/A	<b>596.2</b>
1999	300.3	166.5	466.7	75.8	40.2	N/A	<b>582.7</b>
1998	291.7	153.6	445.3	73.7	39.3	N/A	<b>558.3</b>
1997	288.9	151	439.9	71.6	37.9	N/A	<b>549.3</b>
1996	303.3	124	427.3	69.9	37.5	N/A	<b>534.7</b>
1995	307.3	119.3	426.6	69.6	37.2	N/A	<b>533.4</b>
1994	327.3	120.9	448.2	71.3	38.6	N/A	<b>558.1</b>
1993	328.1	118.5	446.6	69.2	38.3	N/A	<b>554.1</b>
1992	373.3	120.6	493.9	69.4	39.3	N/A	<b>602.6</b>
1991	394.1	135.3	529.4	68.3	40.5	N/A	<b>638.2</b>
1990	423.2	146.7	569.9	68.7	40.3	N/A	<b>678.9</b>
1989	421.7	147.7	569.4	67.7	37.9	N/A	<b>675</b>
1988	424.3	149.4	573.7	66.4	36.8	N/A	<b>676.9</b>
1987	440.7	148.6	589.3	63.5	35.6	N/A	<b>688.4</b>
1986	467.6	145.7	613.3	61.5	36.1	N/A	<b>710.9</b>
1985	487.9	155.9	643.8	61.3	38.4	N/A	<b>743.5</b>
1984	484.9	153.9	638.8	59.1	36.3	N/A	<b>734.2</b>
1983	465.8	147.2	613	56.5	31.2	N/A	<b>700.7</b>
1982	468.4	147.4	615.8	58.7	27.7	N/A	<b>702.2</b>
1981	493.9	150.6	644.5	67.9	27.4	N/A	<b>739.8</b>
1980	540.6	155.6	696.2	79.7	38.2	N/A	<b>814.1</b>

Source: [RTAMS \(Regional Transportation Authority – Mapping & Statistics\)](#)

## **Appendix B: Executive Order 13-06**



**FILED**  
**INDEX DEPARTMENT**

**EXECUTIVE DEPARTMENT**

AUG 15 2013

IN THE OFFICE OF  
SECRETARY OF STATE

**SPRINGFIELD, ILLINOIS**

**EXECUTIVE ORDER**

**13 - 06**

**ESTABLISHMENT OF THE NORTHEASTERN ILLINOIS PUBLIC TRANSIT TASK FORCE**

**WHEREAS**, riders of mass transit in Northeastern Illinois expect fairness, transparency and efficiency in the operation and administration of the transit agencies, including, without limitation, the Regional Transportation Authority (“RTA”), Chicago Transit Authority (“CTA”), Metra, and Pace (the “Northeastern Illinois Transit Agencies” or the “Transit Agencies”); and

**WHEREAS**, the Northeastern Illinois Transit Agencies represent the third largest transit system in the United States, with over two million daily riders; and

**WHEREAS**, in the wake of another scandal, the State of Illinois must step in and fix the failure of the Northeastern Illinois Transit Agencies to work collaboratively and efficiently; and

**WHEREAS**, as Governor of the State of Illinois, I am committed to ensuring the fair, equitable, efficient, transparent and well-coordinated operation of the Northeastern Illinois Transit Agencies and to eliminating waste, fraud and abuse wherever it occurs; and

**WHEREAS**, coordination, transparency, efficiency and fairness in the operation of the Northeastern Illinois Transit Agencies must be improved, including the elimination of duplicative efforts and excess board membership; and

**WHEREAS**, allegations of improper political influence and other recent events at Metra have highlighted the failed leadership of the existing Board of Directors, an absence of adequate oversight and coordination from the RTA, and an overall lack of coordination and cohesion amongst the Transit Agencies that must provide customers with access to transportation throughout the Chicagoland region; and

**WHEREAS**, current law does not permit the Governor or any agency of the State of Illinois to timely remove Board Members or employees of the Transit Agencies for incompetence or negligence, temporarily replace Board Members to ensure continued operation of existing Transit Agencies, prohibit golden parachutes from being awarded, or eliminate duplicative efforts and costs amongst the existing Transit Agencies; and

**WHEREAS**, an independent task force is necessary to study, examine and make recommendations to the Governor and the Illinois General Assembly for both the veto and spring sessions as to how the Northeastern Illinois Transit Agencies can improve their operations, repair the damage done to the public trust, and modernize the transit system for the people who depend upon these systems to get them to work, school, home and other destinations;

**THEREFORE**, I, Pat Quinn, Governor of Illinois, pursuant to the authority vested in me by Article V of the Illinois State Constitution of 1970, hereby order as follows:

## **I. CREATION**

There is hereby created the Northeastern Illinois Public Transit Task Force (the “Task Force”) as an independent advisory body having the duties set forth in this document.

## **II. PURPOSE**

The purpose of the Task Force is to study, examine and evaluate the Northeastern Illinois Transit Agencies to determine how the operations of these agencies can be reorganized, streamlined or restructured to, among other things, ensure greater efficiency, accountability, coordination and transparency. The Task Force shall:

- a. Examine and evaluate the structures, practices and policies of each of the Transit Agencies to determine their impact and effect on the working relationships of the Transit Agencies and to achieve improved inter-agency coordination, transparency, accountability, and overall operating efficiency;
- b. Examine and evaluate the appropriate oversight and authority that the Illinois Department of Transportation shall have over the Transit Agencies to ensure taxpayers are getting the best return on their investments of limited tax resources;
- c. Submit, no later than October 18, 2013, a written interim report, detailing immediate measures necessary to address short-term and long-term solutions to ongoing problems at the Transit Agencies; and
- d. Submit a final report no later than January 31, 2014, to the Governor and General Assembly, providing specific recommendations to improve the efficiency, accountability, coordination and transparency of the Transit Agencies.

## **III. MEMBERSHIP**

- a. The Task Force shall be composed of two (2) Co-Chairpersons and at least thirteen (13) additional members, for a total membership of at least fifteen (15) Task Force members. The Co-Chairpersons and Task Force members shall be appointed by the Governor. The Co-Chairpersons and Task Force members shall serve without compensation. The Governor may appoint additional Task Force members as desired.
- b. The Task Force shall terminate on January 31, 2014, upon completion of a final report providing comprehensive recommendations to the Governor and the General Assembly.

## **IV. INDEPENDENCE**

- a. The Task Force shall function as an independent advisory body, with the discretion to arrange its affairs and proceedings in the manner it deems appropriate.
- b. The Illinois Department of Transportation shall provide administrative support to the Task Force, including, but not limited to, providing an Ethics Officer for the Task Force, responding to FOIA requests on behalf of the Task Force, and assisting the Task Force in complying with the Open Meetings Act. At the direction of the Governor, any executive agency shall provide assistance to the Task Force to accomplish their goal of making recommendations to the Governor and General Assembly.

## **V. TRANSPARENCY**

In addition to whatever policies or procedures it may adopt, all operations of the Task Force will be subject to the provisions of the Illinois Freedom of Information Act (5 ILCS 140/1 et seq.) and the Illinois Open Meetings Act (5 ILCS 120/1 et seq.). This section shall not be construed so as to preclude other statutes from applying to the Task Force and its activities.

**FILED**  
**INDEX DEPARTMENT**

**AUG 15 2013**

**IN THE OFFICE OF**  
**SECRETARY OF STATE**

**VI. EFFECTIVE DATE**

This Order shall take effect immediately upon its execution.

  
\_\_\_\_\_  
Pat Quinn, Governor

Issued by Governor: August 15, 2013  
Filed with Secretary of State: August 15, 2013

**FILED**  
**INDEX DEPARTMENT**  
**AUG 15 2013**  
**IN THE OFFICE OF**  
**SECRETARY OF STATE**

**Appendix C: Post Task Force Establishment  
Correspondence to Governor and  
Co-Chairs**



**Karen Y. Darch**  
President, Village of Barrington  
Executive Board Chair

**Thomas Weisner**  
Mayor, City of Aurora  
Executive Board Vice Chairman

**Rahm Emanuel**  
Mayor, City of Chicago  
Executive Board Secretary

August 19, 2013

The Honorable Pat Quinn  
Governor, State of Illinois  
100 West Randolph Street, 16-100  
Chicago, Illinois 60601

Dear Governor Quinn:

We appreciate your decision to create the Northeastern Illinois Public Transit Reform Task Force which was announced last week. The Metropolitan Mayors Caucus agrees that the Chicago region would benefit from the review and reform of the governance structures and policies currently in place at the Regional Transportation Authority (RTA) and its service boards.

We also would like to make you aware that the Mayors Caucus created its own Transit Improvement Working Group toward the end of the spring legislative session. It was initially created in response to a bill proposed by Chicago Metropolitan Strategies which would merge the RTA and the Chicago Metropolitan Agency for Planning (CMAP). Since this spring, our Working Group and its leadership have met formally and have had several private conversations with Metropolis Strategies, the RTA, CMAP, transit experts and State legislators about the proposed bill. These discussions have led us to conclude that the merger as proposed is shortsighted.

CMAP is itself the result of a merger of the Northeastern Illinois Planning Commission and the Chicago Area Transportation Study eight years ago. The Mayors Caucus believes CMAP has become a very effective regional planning agency since this merger.

From what we have been able to gather from discussions with its leaders, Metropolis Strategies seems to think that merging an ineffective RTA with a more effective agency like CMAP will solve the RTA's problems. We do not think the solution is that simple. In fact, our conversations with the groups and individuals mentioned above have led our Working Group to believe that the proposed merger will overburden CMAP and make it a less effective regional planning organization.

The Chicago region is finally doing planning well. The Mayors Caucus is very concerned that transferring the financial oversight, bonding and service board coordination responsibilities which are currently vested with the RTA to CMAP will overshadow the important and effective work the planning agency is doing on behalf of the region's local governments.

While our Working Group has serious concerns about the proposed merger of CMAP and the RTA, it does agree that reforms are needed at the RTA and its service boards. The Working Group is currently engaged in research and discussions in which it is looking at other ways to reform the region's transit governance. We are pleased to hear from your staff that the Task Force you have created will consider all possible reform options and not just the proposed merger of the RTA and CMAP. All reforms should be on the table. We welcome the opportunity to share our reform ideas on this important regional issue as they develop with you, the Task Force and your staff.

Sincerely,

Karen Y. Darch  
Chair, Mayors Caucus Executive Board  
and President, Village of Barrington

Jeffery D. Schielke  
Chair, Transit Improvement Working Group  
and Mayor, City of Batavia

City of Chicago · DuPage Mayors and Managers Conference · Lake County Municipal League · McHenry County Council of Governments  
Metro West Council of Governments · Northwest Municipal Conference · South Suburban Mayors and Managers Association  
Southwest Conference of Mayors · West Central Municipal Conference · Will County Governmental League

233 South Wacker Drive, Suite 800, Chicago, Illinois 60606  
Tel: 312.201.4505 Fax: 312.258.1851

August 19, 2013

**RECEIVED**

AUG 21 2013

Honorable Pat Quinn  
Governor of Illinois  
James R. Thompson Center  
100 West Randolph 16-100  
Chicago, Illinois 60601

**Governors Office**

Dear Governor Quinn:

I am writing you this letter in the hope that you will refer it to your Transit Task Force. It will not surprise you that I have given the matter of METRA reform a great deal of thought, trying to figure out what could have been done to avoid this debacle. The thoughts I am giving you I have given to legislators of both parties and the OEIG.

I do not believe that the METRA board, left to its own devices would not have selected Brad O'Halloran as chairman, or attempted to get rid of Alex Clifford. The suggestions I am about to outline are designed to encourage the appointing authorities to pick good, honest, intelligent people and let them do their jobs without outside interference.

1. METRA board members should be appointed to one 6 year term, and cannot be reappointed. This would give them 2 years to learn and 4 years to lead.
2. The Board members should continue to be appointed by the appointing authorities but then confirmed by a 2/3 vote of the respective Boards (county, city and all suburban commissioners by weighted vote). The METRA board members should not be the personal property of any particular appointing authority.
3. The respective authorities should be able to remove their METRA board member at any time by a 2/3 vote.
4. There should be a comprehensive and rational disclosure ordinance for METRA board members to report outside influences in decisions involving METRA.

I'm also recommending that the METRA board appoint a transportation professional as Executive Director and then serve as an oversight board without getting inappropriately involved in the day-to-day decisions regarding hiring, firing, contracts, etc.

I've been around too long to suggest that this new system will be foolproof, but I believe it will be a major step in the right direction. I do not believe that this is a Republican or Democratic problem but think that there is blame on both sides of the aisle. I recognize that there will be numerous legislative solutions suggested but those that do not

Governor Quinn  
Page 2

address the problem of outside political influence on the proper running of an agency like METRA, are doomed to failure.

I have served with a large number of good and honest people on the METRA board and truly believe the most recent trouble can, in my opinion, be traced to outside influence of some of the appointing authorities and other powerful political leaders.

You and I were both around in 1983 when the RTA Act was reformed and METRA was created. This was done in no small part to give the Cook County suburban area and the Collar Counties a reason for supporting mass transit. I continue to feel that one super-agency heavily dominated by the City of Chicago would quickly become hated by the residents of Cook County suburbs and the Collar County (and their legislators of both parties). Those who do not study history are doomed to repeat its mistakes. If I can be of any assistance to you or your task force, please let me know.

Thank you for your consideration of my thoughts.

Sincerely,



Jack Schaffer  
McHenry County Appointee  
METRA Board  
4114 IL Route 176  
Crystal Lake, IL 60014  
(815) 459-1776

cc: Other Interested Parties

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-1303**

August 19, 2013

Ms. Ann Schneider  
Secretary, Illinois Department of Transportation  
Co-Chair, Governor's Northeastern Illinois Public Transit Task Force  
2300 South Dirksen Parkway  
Springfield, Illinois 62764

Mr. George Ranney, Jr.  
Co-Chair, Governor's Northeastern Illinois Public Transit Task Force  
30 West Monroe Street  
Chicago, Illinois 60603

Dear Secretary Schneider and Mr. Ranney:

As Northeastern Illinois' only member of the Committee on Transportation and Infrastructure and founding co-chair of the Public Transit Caucus in the U.S. House of Representatives, I have been deeply concerned by the recent problems at Metra. Metra riders – and all taxpayers – deserve not only safe, affordable, and on-time service on a daily basis, but a long-term vision which is accompanied by leadership that puts that vision into action. For a number of reasons this leadership has been lacking, perhaps to an even greater degree than many recognize.

From my position fighting for federal funding for our cash-strapped transit agencies, I am concerned that these leadership issues could have potentially disastrous consequences as Congress looks to reauthorize the existing surface transportation law known as MAP-21, which is providing approximately \$450 million for CTA, Pace, and Metra in 2013 alone. Last year, the House Transportation and Infrastructure Committee passed a bill that put at risk hundreds of millions of dollars of funding for local transit agencies, but I was able to help build a coalition to block these cuts. During next year's reauthorization debate, it is imperative that Congress sees reforms of Northeastern Illinois transit agencies in order to help fight off new attempts to make significant cuts in federal funding. But no matter what reforms are instituted locally, the Committee will certainly consider ways to enhance congressional oversight of accountability and performance.

The Northeastern Illinois Public Transit Task Force has the potential to serve an important role in reforming the transit agencies, and I commend both of you for your prior and future work in improving transportation. In order to implement the best reforms possible, I encourage the Task Force to engage and solicit input from the public during your review of our region's transit agency governance and performance. Public input was not emphasized in the announcement of the group, but I strongly believe that you should hold several public forums across the region where community members can participate in the process and offer official public comments. By

including the general public, the Task Force will be better informed and positioned to make recommendations to the General Assembly that are in the interest of area residents.

In addition, in order to meet the Task Force's stated objective of improving the "coordination, transparency, efficiency, and fairness in the operation of the Northeastern Illinois transit agencies," I request that you meet with me in early September to discuss the existing leadership issues and maintain regular communication with my office during your evaluation. It is important that any reforms recommended provide the relevant congressional committees with the confidence that Northeastern Illinois has taken steps to address any issues that exist in our transit agencies. If these concerns are not adequately addressed, it will make the fight for federal dollars even more difficult and we may risk undermining the future federal capital investment that is so desperately needed.

Over the past few years, it has become clear that the existing governance structure of our region's transit agencies is not serving taxpayers. While management has had issues, the existing transit board system itself is problematic. There is redundancy, waste, lack of coordination, and too often little or indirect accountability. The time for change locally is now. As the Task Force begins to meet, I am hopeful that you will consider all viable options to improve efficiency, including board consolidation and/or elimination.

I recently spoke with Metra Acting Chairman Jack Partelow, Deputy Executive Director/COO Don Orseno, and Deputy Executive Director for Administration Alex Wiggins. They assured me of the continued safety of Metra commuters and the continuity of service during this process. I am confident that the current leadership and everyone who works at Metra can keep Metra riders safe on a daily basis. But it is imperative that we move quickly to develop and implement reforms to assure the long-term success of Metra and all of Northeastern Illinois' transit agencies. I encourage you to make the general public part of the process and look forward to working with you.

Sincerely,



DANIEL LIPINSKI  
Member of Congress

cc: Members of the Governor's Northeastern Illinois Public Transit Task Force

**Appendix D: NEIL Di V]WHfUbg]hTask Force Charter**

# Northeastern Illinois Public Transit Task Force Charter

## Official Designation

The Northeastern Illinois Public Transit Task Force was established by [Executive Order 13-06](#), which was issued by Illinois Governor Pat Quinn on August 15, 2013.

## Mission

As an independent panel of transit, union, community, financial, legal and governmental leaders, we will issue recommendations to reform the mass transit system in Northeastern Illinois in an effort to better serve Illinois citizens, our public transportation customers, visitors, and businesses.

## Purpose & Functions

The 15-member, blue-ribbon task force is charged with developing ways to eliminate waste, fraud and abuse, and streamline and coordinate operations to ensure improved transit service for the millions of users each year.

The purpose of the task force is to examine and evaluate the Northeastern Illinois Transit Agencies to determine how their operations can be reorganized, streamlined, or restructured to, among other things, ensure greater efficiency, accountability, coordination and transparency. These agencies include the Regional Transportation Authority (RTA), Chicago Transit Authority (CTA), Metra, and Pace.

The task force shall:

- a. Examine and evaluate the structures, practices and policies of each transit agency to determine its impact and effect on the working relationships on the synergy of the agencies as a whole for the purpose of improving inter-agency coordination, transparency, accountability, and overall operating efficiency;
- b. Examine and evaluate the appropriate oversight authority that the Illinois Department of Transportation shall have over the transit agencies to ensure taxpayers are getting the best return on their investments of limited tax resources;
- c. Submit, no later than October 18, 2013, a written interim report (to Governor), detailing immediate measures necessary to address short-term and long-term (how is the task force going to achieve meaningful long term solutions in so short a period of time?) solutions to ongoing problems at the transit agencies; and
- d. Submit a final report no later than January 31, 2014, to the Governor and General Assembly, providing specific recommendations to improve the efficiency, accountability, coordination and transparency of the transit agencies.

The task force will issue recommendations to be considered by the General Assembly and Governor Quinn for both the veto and spring sessions.

## Members

The task force shall be composed of two co-chairpersons and at least thirteen additional members, for a total membership of at least fifteen. Each member will be appointed by the Governor.

Member Type	First Name	Last Name	Suffix	Title	Agency/ Organization / Company
<b>Appointed, Co-Chair</b>	Ann L.	Schneider		Secretary	Illinois Department of Transportation
<b>Appointed, Co-Chair</b>	George	Ranney	Jr.	President, CEO	Metropolis Strategies
<b>Appointed</b>	Carole L.	Brown		Managing Director	Barclay's Capital
<b>Appointed</b>	Patrick	Fitzgerald		Partner	Skadden, Arps, Slate, Meagher & Flom LLP and Affiliates
<b>Appointed</b>	Robert W.	Guy		Illinois State Legislative Director	United Transportation Union (UTU)
<b>Appointed</b>	Adrienne M.	Holloway		Assistant Professor of Political Science	DePaul University's School of Public Service
<b>Appointed</b>	Sylvia	Jenkins		President	Moraine Valley Community College
<b>Appointed</b>	Nick	Palmer		Chief of Staff	Office of Will County Executive Larry Walsh
<b>Appointed</b>	Tony	Paulauski		Executive Director	The Arc of Illinois
<b>Appointed</b>	Raul	Raymundo		Executive Director	Resurrection Project
<b>Appointed</b>	Robert G.	Reiter	Jr.	Secretary-Treasurer	Chicago Federation of Labor (CFL)
<b>Appointed</b>	Ashish	Sen		Board of Director Member	Chicago Transit Authority Board of Directors
<b>Appointed</b>	Don	Tantillo		Retired Teacher/Debate Coach	
<b>Appointed</b>	Kathryn	Tholin		CEO	Center for Neighborhood Technology
<b>Appointed</b>	Sonia	Walwyn		Vice President	Duff & Phelps, LLC

## Support Staff

IDOT will provide administrative support and subject matter experts to support the task force.

## Termination

The task force will terminate on January 31, 2014, upon completion of a final report providing comprehensive recommendations to the Governor and the General Assembly.

Approved:

**DRAFT**

**Ann L. Schneider** **Date**  
Co-Chair, NEIL Public Transit Task Force  
Illinois Transportation Secretary

**DRAFT**

**George Ranney Jr.** **Date**  
Co-Chair, NEIL Public Transit Task Force  
CEO, Metropolis Strategies

## Appendix E: Governance

- **Board Composition and Membership**
  
- **Organizational Charts**
  - RTA  
*([2013 Operating Budget, Two-Year Financial Plan and Five-Year Capital Program page 56](#))*
  
  - CTA  
*([Building a New CTA: President's 2013 Budget Recommendations](#))*
  
  - METRA  
*([Metra Organizational Chart 2012](#))*
  
  - PACE  
*([Pace Suburban Service Budget & regional ADA Paratransit Budget November 2012](#))*

## Appendix E: Governance

### RTA

Guiding the RTA's oversight responsibility is a Board of Directors who approves an annual budget and two-year financial plan. The Board consists of 15 members and a chairman appointed from the six-county region. Each board member is paid \$25,000 per year. The RTA Board is also required annually to review and approve a five-year capital plan, which is a blueprint of the capital activities to be funded by the RTA and executed by the CTA, Metra, and Pace.

Name	Affiliation	Term Expires	Member Since	Appointed By	Position	Represents
<b>John S. Gates, Jr.</b>	Portae Co	6/30/14	Aug. 2010	Elected by Board	Chair	All areas (Chicago)
<b>James Buchanan</b>	Pipe Fitters Local Union 597	6/30/17*	Sept. 2007	Mayor of Chicago	Director	Chicago
<b>Anthony K. Anderson</b>	Ernst & Young LLP-Retired	5/14/18*	Sept. 2012	Mayor of Chicago	Director	Chicago
<b>William R. Coulson</b>	University of Chicago	6/30/16*	Dec. 2006	Cook County Board	Director	Suburban Cook
<b>Patrick J. Durante</b>	Dedicated Systems	6/30/14	1999	DuPage County Board Chairman	Director	DuPage County
<b>Nabi R. Fakroddin</b>	Former KDOT Director	3/31/18*	April of 2013	Kane County Board Chairman	Director	Suburban Kane County
<b>John V. Frega</b>	Frega	6/30/16*	May of 2011	Cook County Board	Director	Suburban Cook
<b>Phil Fuentes</b>	McDonalds Corp.	7/1/17*	May of 2008	Mayor of Chicago	Director	Chicago
<b>Al Jourdan</b>	McHenry County Auditor	3/31/18*	April of 2008	McHenry County Board Chairman	Director	McHenry County
<b>Dwight A. Magalis</b>	Magalis & Associates	6/30/14	1999	Lake County Board Chairman	Director	Lake County
<b>Christopher C. Melvin</b>	Melvin & Company	6/30/18*	Sept. 2012	Mayor of Chicago	Director	Chicago
<b>Sarah Pang</b>	CNACorp.	7/1/2017	Feb. 2013	Mayor of Chicago	Director	Chicago
<b>J.D. Ross</b>	Will-Grundy Medical Clinic	3/31/18*	April of 2008	Will County Board Chairman	Director	Will County
<b>Donald L. Totten</b>	Former Legislator	6/30/14	2010	Cook County Board	Director	Suburban Cook
<b>Douglas M. Troiani</b>	3M Corporation	6/30/14	1995	Cook County Board	Director	Suburban Cook

*Note: The Chairman of the Board, its 16th member, is elected by at least 11 of the 15 appointed members, with at least 2 affirmative votes from directors who reside in the city of Chicago, at least 2 affirmative votes from directors who reside in Cook County outside of the City of Chicago, and at least 2 affirmative votes from among the directors who reside in the Counties of DuPage, Lake, Will, Kane or McHenry. Terms are five years.*

*Source: <http://www.rtachicago.com/about-the-rt-a/board-of-directors.html>, <http://blog.cookcountygov.com/appointments/regional-transportation-authority/>, Various RTA & City of Chicago Press Releases*

*\*Believed term dates based on information found at links above; unverified at this time.*

## Service Boards

CTA, Metra and Pace are each led by a Board of Directors which determines levels of service, fares and operational policies. The CTA is governed by the Chicago Transit Board whose seven members are appointed by the Mayor of Chicago and the governor. CTA Board members are paid \$20,000 per year, while the Chair is paid \$50,000 per year. Metra's Board consists of 11 members appointed by the region's county boards and the Mayor of Chicago. Metra's Board members are paid \$15,000 per year with the Chair being compensated \$25,000 per year. Pace is governed by a 12-member Board made up of current and former suburban village presidents and mayors. Pace board members are paid \$10,000 per year with the Chair getting \$15,000 per year.

### CTA

Name	Affiliation	Term Expires	Member Since	Appointed By	Position	Represents
<b>Terry Peterson</b>	Rush University Medical Center	9/1/2013	10/07/2009	Mayor of Chicago	Chair	Chicago
<b>Jacqueline D. Grimshaw</b>	Center for Neighborhood Technology in Chicago	9/1/2014	8/20/2009	Governor	Member	Chicago
<b>Kevin Irvine</b>	Advisor to the Chicago Transit Authority Infrastructure Accessibility Task Force	9/1/2014	12/14/2011	Mayor of Chicago	Member	Chicago
<b>Rev. Charles Robinson</b>	Holy Starlight Missionary Baptist Church	9/1/2014	9/1/2008	Mayor of Chicago	Member	Chicago
<b>Ashish Sen</b>	Indo-American Democratic Organization	9/1/2016	3/15/2012	Governor	Member	Chicago
<b>Alejandro Silva</b>	Evans Foods Group, Ltd.	9/1/2015	9/1/2001	Mayor of Chicago	Member	Chicago
<b>Frank Zuccarelli</b>	Thornton Township	9/1/2018	6/7/2013	Governor	Member	Chicago

Note: Term is for 7 years, beginning Sept. 1 of varied years and until successor is appointed and qualified.

Source: <http://appointments.illinois.gov/appointmentsDetail.cfm?id=35>; Affiliation information unknown source

### Metra

Name	Affiliation	Term Expires	Member Since	Appointed By	Position	Represents
<b>John E. Partelow</b>	Dunn and Bradstreet-Retired	6/30/17*	July of 2009	Will County Ex.	Acting Chairman	Will County
<b>Norman Carlson</b>		3/31/16*	April of 2013	Lake County Board Chairman	Director	Lake County
<b>Don A De Graff</b>	Village of South Holland/ MB Financial Bank	6/30/15*	2011	South Suburban Members of Cook County Board	Director	Suburban Cook County
<b>Arlene J. Mulder</b>	Arlington Heights Mayor	6/30/14	2005	South Suburban Members of Cook County Board	Secretary	Suburban Cook County
<b>Jack Schaffer</b>	Liberty Outdoor Advertising and Liberty Self Storage	6/30/14	2006	McHenry County	Treasurer	McHenry County
<b>William A. Widmer, III</b>	Carmell Charone & Widmer	3/31/16*	2008	South Suburban Members of Cook County Board	Director	Suburban Cook County

Note: Terms are four years.

Source: [http://metrarail.com/content/metra/en/home/about\\_metra/leadership.html](http://metrarail.com/content/metra/en/home/about_metra/leadership.html), <http://blog.cookcountygov.com/appointments/metra/>  
\*Believed term date due to information found on sites shown above; unverified at this time.

## PACE

Name	Affiliation	Term Expires	Member Since	Appointed By	Position	Represents
<b>Richard A. Kwasneski</b>	Village of Lemont	6/30/2014	2010	All County Board Chairmen	Chairman	NE Illinois
<b>Kyle R. Hastings</b>	Village of Orland Hills	6/30/2013	2009	Cook County Board of Commissioners	Director	Southwest Suburban Cook County
<b>Al Larson</b>	Village of Schaumburg	6/30/2013	2009	Cook County Board of Commissioners	Director	Northwest Suburban Cook County
<b>Thomas D. Marcucci</b>	City of Elmhurst	6/30/2014	2009	DuPage County	Director	DuPage County
<b>Frank C. Mitchell</b>	City of Lockport	6/30/2014	2009	Will County	Director	Will County
<b>Bradley Stephens</b>	Village of Rosemont	6/30/2017	2013	Cook County Board of Commissioners	Director	North Central Suburban Cook County
<b>Alan P. Nowaczyk</b>	Village of Willow Springs	6/30/2013	2009	Cook County Board of Commissioners	Director	Central Suburban Cook County
<b>Jeffery D. Schielke</b>	City of Batavia	6/30/2014	2010	Kane County	Director	Kane County
<b>Aaron T. Shepley</b>	City of Crystal Lake	6/30/2014	2010	McHenry County	Director	McHenry County
<b>Christopher S. Canning</b>	Village of Wilmette	6/30/2017	2013	Cook County Board of Commissioners	Director	North Shore Suburban Cook County
<b>Karen Tamley</b>	Mayor's Office for People with Disabilities	As appointed	Appointed in 2011	Mayor of Chicago	Commissioner	City of Chicago
<b>Terry R. Wells</b>	Village of Phoenix	6/30/2013	2009	Cook County Board of Commissioners	Director	South Suburban Cook County
<b>Richard Welton</b>	Village of Gurnee	6/30/2014	2009	Lake County	Director	Lake County

Note: Chairman is appointed by a majority of the chairmen of the DuPage, Kane, Lake, McHenry and Will County Boards and the suburban members of the Cook County Board of Commissioners. Terms are 4 years.

Source: [http://www.pacebus.com/sub/about/board\\_of\\_directors.asp](http://www.pacebus.com/sub/about/board_of_directors.asp), Member since unknown.

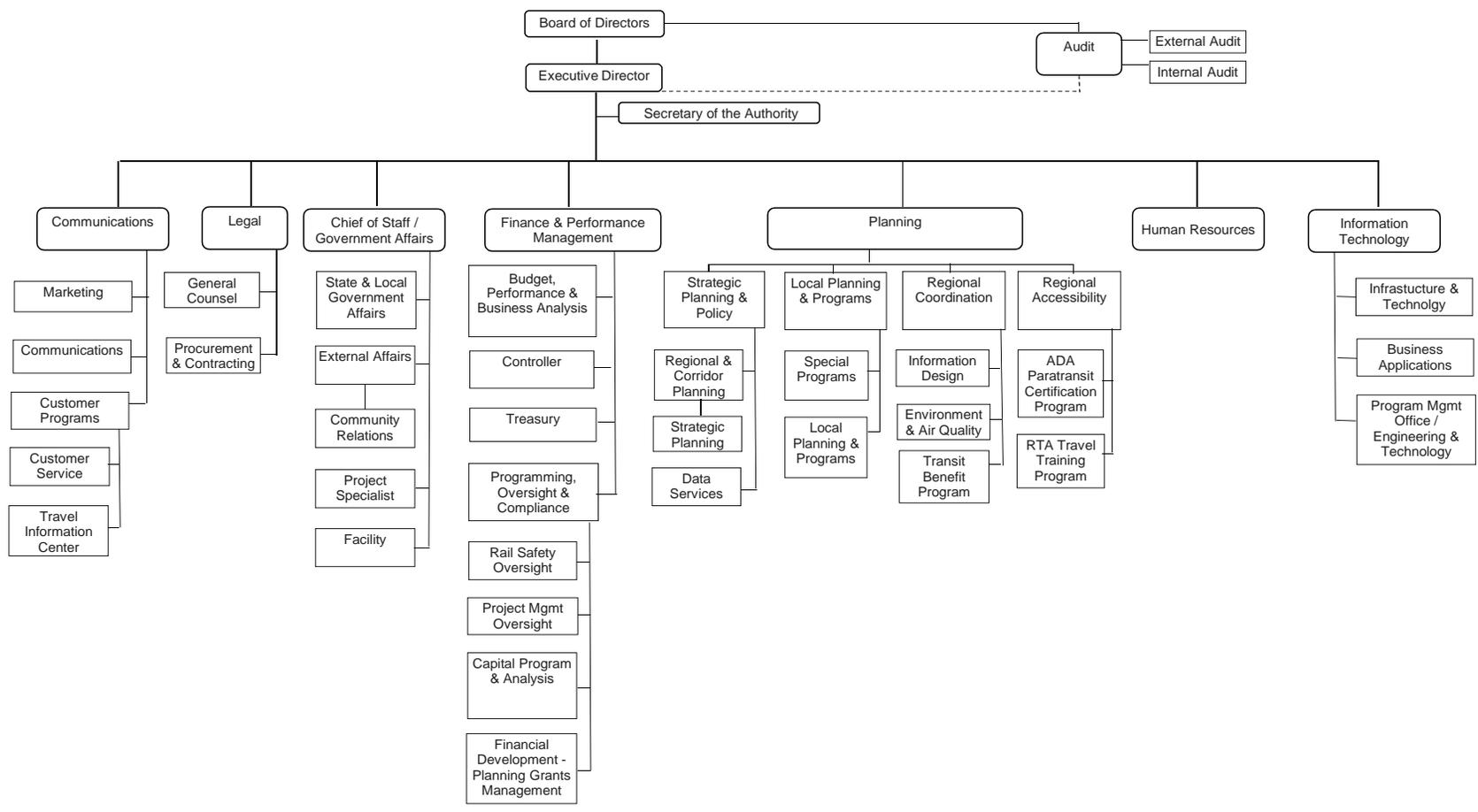
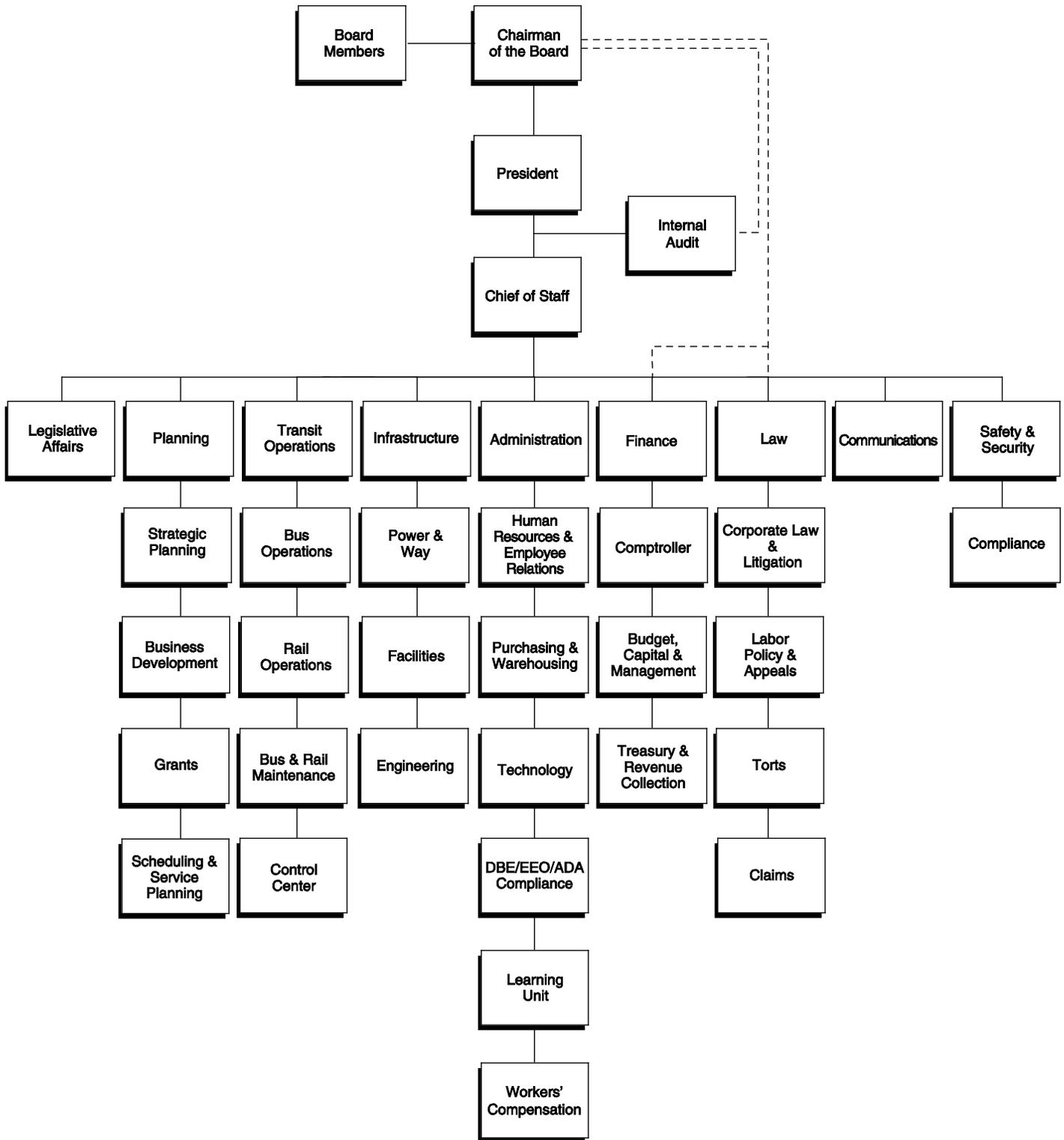
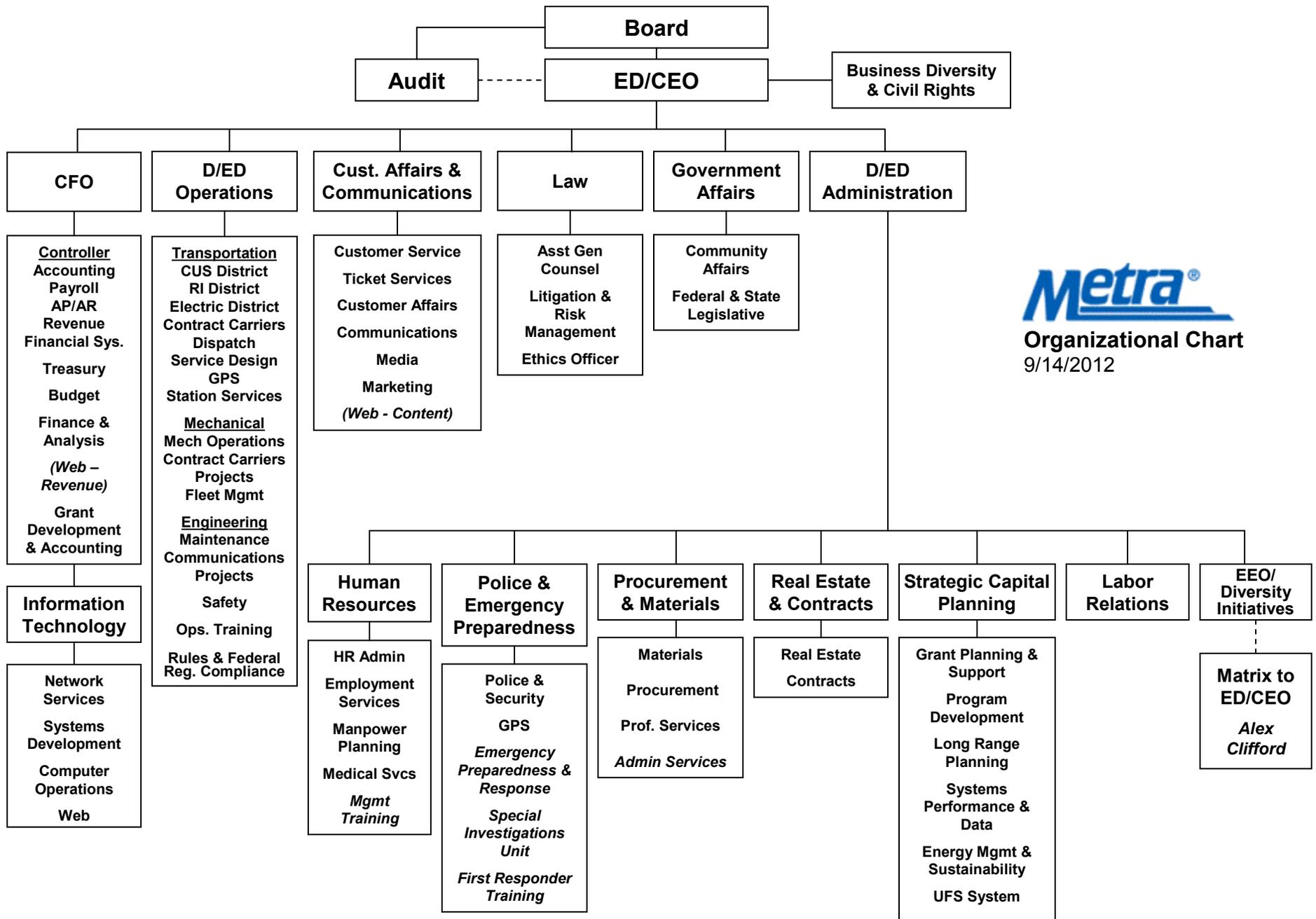


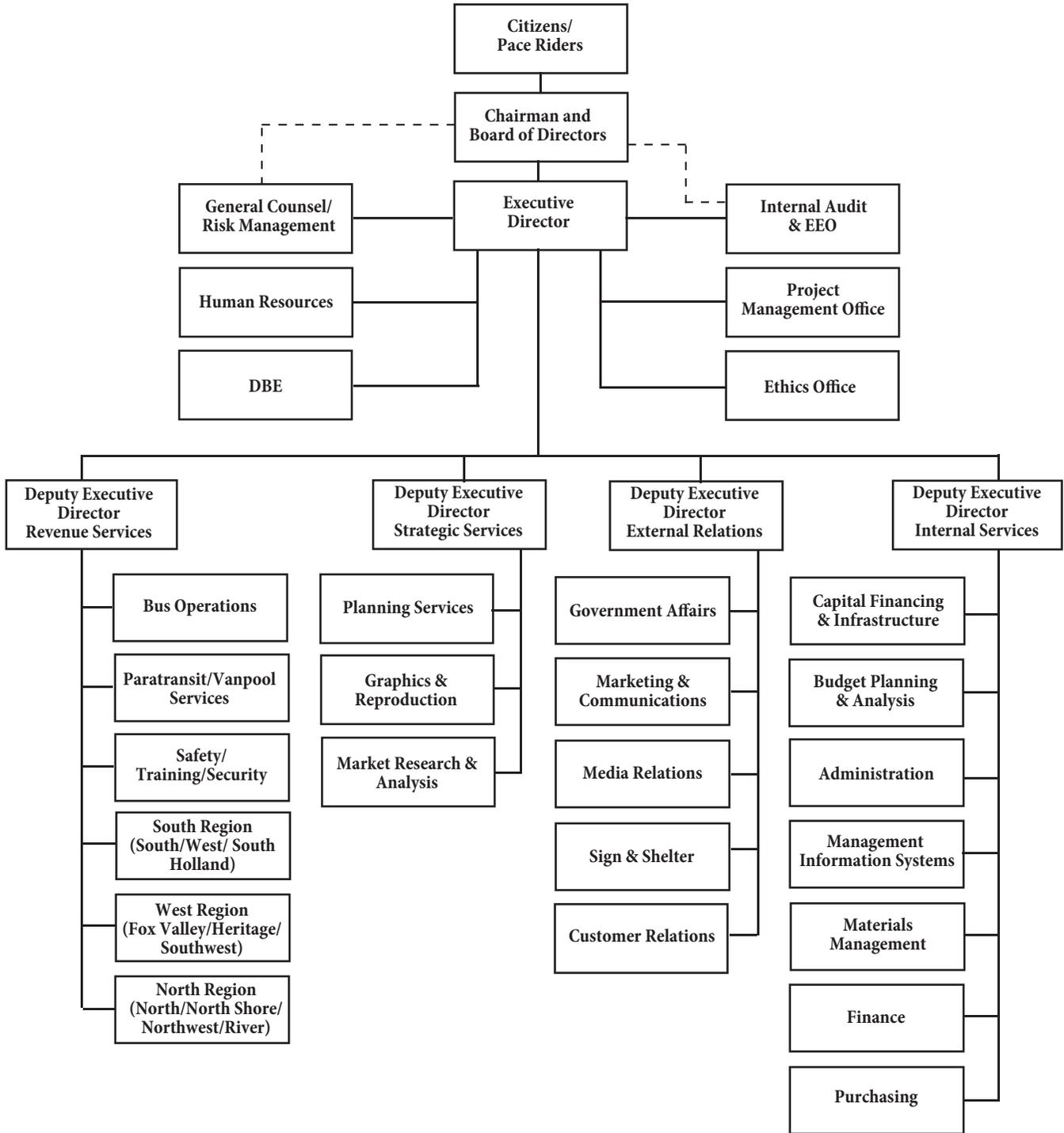
Exhibit 3-22: RTA Organizational Chart





**Metra®**  
**Organizational Chart**  
 9/14/2012

**Pace Organizational Chart**



## **Appendix F: Finance**

- **Overview**
- **PowerPoint Presentation: Sources of State Financial Support**
- **PowerPoint Presentation: Sales Tax**
- **State of Good Repair (chart)**  
[\(RTA 2012 Capital Asset Condition Assessment page 8\)](#)

## Appendix F: Finance

### Operational Funding

#### Regional Statement of Revenues and Expenses (dollars in thousands)

	2011 Actual	2012 Estimate	2013 Budget	2014 Plan	2015 Plan
<b>Service Board Revenues (1)</b>					
CTA	612,317	637,769	700,037	729,599	746,907
Metra	303,300	360,638	371,938	392,838	412,538
Pace	55,221	56,886	59,165	60,396	61,687
ADA Paratransit	13,762	11,576	12,495	13,068	13,670
<b>Total Operating Revenues</b>	<b>\$984,600</b>	<b>\$1,066,869</b>	<b>\$1,143,635</b>	<b>\$1,195,901</b>	<b>\$1,234,802</b>
<b>Public Funding (1)</b>					
RTA Sales Tax	975,671	1,008,471	1,036,627	1,069,799	1,107,242
Public Transportation Fund (PTF)	305,395	313,191	321,848	332,250	343,813
Real Estate Transfer Tax (RETT)	34,734	35,500	36,200	37,700	38,800
Local Contributions (2)	-	5,000	5,000	5,000	5,000
State Financial Assistance (ASA/AFA)	130,088	130,071	130,167	130,283	130,283
Other State Funding	101,700	8,500	8,500	8,500	8,500
Federal Funds	98,597	2,599	6,262	8,187	8,432
RTA Regional Capital Project Reserves (3)	-	5,144	22,921	921	921
Other RTA Revenue (4)	23,550	26,502	23,376	23,618	23,974
<b>Total Public Funding</b>	<b>\$1,669,735</b>	<b>\$1,534,977</b>	<b>\$1,590,902</b>	<b>\$1,616,258</b>	<b>\$1,666,965</b>
ADA Paratransit Service Budget	-	-	-	\$3,803	\$8,399
Balancing Actions (5)					
<b>Total Revenues</b>	<b>\$2,654,335</b>	<b>\$2,601,847</b>	<b>\$2,734,537</b>	<b>\$2,815,962</b>	<b>\$2,910,167</b>
<b>Service Board Expenses</b>					
CTA	1,292,334	1,273,698	1,358,081	1,401,247	1,439,870
Metra	644,300	684,800	713,500	740,000	770,000
Pace	179,690	192,701	207,761	215,756	223,196
ADA Paratransit	128,109	137,516	148,762	159,952	172,303
<b>Total Service Board Expenses</b>	<b>\$2,244,433</b>	<b>\$2,288,715</b>	<b>\$2,428,104</b>	<b>\$2,516,955</b>	<b>\$2,605,369</b>
<b>Region/Agency Expenses</b>					
Principal & Interest	217,241	224,000	220,000	220,000	220,000
RTA Agency Expense and Regional Programs	36,224	43,624	41,690	43,024	44,530
Transfer Capital/Agency Regional Capital Program	10,200	15,690	22,000	4,319	4,243
Grant Incentive Program	-	2,162	1,615	1,787	1,763
ICE and JSIF	8,761	15,264	15,550	15,888	16,269
<b>Total Region/Agency Expenses</b>	<b>\$272,427</b>	<b>\$300,740</b>	<b>\$300,855</b>	<b>\$285,017</b>	<b>\$286,804</b>
<b>Total Expenses</b>	<b>\$2,516,859</b>	<b>\$2,589,455</b>	<b>\$2,728,959</b>	<b>\$2,801,972</b>	<b>\$2,892,173</b>
<b>Total Revenues less Total Expenses</b>	<b>\$137,476</b>	<b>\$12,392</b>	<b>\$5,578</b>	<b>\$13,990</b>	<b>\$17,993</b>

(1)Service Board Revenue includes State Reduced Fare Reimbursement. Public Funding excludes State Reduced Fare Reimbursement. (2) Beginning in 2012, statutorily required local contributions from the City of Chicago and Cook County will be reclassified from Operating Revenue to Public Funding. (3) Funds for Service board or RTA Regional Capital Projects available from funds related to legal settlements from debt service deposit agreements, reprogrammed funds from completed RTA-funded projects, and 2011 RTA discretionary positive budget variance that has been designated for capital use by the RTA Board. (4) Adjusted in 2012 to reflect the total of the Service Board estimates of annual Reduced Fare Reimbursement which was \$262 thousand less than the RTA 2012 estimate. Other RTA Revenue includes income from financial transactions and investments, sales tax interest, and revenues from RTA programs and projects. (5) Additional revenue and/or funding needed to cover projected ADA paratransit expenses.

Source: [2013 RTA Operating Budget, 2 Year Financial Plan & 5 Year Capital Program](#)

## State Support

RTA receives state support in a variety of ways. Support for the SCIP I and SCIP II bond debt service comes in the form of monthly transfers from the State's General Revenue Fund to the Public Transportation Fund (PTF). The amounts transferred are then paid to the RTA by the Department of Transportation from separate appropriations from the PTF. In addition, provided the Service Boards maintain at least 50 percent farebox recovery of operating expenses, the State also provides an operating subsidy equal to 30 percent of the amount of RTA-imposed sales tax collected plus 30 percent of the amount of the Real Estate Transfer Tax paid to the CTA by the City of Chicago. This additional subsidy is also funded by monthly transfers from the General Revenue Fund to the Public Transportation Fund and paid by the Department of Transportation pursuant to annual appropriation.

In addition to the payments from the PTF, the RTA also receives additional resources from separate appropriations. One appropriation is a subsidy payment based on the reported revenue lost due to the federal requirement that the Service Boards provide reduced fares for students, senior citizens, and the disabled. The money paid by the State is then pro-rated back to the Service Boards based on their reported losses. For the last several years, this payment has been roughly \$34 million annually, prior to FY2012; this payment has come from the General Revenue Fund. For the last two fiscal years, the payment has been split between appropriations from the General Revenue Fund and the Road Fund. In FY2014, only the Road Fund portion of the subsidy payment was enacted.

Prior to the 2008 Transit Reform legislation (PA 95-0708), ADA services via a separate GRF appropriation to the Department of Transportation (\$54,251,555 in FY2008). Starting in FY2009, a portion of the money from the sales tax increase that was authorized under that legislation was to be set aside in a newly-created ADA/Paratransit Fund to be held by the RTA and the GRF appropriation was eliminated. However, in the fall of 2009, the State entered into a Memorandum of Understanding with the RTA to provide a two-year grant of \$8.5 million annually for Pace Paratransit services, payable from a GRF appropriation to the Department. This payment has now been extended beyond FY2011, and like the Reduced Fare Subsidy payment, was split funded between the Road Fund and the General Revenue Fund in FY2012-13, and is currently also split in FY2014.

## Sales Tax Proceeds

The percentages of sales tax contributions over the last five years have been relatively constant. In round numbers: Chicago 29 percent, Suburban Cook 45 percent, DuPage 9 percent, Kane 3 percent, Lake 5 percent, McHenry 2 percent, Will 4 percent. The remaining 3 percent of RTA tax funding is from the RTA's share of state-collected local use revenue which is transferred to the RTA Occupation and Use Tax Replacement Fund on a monthly basis.

## Capital Funding

### RTA-issued Bonds

Section 4.04(g) of the RTA Act authorizes the RTA to issue up to \$1.8 billion in Strategic Capital Improvement Bonds (SCIP) in two series (SCIP I and SCIP II) plus an unlimited amount of refunding bonds for those series, for which the State will provide additional resources via the Public Transportation Fund to reimburse the RTA for the debt service expense. The same section also authorizes the RTA to issue and have outstanding no more than \$800 million in its own bonded indebtedness plus up to \$400 million in short-term working capital bonds. At the end of calendar year 2012, the RTA had total bond principal outstanding (excluding working capital notes) of just under \$2,127 million, of which \$1,158 million was for original issue SCIP bonds, \$271 million in SCIP refunding bonds, and \$698 million in RTA general obligation bonds. There was also \$300 million in working capital notes outstanding (due to mature in CY2014). These bonds may contain restrictions and or covenants on the RTA that may need to be analyzed in connection with any recommended course of action.

## State Capital Funding

### Illinois Jobs Now! (IJN) (in millions)

CTA	\$900
Metra	\$810
Pace	\$90
<b>RTA Total</b>	<b>\$1,800</b>

## Federal Capital Funding

IDOT has applied federal “toll credits”, or now known as Transportation Development Credits (TDC’s), that are used to offset the non-federal share of transportation transit or highway projects. Toll credits have been used by the RTA (as well as the service boards) as their non-federal match for federal transit funds.

To date, \$651.8 million in toll credits have been applied to offset the non-federal match requirement for \$3.2 billion in statewide transit projects since they were first authorized in 2005. Of the \$651.8 million, \$621.9 million, or 95 percent was applied to the benefit of the CTA, Metra, & Pace transit boards.

### Total Transportation Development (TDC) Credits Usage

Entity	Credits Used (in millions)	%	Total Federal Funds (in millions)
CTA	\$385.9	59	\$1,909
Metra	\$180.8	28	\$880.6
Pace	\$55.2	8	\$275.7
Others	\$29.9	5	\$134.7
<b>Total</b>	<b>\$651.8</b>	<b>100</b>	<b>\$3,200</b>

Since January, 2009, when Governor Quinn took office, \$421.2 million in toll credits was used as the non-federal match for \$2.1 **billion** in transit projects. The breakdown is similar to that of the entire program in that

\$403.6 million, or 96 percent, was applied for the benefit of the \$2.0 **billion** in CTA, Metra, and Pace transit projects under the Governor’s tenure as well.

### TDC Usage Since 2009

Entity	Credits Used (in millions)	%	Total Federal Funds (in millions)
CTA	\$264	63	\$1,325.6
Metra	\$99.2	24	\$496.3
Pace	\$40.4	9	\$202.4
Others	\$17.6	4	\$85.7
<b>Total</b>	<b>\$421.2</b>	<b>100</b>	<b>\$2,110</b>

TDC Source: IDOT

# Regional Transportation Authority (RTA)

## Sources of State Financial Support

### State Sources

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- The RTA receives financial assistance from the State in a variety of ways:
  - Matching Funds
  - Debt Service support
  - Reduced Fare Subsidy
  - Pace ADA/Paratransit Grant

## Matching Funds

- Under the Section 4.09 of the RTA Act (70 ILCS 3615/4.09), the State provides matching funds equal to 30% of:
  - The amount sales tax revenue paid to the RTA
    - RTA-imposed sales taxes in the service region
    - Payments from the RTA Occupation and Use Tax Replacement Fund, and
    - RTA's share (10%) of payments from the State and Local Sales Tax Reform Fund (Local Use Tax)
  - Plus, the amount of Real Estate Transfer Tax revenue paid to the CTA by the City of Chicago

## Debt Service Support

- Also under State law, the RTA has been authorized to issue up to \$1.8 billion in Strategic Capital Improvement (SCIP) bonds in two series (SCIP I and SCIP II)
- As part of that authorization, the State has agreed to provide debt service support up to the lesser of a statutorily-specified maximum or the actual debt service on the bonds

## Reduced Fare Subsidy

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- In order to qualify for federal capital funds, the RTA (and the Service Boards) must provide reduced fare service to students, seniors, and the disabled
- In return, the State has provided an annual payment to help offset some of the cost
  - Service Boards report their lost revenue
  - State subsidy payment split pro-rata on that basis

## ADA/Paratransit Grant

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- Public Act 95-0708 set aside a significant portion of the increase in RTA sales tax revenue to create a new ADA/Paratransit Fund
  - Prior to then, the State had appropriated an annual grant to help cover some of the expenses
  - With the new fund, the previous State grant was eliminated
  - In 2009, however, a new \$8.5 million annual grant was initiated, and has continued at that level ever since

## Public Transportation Fund

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- The Public Transportation Fund (PTF) is a Special State Fund (# 0627) which receives three sets of monthly transfers
  - 30% Matching Funds
  - SCIP I Bond debt service support
  - SCIP II Bond debt service support
- All three of these transfers come from the General Revenue Fund (GRF)
  - Payments from the PTF have been subject to prolonged delays due to the GRF's on-going cash flow problems

## IDOT's PTF Appropriations

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- For each set of transfers, IDOT has a corresponding appropriation from PTF for payment to the RTA
- Under Section 4.09 of the RTA Act, 100% of the money transferred to the PTF must be paid to the RTA
  - Backed by continuing appropriation

## Reduced Fare Appropriation

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- Up until FY2012, the Reduced Fare Subsidy payment was appropriated solely from the GRF
- Starting in FY2012, the appropriation was split between GRF and the Road Fund
  - In FY2014, only the Road Fund portion of the appropriation was approved by the General Assembly

## \$8.5M ADA/Paratransit Grant

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- Like the Reduced Fare Subsidy, the recent \$8.5 million ADA/Paratransit grant started out as a GRF appropriation
- In FY2012, the appropriation was split between GRF and the Road Fund
  - That split has been maintained into FY2014

# RTA Sales Tax

## Rates and Distributions

### Current RTA Sales Tax Rates

- The current RTA sales tax rate is 1.25% in Cook County and 0.75%\* in the Collar Counties;
  - The Cook County rate consists of:
    - 1.25% on Food and Drugs
    - 1.00% on all other items plus the 0.25% Cook County share of the 6.25% State Sales tax rate
  - The Collar County rate consists of:
    - 0.50% that is paid to the RTA
- The RTA also receives 10% of the money that is collected in State Use Tax revenue for items purchased outside of Illinois which are not titled in the State (State and Local Sales Tax Reform Fund)

\* 0.25% that is paid directly to the Collar Counties and is not in use by the RTA

## Sales Tax Rates

Category	Pre PA95-0708	PA 95-0708	Total Rate
Food & Drugs, Cook County	1.00%	0.25%	1.25%
All Other Items, Cook County	0.75%	0.25%	1.00%
¼ % Cook County (a)	0.25%	No Change	0.25%
All Items, Collar Counties (b)	0.25%	0.25%	0.50%
Local Use Tax (c)	-	No Change	-

(a)—Cook County's 0.25% share of the 6.25% State Sales Tax; allocated to RTA Occupation and Use Tax Replacement Fund

(b)—PA 95-0708 increased the sales tax rate in the Collar Counties to 0.75%; one-half of the increase is retained by the Collar Counties (0.25%); the other half accrues to the RTA

(c)—Local Use Tax is money deposited into the State and Local Sales Tax Reform Fund; RTA share is 10%

## Distribution Formulas

- The distribution of RTA sales tax revenue is governed by Section 4.03.3 of the RTA Act;
- That Section contains the following three sub-sections:
  - (a)—Distributes revenue from the sales tax rates that were in place prior to PA 95-0708
  - (b)—Distributes revenue that is allocated to the RTA from the State and Local Sales Tax Reform Fund
  - (c)—Distributes the new revenue that comes to the RTA as a result of the increase in sales tax rates authorized in PA 95-0708

## RTA Sales Tax Distributions

(based on FY2009 projection of FY2010 activity)

Distributed to	% of Total*	Per \$1.0B*
RTA	10%	\$100M
CTA	37%	\$370M
Metra	31%	\$310M
Pace	10%	\$100M
sub-total	89%	\$890M
<b>Set Aside Programs</b>		
ADA/Paratransit Fund	8%	\$80M
Community Mobility Fund	2%	\$20M
Innovation, Coordination, & Enhancement Fund	1%	\$10M
<b>Total Sales Tax Distributions*</b>	<b>100%</b>	<b>\$1,000M</b>

\*--NOT FORMULA %'s; approximate distributions for illustration purposes

## 1. EXECUTIVE SUMMARY

### 1.1 Background

This report is the first annual update of the Regional Transportation Authority Capital Asset Condition Assessment (Baseline Assessment) published in 2010. As with the original Baseline Report, this report provides an assessment of the current physical conditions and 10-year capital reinvestment needs of the transit capital assets owned and operated by RTA and its three Service Boards, CTA, Metra and Pace. Specifically, it reflects the condition and reinvestment needs of the region's transit assets as of December 31, 2011.

This report and the underlying analyses introduce several refinements as compared to the original Baseline Report. First, the process used to assess regional asset conditions has been more closely aligned to that used by the Federal Transit Administration (FTA) and other industry peers. Second, a new analysis tool - Capital Decision Prioritization Support Tool (Decision Tool) - was developed and used for this report. This tool provides the RTA and the Service Boards with an improved ability to both assess the region's capital reinvestment needs and then prioritize those needs subject to the region's long-term strategic objectives.

The main report findings include:

- State-of-Good-Repair (SGR) backlog for the region is \$18.7 billion
- 10-Year capital need for normal capital reinvestment is \$12.4 billion

### 1.2 SGR Backlog and 10-Year Needs

As of December 2011, the region's total capital reinvestment needs over 10 years are estimated to be roughly \$31.1 billion (Figure 1-1). This includes \$18.7 billion to address the existing investment backlog (60 percent of total needs) and an additional \$12.4 billion to address normal reinvestment needs expected over the next ten years (2012 to 2021). Normal reinvestment includes normal asset replacement, rehabilitation, and expenditures on minor capital repairs grouped under "annual capital maintenance" (ACM). As considered in more detail later in the report, a significant proportion of the region's reinvestment needs (the backlog in particular) are associated with the region's older rail assets and insufficient capital reinvestment over time. The complete Capital Needs Assessment is presented in Chapter 7.

**Figure 1-1. Backlog and 10-Year Normal Reinvestment Needs Summary (Millions of 2011\$)**

Service Board	SGR Backlog	Normal Reinvestment (2012-2021)			Total	% of Total
		Replace	Rehab	Capital Maint.		
CTA	\$11,704	\$4,494	\$2,419	\$535	<b>\$19,151</b>	61.7%
Metra	\$6,551	\$2,235	\$612	\$263	<b>\$9,661</b>	31.1%
PACE	\$432	\$1,216	\$440	\$151	<b>\$2,239</b>	7.2%
<b>Total</b>	<b>\$18,687</b>	<b>\$7,945</b>	<b>\$3,470</b>	<b>\$949</b>	<b>\$31,051</b>	100.0%
<b>% of Total</b>	60.2%	25.6%	11.2%	3.1%	100.0%	

## Reference Document

- **RTA Act (70 ILCS 3615/)**

Source: ([Illinois General Assembly](#))

- SUBURBAN BUS DIVISION
- COMMUTER RAIL DIVISION

- **Metropolitan Transit Authority Act. (70 ILCS 3605/)**

Source: ([Illinois General Assembly](#))



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### SPECIAL DISTRICTS

#### (70 ILCS 3615/) Regional Transportation Authority Act.

(70 ILCS 3615/Art. I heading)  
ARTICLE I. PURPOSES AND CREATION.

(70 ILCS 3615/1.01) (from Ch. 111 2/3, par. 701.01)  
Sec. 1.01. Short Title.  
This Act shall be known and may be cited as the "Regional Transportation Authority Act".  
(Source: P.A. 78-3rd S.S.-5.)

(70 ILCS 3615/1.02) (from Ch. 111 2/3, par. 701.02)  
Sec. 1.02. Findings and Purpose.

- (a) The General Assembly finds;
  - (i) Public transportation is, as provided in Section 7 of Article XIII of the Illinois Constitution, an essential public purpose for which public funds may be expended and that Section authorizes the State to provide financial assistance to units of local government for distribution to providers of public transportation. There is an urgent need to reform and continue a unit of local government to assure the proper management of public transportation and to receive and distribute State or federal operating assistance and to raise and distribute revenues for local operating assistance. System generated revenues are not adequate for such service and a public need exists to provide for, aid and assist public transportation in the northeastern area of the State, consisting of Cook, DuPage, Kane, Lake, McHenry and Will Counties.
  - (ii) Comprehensive and coordinated regional public transportation is essential to the public health, safety and welfare. It is essential to economic well-being, maintenance of full employment, conservation of sources of energy and land for open space and reduction of traffic congestion and for providing and maintaining a healthful environment for the benefit of present and future generations in the metropolitan region. Public transportation improves the mobility of the public and improves access to jobs, commercial facilities, schools and cultural attractions. Public transportation decreases air pollution and other environmental hazards resulting from excessive use of automobiles and allows for more efficient

land use and planning.

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

(iv) Additional commitments to the public transportation needs of the disabled, the economically disadvantaged, and the elderly are necessary.

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

(b) The General Assembly further finds, in connection with this amendatory Act of 1983:

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

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

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

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

(i) The economic vitality of northeastern Illinois requires regionwide and systemwide efforts to increase ridership on the transit systems, constrain road congestion within the metropolitan region, and allocate resources for transportation so as to assist in the development of an adequate, efficient, and coordinated regional transportation system that is in a state of good repair.

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

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

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/1.03) (from Ch. 111 2/3, par. 701.03)

Sec. 1.03. Definitions. As used in this Act:

"Authority" means the Regional Transportation Authority;

"Board" means the Board of Directors of the Regional Transportation Authority;

"Construct or acquire" means plan, design, construct, reconstruct, improve, modify, extend, landscape, expand or acquire;

"Metropolitan Region" means all territory included within the territory

of the Authority as provided in this Act, and such territory as may be annexed to the Authority;

"Municipality", "County" and "Unit of Local Government" have the meanings given to such terms in Section 1 of Article VII of the Illinois Constitution;

"Operate" means operate, maintain, administer, repair, promote and any other acts necessary or proper with regard to such matters;

"Public Transportation" means the transportation or conveyance of persons within the metropolitan region by means available to the general public, including groups of the general public with special needs, except for transportation by automobiles not used for conveyance of the general public as passengers;

"Public Transportation Facilities" means all equipment or property, real or personal, or rights therein, useful or necessary for providing, maintaining or administering public transportation within the metropolitan region or otherwise useful for carrying out or meeting the purposes or powers of the Authority, except it shall not include roads, streets, highways or bridges or toll highways or toll bridges for general public use; and

"Service Boards" means the Board of the Commuter Rail Division of the Authority, the Board of the Suburban Bus Division of the Authority and the Board of the Chicago Transit Authority established pursuant to the "Metropolitan Transit Authority Act", approved April 12, 1945, as now or hereafter amended.

"Transportation Agency" means any individual, firm, partnership, corporation, association, body politic, municipal corporation, public authority, unit of local government or other person, other than the Authority and the Service Boards, which provides public transportation, any local mass transit district created pursuant to the "Local Mass Transit District Act", as now or hereafter amended, and any urban transportation district created pursuant to the "Urban Transportation District Act", as now or hereafter amended, which districts are located in whole or in part within the metropolitan region.  
(Source: P.A. 83-885; 83-886.)

(70 ILCS 3615/1.04) (from Ch. 111 2/3, par. 701.04)

Sec. 1.04. Establishment of Authority.

A regional transportation authority shall be established upon a favorable vote at the referendum held as provided in Section 1.05 of this Act. Upon its establishment the Authority shall be a unit of local government, body politic, political subdivision and municipal corporation.  
(Source: P.A. 78-3rd S.S.-5.)

(70 ILCS 3615/1.05) (from Ch. 111 2/3, par. 701.05)

Sec. 1.05. Referendum on Establishment. A special referendum election shall be held at which there shall be submitted to the electors in the metropolitan region the proposition to approve creation of the Authority, which proposition shall be in substantially the following form:

Shall a Regional Transportation Authority be created for Cook, DuPage, Kane, Lake, McHenry and Will Counties, Illinois?

The special referendum election shall be conducted by the County Clerks and Boards of Election Commissioners in the metropolitan region pursuant to the provisions of "The Election Code", approved May 11, 1943, as amended, except as is specifically provided otherwise in this Section. The special referendum election shall be held at the same time and with the same judges, polling places and precincts as for the regular primary elections to be held on March 19, 1974, in the metropolitan region.

The proposition shall be submitted to the electors on a separate paper ballot to be printed on blue paper. The State Board of Elections shall prepare and certify the form of ballot to the County Clerks and Boards of Election Commissioners in the metropolitan region.

Notice of the referendum election shall be given by the State Board of Elections. In addition, such notice may be given by the County Clerks and Boards of Election Commissioners. Each notice of the special election shall set forth the proposition to be voted upon, the date of the election and the time the polling places will be open and shall state that the polling places and precincts for such election shall be the same as for the primary elections held on such date. The notice given by the State Board of Elections shall be published in one or more daily newspapers of general circulation in the metropolitan region at least once not less than 20 days prior to the election. Notice of the special referendum election need not set forth the precincts or polling places in detail. Notices given by County Clerks or Boards of Election Commissioners shall be in the form prescribed by the State Board of Elections.

The votes shall be canvassed and returned in the manner provided for public measures submitted to the electors of the entire State, including the provisions for tally sheets, certificates of results, canvassing and

abstracts of votes. Only those ballots properly marked yes or no shall be counted in the referendum. Each municipal Board of Election Commissioners shall make its return to the County Clerk of the County in which it is located; the County Clerks and any County Board of Election Commissioners shall each make returns covering their entire county to the State Board of Elections. Each County Clerk and Board of Election Commissioners shall prepare and certify an abstract of votes cast on the proposition in the precincts within its election jurisdiction. The County Clerks and any county Board of Election Commissioners shall transmit the certified abstracts to the State Board of Elections with its return within 10 days of the referendum. To meet this deadline, the County Clerks and Boards of Election Commissioners shall canvass the votes cast in the special referendum election prior to canvassing the votes cast for any office in the regular primary election, and may certify the results of and make returns on the special referendum election prior to completing those procedures for the regular primary elections.

The State Board of Elections shall proclaim and certify the results of the referendum election. If a majority of those electors properly marking ballots on the proposition vote in favor of the creation of the Authority, such Authority shall thereby be established.  
(Source: P.A. 78-3rd S.S.-5.)

(70 ILCS 3615/Art. II heading)

ARTICLE II. POWERS.

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

Sec. 2.01. General Allocation of Responsibility for Public Transportation.

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

- (i) adopt plans that implement the public policy of the State to provide adequate, efficient, and coordinated public transportation throughout the metropolitan region;
- (ii) set goals, objectives, and standards for the Authority, the Service Boards, and transportation agencies;
- (iii) develop performance measures to inform the public about the extent to which the provision of public transportation in the metropolitan region meets those goals, objectives, and standards;
- (iv) allocate operating and capital funds made available to support public transportation in the metropolitan region;
- (v) provide financial oversight of the Service Boards; and
- (vi) coordinate the provision of public transportation and the investment in public transportation facilities to enhance the integration of public transportation throughout the metropolitan region, all as provided in this Act.

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

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

that receive funds from the Authority. The Authority may direct a Service Board to conduct any such audit of a transportation agency that receives funds from such Service Board, and the Service Board shall comply with such request to the extent it has the right to do so. These audits of the Service Boards or transportation agencies may be project or service specific audits to evaluate their achievement of the goals and objectives of that project or service and their compliance with any applicable requirements.  
(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.01a)

Sec. 2.01a. Strategic Plan.

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

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

- (i) increasing ridership and passenger miles on public transportation funded by the Authority;
- (ii) coordination of public transportation services and the investment in public transportation facilities to enhance the integration of public transportation throughout the metropolitan region;
- (iii) coordination of fare and transfer policies to promote transfers by riders among Service Boards, transportation agencies, and public transportation modes, which may include goals and objectives for development of a universal fare instrument that riders may use interchangeably on all public transportation funded by the Authority, and methods to be used to allocate revenues from transfers;
- (iv) improvements in public transportation facilities to bring those facilities into a state of good repair, enhancements that attract ridership and improve customer service, and expansions needed to serve areas with sufficient demand for public transportation;
- (v) access for transit-dependent populations, including access by low-income communities to places of employment, utilizing analyses provided by the Chicago Metropolitan Agency for Planning regarding employment and transportation availability, and giving consideration to the location of employment centers in each county and the availability of public transportation at off-peak hours and on weekends;
- (vi) the financial viability of the public transportation system, including both operating and capital programs;
- (vii) limiting road congestion within the metropolitan region and enhancing transit options to improve mobility; and
- (viii) such other goals and objectives that advance the policy of the State to provide adequate, efficient, and coordinated public transportation in the metropolitan region.

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

- (i) allocating funds among maintenance, enhancement, and expansion improvements;
- (ii) projects to be funded from the Innovation, Coordination, and Enhancement Fund;
- (iii) projects intended to improve or enhance ridership or customer service;
- (iv) design and location of station or transit improvements intended to promote transfers, increase ridership, and support transit-oriented land development;
- (v) assessing the impact of projects on the ability to operate and maintain the existing transit system; and
- (vi) other criteria that advance the goals and

objectives of the Strategic Plan.

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

- (i) travel times and on-time performance;
- (ii) ridership data;
- (iii) equipment failure rates;
- (iv) employee and customer safety; and
- (v) customer satisfaction.

The Service Boards and transportation agencies that receive funding from the Authority or Service Boards shall prepare, publish, and submit to the Authority such reports with regard to these standards and measurements in the frequency and form required by the Authority; however, the frequency of such reporting shall be no less than annual. The Service Boards shall publish such reports on their respective websites. The Authority shall compile and publish such reports on its website. Such performance standards and measures shall not be used as the basis for disciplinary action against any employee of the Authority or Service Boards, except to the extent the employment and disciplinary practices of the Authority or Service Board provide for such action.

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

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

(g) In developing the Strategic Plan, the Authority shall rely on such demographic and other data, forecasts, and assumptions developed by the Chicago Metropolitan Agency for Planning with respect to the patterns of population density and growth, projected commercial and residential development, and environmental factors, within the metropolitan region and in areas outside the metropolitan region that may impact public transportation utilization in the metropolitan region. Before adopting or amending any Strategic Plan, the Authority shall consult with the Chicago Metropolitan Agency for Planning regarding the consistency of the Strategic Plan with the Regional Comprehensive Plan adopted pursuant to the Regional Planning Act.

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

(i) If the Authority determines, by the affirmative vote of at least 12 of its then Directors, that, with respect to any proposed new public transportation service or facility, (i) multiple Service Boards or transportation agencies are potential service providers and (ii) the public transportation facilities to be constructed or purchased to provide that service have an expected construction cost of more than \$25,000,000, the Authority shall have sole responsibility for conducting any alternatives analysis and preliminary environmental assessment required by federal or State law. Nothing in this subparagraph (i) shall prohibit a Service Board from undertaking alternatives analysis and preliminary

environmental assessment for any public transportation service or facility identified in items (i) and (ii) above that is included in the Five-Year Capital Program as of the effective date of this amendatory Act of the 95th General Assembly; however, any expenditure related to any such public transportation service or facility must be included in a Five-Year Capital Program under the requirements of Sections 2.01b and 4.02 of this Act.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.01b)

Sec. 2.01b. The Five-Year Capital Program. By the affirmative vote of at least 12 of its then Directors, the Authority, after consultation with the Service Boards and after holding a minimum of 3 public hearings in Cook County and one public hearing in each of the other counties in the metropolitan region, shall each year adopt a Five-Year Capital Program that shall include each capital improvement to be undertaken by or on behalf of a Service Board provided that the Authority finds that the improvement meets any criteria for capital improvements contained in the Strategic Plan, is not inconsistent with any sub-regional or corridor plan adopted by the Authority, and can be funded within amounts available with respect to the capital and operating costs of such improvement. In reviewing proposals for improvements to be included in a Five-Year Capital Program, the Authority may give priority to improvements that are intended to bring public transportation facilities into a state of good repair. The Five-Year Capital Program shall also identify capital improvements to be undertaken by a Service Board, a transportation agency, or a unit of local government and funded by the Authority from amounts in the Innovation, Coordination, and Enhancement Fund, provided that no improvement that is included in the Five-Year Capital Program as of the effective date of this amendatory Act of the 95th General Assembly may receive funding from the Innovation, Coordination, and Enhancement Fund. Before adopting a Five-Year Capital Program, the Authority shall consult with the Chicago Metropolitan Agency for Planning regarding the consistency of the Five-Year Capital Program with the Regional Comprehensive Plan adopted pursuant to the Regional Planning Act.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.01c)

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

(a) The Authority shall establish an Innovation, Coordination, and Enhancement Fund and deposit into the Fund an amount equal to \$10,000,000 in 2008, and, each year thereafter, an amount equal to the amount deposited in the previous year increased or decreased by the percentage growth or decline in revenues received by the Authority from taxes imposed under Section 4.03 in the previous year. Amounts on deposit in such Fund and interest and other earnings on those amounts may be used by the Authority, upon the affirmative vote of 12 of its then Directors, and after a public participation process, for operating or capital grants or loans to Service Boards, transportation agencies, or units of local government that advance the goals and objectives identified by the Authority in its Strategic Plan, provided that no improvement that has been included in a Five-Year Capital Program as of the effective date of this amendatory Act of the 95th General Assembly may receive any funding from the Innovation, Coordination, and Enhancement Fund. Unless the Board has determined by a vote of 12 of its then Directors that an emergency exists requiring the use of some or all of the funds then in the Innovation, Coordination, and Enhancement Fund, such funds may only be used to enhance the coordination and integration of public transportation and develop and implement innovations to improve the quality and delivery of public transportation.

(b) Any grantee that receives funds from the Innovation, Coordination, and Enhancement Fund for the operation of eligible programs must (i) implement such programs within one year of receipt of such funds and (ii) within 2 years following commencement of any program utilizing such funds, determine whether it is desirable to continue the program, and upon such a determination, either incorporate such program into its annual operating budget and capital program or discontinue such program. No additional funds from the Innovation, Coordination, and Enhancement Fund may be distributed to a grantee for any individual program beyond 2 years unless the Authority by the affirmative vote of at least 12 of its then Directors waives this limitation. Any such waiver will be with regard to an individual program and with regard to a one year-period, and any further waivers for such individual program require a subsequent vote of the Board.

(Source: P.A. 97-399, eff. 8-16-11.)

(70 ILCS 3615/2.01d)

Sec. 2.01d. ADA Paratransit Fund. The Authority shall establish an ADA Paratransit Fund and, each year, deposit into that Fund the following amounts: (i) a base amount equal to \$115,000,000 in 2012, and, each year thereafter, an amount equal to the final budgeted funding for ADA paratransit services for the current year, (ii) any funds received from the State pursuant to appropriations for the purpose of funding ADA paratransit services, and (iii) any additional funds necessary to fund the budget or amended budget for ADA paratransit services adopted or approved by the Board for the current year. The amounts on deposit in the Fund and interest and other earnings on those amounts shall be used by the Authority to make grants to the Suburban Bus Board for ADA paratransit services provided pursuant to plans approved by the Authority under Section 2.30 of this Act. Funds received by the Suburban Bus Board from the Authority's ADA Paratransit Fund shall be used only to provide ADA paratransit services to individuals who are determined to be eligible for such services by the Authority under the Americans with Disabilities Act of 1990 and its implementing regulations. Revenues from and costs of services provided by the Suburban Bus Board with grants made under this Section shall be included in the Annual Budget and Two-Year Financial Program of the Suburban Bus Board and shall be subject to all budgetary and financial requirements under this Act that apply to ADA paratransit services. Beginning in 2008, the Executive Director shall, no later than August 15 of each year, provide to the Board a written determination of the projected annual costs of ADA paratransit services that are required to be provided pursuant to the Americans with Disabilities Act of 1990 and its implementing regulations for the current year. The Authority shall conduct triennial financial, compliance, and performance audits of ADA paratransit services to assist in this determination.  
(Source: P.A. 97-399, eff. 8-16-11.)

(70 ILCS 3615/2.01e)

Sec. 2.01e. Suburban Community Mobility Fund. The Authority shall establish a Suburban Community Mobility Fund and deposit into that Fund an amount equal to \$20,000,000 in 2008, and, each year thereafter, an amount equal to the amount deposited in the previous year increased or decreased by the percentage growth or decline in revenues received by the Authority from taxes imposed under Section 4.03 in the previous year. The amounts on deposit in the Fund and interest and other earnings on those amounts shall be used by the Authority to make grants to the Suburban Bus Board for the purpose of operating transit services, other than traditional fixed-route services, that enhance suburban mobility, including, but not limited to, demand-responsive transit services, ride sharing, van pooling, service coordination, centralized dispatching and call taking, reverse commuting, service restructuring, and bus rapid transit. Revenues from and costs of services provided by the Suburban Bus Board with moneys from the Suburban Community Mobility Fund shall be included in the Annual Budget and Two-Year Financial Program of the Suburban Bus Board and shall be subject to all budgetary and financial requirements under this Act.  
(Source: P.A. 97-399, eff. 8-16-11.)

(70 ILCS 3615/2.02) (from Ch. 111 2/3, par. 702.02)

Sec. 2.02. Purchase of Service Contracts - Grants. (a) The Service Boards may purchase public transportation from transportation agencies upon such terms and conditions as may be set forth in purchase of service agreements between the Service Boards and the transportation agencies.

(b) Grants may be made either by: (i) the Authority to a Service Board; or (ii) a Service Board to either a transportation agency or another Service Board, all for operating and other expenses, or for developing or planning public transportation or for constructing or acquiring public transportation facilities, all upon such terms and conditions as that Service Board or the Authority shall prescribe or as that Service Board and the Authority or that Service Board and the transportation agency shall agree in any grant contract.

(c) The Board shall adopt, to the extent it determines feasible, guidelines setting forth uniform standards for the making of grants and purchase of service agreements. Such grant contracts or purchase of service agreements may be for such number of years or duration as the parties shall agree.

Any purchase of service agreement with a transportation agency which is not a public body shall be upon terms and conditions which will allow the transportation agency to receive for the public transportation provided pursuant to the agreement net income, after reasonable deductions for depreciation and other proper and necessary reserves, equal to an amount which is a reasonable return upon the value of such portion of the transportation agency's property as is used and useful in rendering such transportation service. This paragraph shall be construed in a manner

consistent with the principles applicable to such a transportation agency in rate proceedings under "An Act concerning public utilities", approved June 29, 1921, as now or hereafter amended. This paragraph shall not be construed to provide for the funding of reserves or guarantee that such a transportation agency shall in fact receive any return. A Service Board shall, within 180 days after receiving a written request from a transportation agency which is not a public body, tender and offer to enter into with such transportation agency a purchase of service agreement that is in conformity with this Act and that covers the public transportation services by rail (other than experimental or demonstration services) which such agency is providing at the time of such request and which services either were in operation for at least one year immediately preceding the effective date of this Act or were in operation pursuant to a purchase of service or grant agreement with the Authority or Service Board. No such tender by a Service Board need be made before April 1, 1975. The first purchase of service agreement so requested shall not, unless the parties agree otherwise, become effective prior to June 30, 1975. If, following such a request and tender, a Service Board and the transportation agency do not agree upon the amount of compensation to be provided to the agency by the Service Board under the purchase of service agreement or fares and charges under the purchase of service agreement, either of them may submit such unresolved issues to the Illinois Commerce Commission for determination. The Commission shall determine the unresolved issues in conformity with this Act. The Commission's determination shall be set forth in writing, together with such terms as are agreed by the parties and any other unresolved terms as tendered by the Service Board, in a single document which shall constitute the entire purchase of service agreement between the Service Board and the transportation agency, which agreement, in the absence of contrary agreement by the parties, shall be for a term of 3 years effective as of July 1, 1975, or, if the agreement is requested to succeed a currently effective or recently expired purchase of service agreement between the parties, as of the date of such expiration. The decision of the Commission shall be binding upon the Service Board and the transportation agency, subject to judicial review as provided in "An Act concerning public utilities", as approved June 29, 1921, as now or hereafter amended, but the parties may at any time mutually amend or terminate a purchase of service agreement. Prompt settlement between the parties shall be made of any sums owing under the terms of the purchase of service agreement so established for public transportation services performed on and after the effective date of any such agreement. If the Authority reduces the amount of operating subsidy available to a Service Board under the provisions of Section 4.09 or Section 4.11, the Service Board shall, from those funds available to it under Section 4.02, first discharge its financial obligations under the terms of a purchase of service contract to any transportation agency which is not a public body, unless such transportation agency has failed to take any action requested by the Service Board, which under the terms of the purchase of service contract the Service Board can require the transportation agency to take, which would have the effect of reducing the financial obligation of the Service Board to the transportation agency. The provisions of this paragraph (c) shall not preclude a Service Board and a transportation agency from otherwise entering into a purchase of service or grant agreement in conformity with this Act or an agreement for the Authority or a Service Board to purchase or a Service Board to operate that agency's public transportation facilities, and shall not limit the exercise of the right of eminent domain by the Authority pursuant to this Act.

(d) Any transportation agency providing public transportation pursuant to a purchase of service or grant agreement with the Authority or a Service Board shall be subject to the "Illinois Human Rights Act", as now or hereafter amended, and the remedies and procedures established thereunder. Such agency shall file an affirmative action program for employment by it with regard to public transportation so provided with the Department of Human Rights within one year of the purchase of service or grant agreement, to ensure that applicants are employed and that employees are treated during employment, without unlawful discrimination. Such affirmative action program shall include provisions relating to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, selection for training and rates of pay or other forms of compensation. No unlawful discrimination as defined and prohibited in the Illinois Human Rights Act in any such employment shall be made in any term or aspect of employment and discrimination based upon political reasons or factors shall be prohibited.

(e) A Service Board, subject to the provisions of paragraph (c) of this Section, may not discriminate against a transportation agency with which it has a purchase of service contract or grant agreement in any condition affecting the operation of the public transportation facility including the level of subsidy provided, the quality or standard of public transportation to be provided or in meeting the financial obligations to transportation agencies under the terms of a purchase of service or grant contract. Any transportation agency that believes that a Service Board is

discriminating against it may, after attempting to resolve the alleged discrimination by meeting with the Service Board with which it has a purchase of service or grant contract, appeal to the Authority. The Board shall name 3 of its members, other than a member of the board of the concerned Service Board, to serve as a panel to arbitrate the dispute. The panel shall render a recommended decision to the Board which shall be binding on the Service Board and the transportation agency if adopted by the Board. The panel may not require the Service Board to take any action which would increase the operating budget of the Service Board. The decision of the Board shall be enforceable in a court of general jurisdiction.

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

(70 ILCS 3615/2.03) (from Ch. 111 2/3, par. 702.03)

Sec. 2.03. Operations. A Service Board may provide public transportation by operating public transportation facilities. A Service Board may enter into operating agreements with any individual, corporation or other person or private or public entity to operate such facilities on behalf of the Service Board.

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

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

Sec. 2.04. Fares and Nature of Service.

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

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

(c) In so providing for the fares or charges and the nature and standards of public transportation, any purchase of service agreements or grant contracts shall provide, among other matters, for the terms or cost of transfers or interconnections between different modes of transportation and different public transportation agencies, schedules or routes of such service, changes which may be made in such service, the nature and condition of the facilities used in providing service, the manner of collection and disposition of fares or charges, the records and reports to be kept and made concerning such service, for interchangeable tickets or other coordinated or uniform methods of collection of charges, and shall further require that the transportation agency comply with any determination made by the Board of the Authority under and subject to the provisions of Section 2.12b of this Act. In regard to any such service, the Authority and the Service Boards shall give attention to and may undertake programs to promote use of public transportation and to provide coordinated ticket sales and passenger information. In the case of a grant to a transportation agency which remains subject to Illinois Commerce Commission supervision and regulation, the Service Boards shall exercise the powers set forth in this Section in a manner consistent with such supervision and regulation by the Illinois Commerce Commission.

(d) By January 1, 2013, the Authority, in consultation with the Service Boards and the general public, must develop a policy regarding transfer fares on all fixed-route public transportation services provided by the Service Boards. The policy shall also set forth the fare sharing agreements between the Service Boards that apply to interagency fare passes and tickets. The policy established by the Authority shall be submitted to each of the Service Boards for its approval or comments and objection. After receiving the policy, the Service Boards have 90 days to approve or take other action regarding the policy. If all of the Service Boards agree to the policy, then a regional agreement shall be created and signed by each of the Service Boards. The terms of the agreement may be changed upon petition by any of the Service Boards and by agreement of the other

Service Boards.

(e) By January 1, 2015, the Authority must develop and implement a regional fare payment system. The regional fare payment system must use and conform with established information security industry standards and requirements of the financial industry. The system must allow consumers to use contactless credit cards, debit cards, and prepaid cards to pay for all fixed-route public transportation services. Beginning in 2012 and each year thereafter until 2015, the Authority must submit an annual report to the Governor and General Assembly describing the progress of the Authority and each of the Service Boards in implementing the regional fare payment system. The Authority must adopt rules to implement the requirements set forth in this Section.

(Source: P.A. 97-85, eff. 7-7-11.)

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

Sec. 2.05. Centralized Services; Acquisition and Construction.

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

(b) The Authority may at the request of two or more Service Boards perform other centralized services such as ridership information and transfers between services under the jurisdiction of the Service Boards where such centralized services financially benefit the region as a whole. Provided, however, that the Board may require transfers only upon an affirmative vote of 12 of its then Directors.

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

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

(d) The Authority shall, after consulting with the Service Boards, develop regionally coordinated and consolidated sales, marketing, advertising, and public information programs that promote the use and coordination of, and transfers among, public transportation services in the metropolitan region. The Authority shall develop and adopt, with the affirmative vote of at least 12 of its then Directors, rules and regulations for the Authority and the Service Boards regarding such programs to ensure that the Service Boards' independent programs conform with the Authority's regional programs.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.06) (from Ch. 111 2/3, par. 702.06)

Sec. 2.06. Use of Streets and Roads - Relationship with Illinois Commerce Commission. (a) The Authority may for the benefit of a Service Board, by ordinance, provide for special lanes for exclusive or special use by public transportation vehicles with regard to any roads, streets, ways, highways, bridges, toll highways or toll bridges in the metropolitan region, notwithstanding any governmental statute, ordinance or regulation to the contrary.

(b) The Authority, for the benefit of a Service Board, shall have the power to use and, by ordinance, to authorize any Service Board or transportation agency to use without any franchise, charge, permit or license any public road, street, way, highway, bridge, toll highway or toll bridge within the metropolitan region for the provision of public transportation. Transportation agencies which have purchase of service agreements with a Service Board as to any public transportation shall not as to any aspect of such public transportation be subject to any supervision, licensing or regulation imposed by any unit of local government in the metropolitan region, except as may be specifically authorized by the Authority and except for regular police supervision of vehicular traffic.

(c) The Authority shall not be subject to "An Act concerning public utilities", approved June 29, 1921, as now or hereafter amended. Transportation agencies which have any purchase of service agreement with a Service Board shall not be subject to that Act as to any public transportation which is the subject of such agreement. No contract or agreement entered into by any transportation agency with a Service Board shall be subject to approval of or regulation by the Illinois Commerce

Commission. If a Service Board shall determine that any particular public transportation service provided by a transportation agency with which the Service Board has a purchase of service agreement is not necessary for the public interest and shall, for that reason, decline to enter into any purchase of service agreement for such particular service, then the Service Board shall have no obligation pursuant to Section 2.02 (c) to offer or make a purchase of service agreement with respect to that particular service and the transportation agency may discontinue the particular service. Such discontinuation shall not be subject to the approval of or regulation by the Illinois Commerce Commission. The acquisition by the Authority by eminent domain of any property, from any transportation agency, shall not be subject to the approval of or regulation by the Illinois Commerce Commission, provided, however, that the requirement in Section 7-102 of the Code of Civil Procedure, as amended, requiring in certain instances prior approval of the Illinois Commerce Commission for taking or damaging of property of railroads or other public utilities shall continue to apply as to any taking or damaging by the Authority of any real property of such a railroad not used for public transportation or of any real property of such other public utility.  
(Source: P.A. 83-885; 83-886.)

(70 ILCS 3615/2.06.1) (from Ch. 111 2/3, par. 702.06.1)

Sec. 2.06.1. Bikeways and trails. The Authority may use its established funds, personnel, and other resources to acquire, construct, operate, and maintain bikeways and trails. The Authority may cooperate with other governmental and private agencies in bikeway and trail programs.  
(Source: P.A. 87-985.)

(70 ILCS 3615/2.07) (from Ch. 111 2/3, par. 702.07)

Sec. 2.07. Extra-territorial Authority. In order to provide or assist any transportation of members of the general public between points in the metropolitan region and points outside the metropolitan region, whether in this State or in Wisconsin or Indiana, the Authority may at the request and for the benefit of a Service Board, by ordinance, enter into agreements with any unit of local government, individual, corporation or other person or public agency in or of any such state or any private entity for such service. Such agreements may provide for participation by a Service Board in providing such service and for grants by a Service Board in connection with any such service, and may, subject to federal and State law, set forth any terms relating to such service, including coordinating such service with public transportation in the metropolitan region. Such agreement may be for such number of years or duration as the parties may agree. In regard to any such agreements or grants, a Service Board shall consider the benefit to the metropolitan region and the financial contribution with regard to such service made or to be made from public funds in such areas served outside the metropolitan region.  
(Source: P.A. 83-886.)

(70 ILCS 3615/2.08) (from Ch. 111 2/3, par. 702.08)

Sec. 2.08. Protection Against Crime. The Authority shall cooperate with the various State, municipal, sheriff's and transportation agency police forces in the metropolitan region for the protection of employees and consumers of public transportation services and public transportation facilities against crime. The Authority may provide by ordinance for an Authority police force to aid, coordinate and supplement other police forces in protecting persons and property and reducing the threats of crime with regard to public transportation. Such police shall have the same powers with regard to such protection of persons and property as those exercised by police of municipalities and may include members of other police forces in the metropolitan region. The Authority shall establish minimum standards for selection and training of members of such police force employed by it. Training shall be accomplished at schools certified by the Illinois Law Enforcement Training Standards Board established pursuant to the Illinois Police Training Act. Such training shall be subject to the rules and standards adopted pursuant to Section 7 of that Act. The Authority may participate in any training program conducted under that Act. The Authority may provide for the coordination or consolidation of security services and police forces maintained with regard to public transportation services and facilities by various transportation agencies and may contract with any municipality or county in the metropolitan region to provide protection of persons or property with regard to public transportation. Employees of the Authority or of any transportation agency affected by any action of the Authority under this Section shall be provided the protection set forth in Section 2.16. Neither the Authority, the Suburban Bus Division, the Commuter Rail Division, nor any of their

Directors, officers or employees shall be held liable for failure to provide a security or police force or, if a security or police force is provided, for failure to provide adequate police protection or security, failure to prevent the commission of crimes by fellow passengers or other third persons or for the failure to apprehend criminals.  
(Source: P.A. 91-357, eff. 7-29-99.)

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

Sec. 2.09. Research and Development.

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

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

(c) The Suburban Bus Division and the Authority shall cooperate in the development, funding, and operation of programs to enhance access to job markets for residents in south suburban Cook County. Beginning in 2008, the Authority shall allocate to the Suburban Bus Division an amount not less than \$3,750,000, and beginning in 2009 an amount not less than \$7,500,000 annually for the costs of such programs.  
(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.10) (from Ch. 111 2/3, par. 702.10)

Sec. 2.10. Protection of the Environment. The Authority and the Service Boards shall take all feasible and prudent steps to minimize environmental disruption and pollution arising from its activities or from public transportation activities of transportation agencies acting pursuant to purchase of service agreements. In carrying out its purposes and powers under this Act, the Authority and the Service Boards shall seek to reduce environmental disruption and pollution arising from all forms of transportation of persons within the metropolitan region. The Service Boards shall employ persons with skills and responsibilities for determining means to minimize such disruption and pollution.  
(Source: P.A. 83-886.)

(70 ILCS 3615/2.11) (from Ch. 111 2/3, par. 702.11)

Sec. 2.11. Safety.

(a) The Service Boards may establish, enforce and facilitate achievement and maintenance of standards of safety against accidents with respect to public transportation provided by the Service Boards or by transportation agencies pursuant to purchase of service agreements with the Service Boards. The provisions of general or special orders, rules or regulations issued by the Illinois Commerce Commission pursuant to Section 57 of "An Act concerning public utilities", approved June 29, 1921, as amended, which pertain to public transportation and public transportation

facilities of railroads will continue to apply until the Service Board determines that different standards are necessary to protect such health and safety.

(b) To the extent required by 49 CFR Part 659 as now or hereafter amended, the Authority shall develop and adopt a system safety program standard for the safety of rail fixed guideway systems and the personal security of the systems' passengers and employees and shall establish procedures for safety and security reviews, investigations, and oversight reporting. The Authority shall require the applicable Service Boards to comply with the requirements of 49 CFR Part 659 as now or hereafter amended. The Authority may contract for the services of a qualified consultant to comply with this subsection.

(c) The security portion of the system safety program, investigation reports, surveys, schedules, lists, or data compiled, collected, or prepared by or for the Authority under this subsection, shall not be subject to discovery or admitted into evidence in federal or State court or considered for other purposes in any civil action for damages arising from any matter mentioned or addressed in such reports, surveys, schedules, lists, data, or information.

(d) Neither the Authority nor its directors, officers, or employees nor any Service Board subject to this Section nor its directors, officers, or employees shall be held liable in any civil action for any injury to any person or property for any acts or omissions or failure to act under this Section or pursuant to 49 CFR Part 659 as now or hereafter amended. (Source: P.A. 90-273, eff. 7-30-97.)

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

Sec. 2.12. Coordination with Planning Agencies. The Authority and the Service Boards shall cooperate with the various public agencies charged with responsibility for long-range or comprehensive planning for the metropolitan region. The Authority shall utilize the official forecasts and plans of the Chicago Metropolitan Agency for Planning in developing the Strategic Plan and the Five-Year Capital Program. The Authority and the Service Boards shall, prior to the adoption of any Strategic Plan, as provided in Section 2.01a of this Act, or the adoption of any Five-Year Capital Program, as provided in Section 2.01b of this Act, submit its proposals to such agencies for review and comment. The Authority and the Service Boards may make use of existing studies, surveys, plans, data and other materials in the possession of any State agency or department, any planning agency or any unit of local government. (Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.12a)

Sec. 2.12a. (Repealed).

(Source: P.A. 83-886. Repealed by P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.12b)

Sec. 2.12b. Coordination of Fares and Service. Upon the request of a Service Board, the Executive Director of the Authority may, upon the affirmative vote of 9 of the then Directors of the Authority, intervene in any matter involving (i) a dispute between Service Boards or a Service Board and a transportation agency providing service on behalf of a Service Board with respect to the terms of transfer between, and the allocation of revenues from fares and charges for, transportation services provided by the parties or (ii) a dispute between 2 Service Boards with respect to coordination of service, route duplication, or a change in service. Any Service Board or transportation agency involved in such dispute shall meet with the Executive Director, cooperate in good faith to attempt to resolve the dispute, and provide any books, records, and other information requested by the Executive Director. If the Executive Director is unable to mediate a resolution of any dispute, he or she may provide a written determination recommending a change in the fares or charges or the allocation of revenues for such service or directing a change in the nature or provider of service that is the subject of the dispute. The Executive Director shall base such determination upon the goals and objectives of the Strategic Plan established pursuant to Section 2.01a(b). Such determination shall be presented to the Board of the Authority and, if approved by the affirmative vote of at least 9 of the then Directors of the Authority, shall be final and shall be implemented by any affected Service Board and transportation agency within the time frame required by the determination. (Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.13) (from Ch. 111 2/3, par. 702.13)

Sec. 2.13. (a) The Authority may take and acquire possession by eminent domain of any property or interest in property which the Authority is authorized to acquire under this Act. The power of eminent domain may be exercised by ordinance of the Authority, and shall extend to all types of interests in property, both real and personal (including without limitation easements for access purposes to and rights of concurrent usage of existing or planned public transportation facilities), whether or not the property is public property or is devoted to public use and whether or not the property is owned or held by a public transportation agency, except as specifically limited by this Act.

(b) The Authority shall exercise the power of eminent domain granted in this Section in the manner provided for the exercise of the right of eminent domain under the Eminent Domain Act, except that the Authority may not exercise the authority provided in Article 20 of the Eminent Domain Act (quick-take procedure) providing for immediate possession in such proceedings, and except that those provisions of Section 10-5-10 of the Eminent Domain Act requiring prior approval of the Illinois Commerce Commission in certain instances shall apply to eminent domain proceedings by the Authority only as to any taking or damaging by the Authority of any real property of a railroad not used for public transportation or of any real property of other public utilities.

(c) The Authority may exercise the right of eminent domain to acquire public property only upon the concurrence of 2/3 of the then Directors. In any proceeding for the taking of public property by the Authority through the exercise of the power of eminent domain the venue shall be in the Circuit Court of the county in which the property is located. The right of eminent domain may be exercised over property used for public park purposes, for State Forest purposes or for forest preserve purposes only upon a written finding adopted by concurrence of 2/3 of the then Directors, after public hearing and a written study done for the Authority, that such taking is necessary to accomplish the purposes of this Act, that no feasible alternatives to such taking exist, and that the advantages to the public from such taking exceed the disadvantages to the public of doing so. In any proceeding for the exercise of the right of eminent domain for the taking by the Authority of property used for public park, State forest, or forest preserve purposes, the court shall not order the taking of such property unless it has reviewed and concurred in the findings required of the Authority by this paragraph. No property dedicated as a nature preserve pursuant to the "Illinois Natural Areas Preservation Act", as now or hereafter amended, may be acquired in eminent domain by the Authority.

(Source: P.A. 94-1055, eff. 1-1-07.)

(70 ILCS 3615/2.13a)

Sec. 2.13a. Eminent domain. Notwithstanding any other provision of this Act, any power granted under this Act to acquire property by condemnation or eminent domain is subject to, and shall be exercised in accordance with, the Eminent Domain Act.

(Source: P.A. 94-1055, eff. 1-1-07.)

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

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

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

The Authority shall be subject to the "Illinois Human Rights Act", as now or hereafter amended, and the remedies and procedure established thereunder. The Authority shall file an affirmative action program for

employment by it with the Department of Human Rights to ensure that applicants are employed and that employees are treated during employment, without regard to unlawful discrimination. Such affirmative action program shall include provisions relating to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, selection for training and rates of pay or other forms of compensation.  
(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.15) (from Ch. 111 2/3, par. 702.15)

Sec. 2.15. Policy With Respect to Protective Arrangements, Collective Bargaining and Labor Relations.

It is the intent of this Act that:

(a) The Authority shall insure that every employee of the Authority and every employee of a Service Board or transportation agency shall receive fair and equitable protection against actions of the Authority which shall not be less than those established pursuant to Section 13 (c) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. Sec. 1609 (c)), and Section 405 (b) of the Rail Passenger Service Act of 1970, as amended (45 U.S.C. Sec. 565 (b)), and as prescribed by the United States Secretary of Labor thereunder, at the time of the protective agreement or arbitration decision providing protection.

(b) There shall be no limitation on freedom of association among employees of the Authority nor any denial of the right of employees to join or support a labor organization and to bargain collectively through representatives of their own choosing.

(c) The Authority and the duly accredited representatives of employees shall have the obligation to bargain collectively in good faith, and the Authority shall have the power and duty to enter into written collective bargaining agreements with such representatives.

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

(70 ILCS 3615/2.16) (from Ch. 111 2/3, par. 702.16)

Sec. 2.16. Employee Protection.

(a) The Authority shall insure that every employee of the Authority or of a Service Board or transportation agency shall receive fair and equitable protection against actions of the Authority which shall not be less than those established pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. Sec. 1609(c)), and Section 405(b) of the Rail Passenger Service Act of 1970, as amended (45 U.S.C. Sec. 565(b)), and as prescribed by the United States Secretary of Labor thereunder, at the time of the protective agreement or arbitration decision providing protection.

(b) The Authority shall negotiate or arrange for the negotiation of such fair and equitable employee arrangements with the employees, through their accredited representatives authorized to act for them. If agreement cannot be reached on the terms of such protective arrangement, any party may submit any matter in dispute to arbitration. In such arbitration, each party shall have the right to select non-voting arbitration board members. The impartial arbitrator will be selected by the American Arbitration Association and appointed from a current listing of the membership of the National Academy of Arbitrators, upon request of any party. The impartial arbitrator's decision shall be final and binding on all parties. Each party shall pay an equal proportionate share of the impartial arbitrator's fees and expenses.

(c) For purposes of Sections 2.15 through 2.19, "actions of the Authority" include its acquisition and operation of public transportation facilities, the execution of purchase of service agreements and grant contracts made under this Act and the coordination, reorganization, combining, leasing, merging of operations or the expansion or curtailment of public transportation service or facilities by the Authority, but does not include a failure or refusal to enter into a purchase of service agreement or grant contract.

(Source: P.A. 91-357, eff. 7-29-99.)

(70 ILCS 3615/2.17) (from Ch. 111 2/3, par. 702.17)

Sec. 2.17. Employee Pensions.

The Authority may establish and maintain systems of pensions and retirement benefits for such officers and employees of the Authority as may be designated or described by ordinance of the Authority; may fix the classifications therein; may take such steps as may be necessary to provide that persons eligible for admission to such pension systems as officers and employees of the Authority or of any transportation agency whose operations are financed in whole or in part by the Authority, shall retain eligibility for admission to or continued coverage and participation under Title II of the federal Social Security Act, as amended, and the

related provisions of the Federal Insurance Contributions Act, as amended, or the federal Railroad Retirement Act, as amended, and the related provisions of the Railroad Retirement Tax Act, as amended, as the case may be; and may provide in connection with such pension systems, a system of benefits payable to the beneficiaries and dependents of any participant in such pension systems after the death of such participant (whether accidental or otherwise, whether occurring in the actual performance of duty or otherwise, or both) subject to such exceptions, conditions, restrictions and classifications as may be provided by ordinance of the Authority. Such pension systems shall be financed or funded by such means and in such manner as may be determined by the Authority to be economically feasible.

(Source: P.A. 78-3rd S.S.-5.)

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

Sec. 2.18. Labor Contracts.

(a) The Authority shall deal with and enter into written contracts with employees of the Authority, through accredited representatives of such employees authorized to act for such employees concerning wages, salaries, hours, working conditions, and pension or retirement provisions. Nothing in this Act shall be construed, however, to permit hours of labor in excess of those prohibited by law or to permit working conditions prohibited by law.

(b) Whenever the Authority acquires the public transportation facilities of a transportation agency, either in proceeding by eminent domain or otherwise, and operates such facilities, all employees actively engaged in the operation thereof shall be transferred to and appointed as employees of the Authority, subject to all the rights and benefits of Sections 2.15 through 2.19, and the Authority shall assume and observe all applicable labor contracts and pension obligations. These employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transportation system. Members and beneficiaries of any pension or retirement system or other benefits established by the acquired transportation system shall continue to have rights, privileges, benefits, obligations and status with respect to such established system. The Authority shall assume the obligations of any transportation system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for these employees. The Authority and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of such Transportation Agency and the participating employees through their representatives transferred to the trust funds to be established, maintained, and administered jointly by the Authority and the participating employees through their representatives.

(c) Whenever the Authority shall take any of the actions specified in Section 2.16 (c), it shall do so only after meeting the requirements of Section 2.16, and in addition, whenever the Authority shall acquire and operate the public transportation facilities of a transportation agency engaged in the transportation of persons by railroad, it shall do so only in such manner as to insure the continued applicability to the railroad employees affected thereby of the provisions of all federal statutes then applicable to them and a continuation of their existing collective bargaining agreements until the provisions of said agreements can be re-negotiated by representatives of the Authority and the representatives of said employees duly designated as such pursuant to the terms and provisions of the Railway Labor Act, as amended (45 U.S.C. 151 et seq.); provided, however, that nothing in this subsection shall prevent the abandonment of such facilities, or the discontinuance of such operations pursuant to applicable law, or the substitution of other operations or facilities for such operations or facilities, whether by merger, consolidation, coordination or otherwise. In the event new or supplemental operations or facilities are substituted therefor, the provisions of Section 2.19 shall be applicable, and all questions concerning the selection of forces to perform the work of such new or supplemental facilities or operations, and whether the Authority shall be required to insure the continued applicability of the federal statutes applicable to such employees shall be negotiated and, if necessary, arbitrated, in accordance with the procedures set forth in subsection 2.19 (a).

(Source: P.A. 78-3rd S.S.-5.)

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

Sec. 2.18a. (a) The provisions of this Section apply to collective bargaining agreements (including extensions and amendments to existing agreements) between Service Boards or transportation agencies subject to the jurisdiction of Service Boards and their employees, which are entered

into after January 1, 1984.

(b) The Authority shall approve amended budgets prepared by Service Boards which incorporate the costs of collective bargaining agreements between Service Boards and their employees. The Authority shall approve such an amended budget provided that it determines by the affirmative vote of 12 of its then members that the amended budget meets the standards established in Section 4.11.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.19) (from Ch. 111 2/3, par. 702.19)

Sec. 2.19. Labor Relations Procedures.

(a) Whenever the Authority proposes to operate or to enter into a contract to operate any new public transportation facility which may result in the displacement of employees or the rearrangement of the working forces of the Authority or of the Chicago Transit Authority or of any transportation agency, the Authority shall give at least 90 days written notice of such proposed operations to the representatives of the employees affected and the Authority shall provide for the selection of forces to perform the work of that facility on the basis of agreement between the Authority and the representatives of such employees. In the event of failure to agree, the dispute may be submitted by the Authority or by any representative of the employees affected to final and binding arbitration by an impartial arbitrator to be selected by the American Arbitration Association from a current listing of arbitrators of the National Academy of Arbitrators.

(b) In case of any labor dispute not otherwise governed by this Act, by the Labor Management Relations Act, as amended, the Railway Labor Act, as amended, or by impasse resolution provisions in a collective bargaining or protective agreement involving the Authority, the Chicago Transit Authority or any transportation agency financed in whole or in part by the Authority and the employees of the Authority or of the Chicago Transit Authority or any such transportation agency, which is not settled by the parties thereto within 30 days from the date of commencement of negotiations, either party may request the assistance of a mediator appointed by either the State or Federal Mediation and Conciliation Service, who shall seek to resolve the dispute. In the event that the dispute is not resolved by mediation within a reasonable period, the mediator shall certify to the parties that an impasse exists. Upon receipt of the mediator's certification, any party to the dispute may, within 7 days, submit the dispute to a fact finder who shall be selected by the parties pursuant to the rules of the American Arbitration Association from a current listing of members of the National Academy of Arbitrators supplied by the AAA. The fact finder shall have the duty to hold hearings, or otherwise take evidence from the parties under such other arrangements as they may agree. Upon completion of the parties' submissions, the fact finder shall have the power to issue and make public findings and recommendations, or to refer the dispute back to the parties for such other appropriate action as he may recommend. In the event that the parties do not reach agreement after the issuance of the fact finder's report and recommendations, or in cases where neither party requests fact finding, the Authority shall offer to submit the dispute to arbitration by a board composed of 3 persons, one appointed by the Authority, one appointed by the labor organization representing the employees, and a third member to be agreed upon by the labor organization and the Authority. The member agreed upon by the labor organization and the Authority shall act as chairman of the board. The determination of the majority of the board of arbitration thus established shall be final and binding on all matters in dispute. If, after a period of 10 days from the date of the appointment of the two arbitrators representing the Authority and the labor organization, the third arbitrator has not been selected, then either arbitrator may request the American Arbitration Association to furnish from a current listing of the membership of the National Academy of Arbitrators the names of 7 such members of the National Academy from which the third arbitrator shall be selected. The arbitrators appointed by the Authority and the labor organization, promptly after the receipt of such list, shall determine by lot the order of elimination, and thereafter each shall in that order alternately eliminate one name until only one name remains. The remaining person on the list shall be the third arbitrator. The term "labor dispute" shall be broadly construed and shall include any controversy concerning wages, salaries, hours, working conditions, or benefits, including health and welfare, sick leave, insurance, or pension or retirement provisions, but not limited thereto, and including any controversy concerning any differences or questions that may arise between the parties including but not limited to the making or maintaining of collective bargaining agreements, the terms to be included in such agreements, and the interpretation or application of such collective bargaining agreements and any grievance that may arise. Each party shall pay one-half of the expenses of such arbitration.

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

(70 ILCS 3615/2.20) (from Ch. 111 2/3, par. 702.20)

Sec. 2.20. General Powers.

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

(i) To sue and be sued;

(ii) To invest any funds or any monies not required for immediate use or disbursement, as provided in "An Act relating to certain investments of public funds by public agencies", approved July 23, 1943, as now or hereafter amended;

(iii) To make, amend and repeal by-laws, rules and regulations, and ordinances not inconsistent with this Act;

(iv) To hold, sell, sell by installment contract, lease as lessor, transfer or dispose of such real or personal property as it deems appropriate in the exercise of its powers or to provide for the use thereof by any transportation agency and to mortgage, pledge or otherwise grant security interests in any such property;

(v) To enter at reasonable times upon such lands, waters or premises as in the judgment of the Authority may be necessary, convenient or desirable for the purpose of making surveys, soundings, borings and examinations to accomplish any purpose authorized by this Act after having given reasonable notice of such proposed entry to the owners and occupants of such lands, waters or premises, the Authority being liable only for actual damage caused by such activity;

(vi) To make and execute all contracts and other instruments necessary or convenient to the exercise of its powers;

(vii) To enter into contracts of group insurance for the benefit of its employees and to provide for retirement or pensions or other employee benefit arrangements for such employees, and to assume obligations for pensions or other employee benefit arrangements for employees of transportation agencies, all or part of the facilities of which are acquired by the Authority;

(viii) To provide for the insurance of any property, directors, officers, employees or operations of the Authority against any risk or hazard, and to self-insure or participate in joint self-insurance pools or entities to insure against such risk or hazard;

(ix) To appear before the Illinois Commerce Commission in all proceedings concerning the Authority, a Service Board or any transportation agency; and

(x) To pass all ordinances and make all rules and regulations proper or necessary to regulate the use, operation and maintenance of its property and facilities and, by ordinance, to prescribe fines or penalties for violations thereof. No fine or penalty shall exceed \$1,000 per offense. Any ordinance providing for any fine or penalty shall be published in a newspaper of general circulation in the metropolitan region. No such ordinance shall take effect until 10 days after its publication.

The Authority may enter into arbitration arrangements, which may be final and binding.

The Commuter Rail Board shall continue the separate public corporation, known as the Northeast Illinois Regional Commuter Railroad Corporation, as a separate operating unit to operate on behalf of the Commuter Rail Board commuter railroad facilities, subject at all times to the supervision and direction of the Commuter Rail Board and may, by ordinance, dissolve such Corporation. Such Corporation shall be governed by a Board of Directors which shall consist of the members of the Transition Board until such time as all of the members of the Commuter Rail Board are appointed and qualified and thereafter the members of the Commuter Rail Board. Such Corporation shall have all the powers given the Authority and the Commuter Rail Board under Article II of this Act (other than under Section 2.13) as are delegated to it by ordinance of the Commuter Rail Board with regard to such operation of facilities and the same exemptions, restrictions and limitations as are provided by law with regard to the Authority shall apply to such Corporation. Such Corporation shall be a transportation agency as provided in this Act except for purposes of paragraph (e) of Section 3.01 of this Act.

The Authority shall cooperate with the Illinois Commerce

Commission and local law enforcement agencies in establishing a two year pilot program in DuPage County to determine the effectiveness of an automated railroad grade crossing enforcement system.

(b) In each case in which this Act gives the Authority the power to construct or acquire real or personal property, the Authority shall have the power to acquire such property by contract, purchase, gift, grant, exchange for other property or rights in property, lease (or sublease) or installment or conditional purchase contracts, which leases or contracts may provide for consideration therefor to be paid in annual installments during a period not exceeding 40 years. Property may be acquired subject to such conditions, restrictions, liens, or security or other interests of other parties as the Authority may deem appropriate, and in each case the Authority may acquire a joint, leasehold, easement, license or other partial interest in such property. Any such acquisition may provide for the assumption of, or agreement to pay, perform or discharge outstanding or continuing duties, obligations or liabilities of the seller, lessor, donor or other transferor of or of the trustee with regard to such property. In connection with the acquisition of public transportation equipment, including, but not limited to, rolling stock, vehicles, locomotives, buses or rapid transit equipment, the Authority may also execute agreements concerning such equipment leases, equipment trust certificates, conditional purchase agreements and such other security agreements and may make such agreements and covenants as required, in the form customarily used in such cases appropriate to effect such acquisition. Obligations of the Authority incurred pursuant to this Section shall not be considered bonds or notes within the meaning of Section 4.04 of this Act.

(c) The Authority shall assume all costs of rights, benefits and protective conditions to which any employee is entitled under this Act from any transportation agency in the event of the inability of the transportation agency to meet its obligations in relation thereto due to bankruptcy or insolvency, provided that the Authority shall retain the right to proceed against the bankrupt or insolvent transportation agency or its successors, trustees, assigns or debtors for the costs assumed. The Authority may mitigate its liability under this paragraph (c) and under Section 2.16 to the extent of employment and employment benefits which it tenders.  
(Source: P.A. 97-333, eff. 8-12-11.)

(70 ILCS 3615/2.21) (from Ch. 111 2/3, par. 702.21)

Sec. 2.21. (a) The Authority or the Commuter Rail Board may not in the exercise of its powers to provide effective public transportation as provided by this Act:

(i) require or authorize the operation of, or operate or acquire by eminent domain or otherwise, any public transportation facility or service on terms or in a manner which unreasonably interferes with the ability of a railroad to provide efficient freight or inter-city passenger service. This subparagraph shall not bar the Authority from acquiring title to any property pursuant to Section 2.13 in a manner consistent with this subparagraph.

(ii) obtain by eminent domain any interest in any right of way or any other real property of a railroad which is not a public body in excess of the interest to be used for public transportation as provided in this Act.

(iii) prohibit the operation of public transportation by a private carrier that does not receive a grant or purchase of service contract from the Authority or a Service Board.

(b) If in connection with any construction, acquisition, or other activity undertaken by or for the Authority or a Service Board, or pursuant to any purchase of service or grant agreement with the Authority or a Service Board, any facility of a public utility (as defined in "An Act concerning public utilities", approved June 29, 1921, as amended), is removed or relocated from its then-existing site all costs and expenses of such relocation or removal, including the cost of installing such facilities in a new location or locations, and the cost of any land or lands, or interest in land, or any rights required to accomplish such relocation or removal, shall be paid by the Authority or a Service Board. If any such facilities are so relocated onto the properties of the Authority or the Service Board or onto properties made available for that purpose by the Authority or the Service Board, there shall be no rent, fee, or other charge of any kind imposed upon the public utility owning or operating such facilities in excess of that imposed prior to such

relocation and such public utility, and its successors and assigns, shall be granted the right to operate such facilities in the new location or locations for as long a period and upon the same terms and conditions as it had the right to maintain and operate such facilities in their former location. Nothing in this paragraph (b) shall prevent the Authority or the Service Board and a transportation agency from agreeing in a purchase of service agreement or otherwise to make different arrangements for such relocations or the costs thereof.  
(Source: P.A. 83-885; 83-886.)

(70 ILCS 3615/2.22) (from Ch. 111 2/3, par. 702.22)

Sec. 2.22. It is the policy of this State that all powers granted, either expressly or by necessary implication, by this Act or any other Illinois statute to the Authority may be exercised by the Authority notwithstanding effects on competition. It is the intention of the General Assembly that the "State action exemption" to the application of federal antitrust statutes be fully available to the Authority to the extent its activities are authorized by law as stated herein.  
(Source: P.A. 83-929.)

(70 ILCS 3615/2.23) (from Ch. 111 2/3, par. 702.23)

Sec. 2.23. Purchases made pursuant to this Act shall be made in compliance with the "Local Government Prompt Payment Act", approved by the Eighty-fourth General Assembly.  
(Source: P.A. 84-731.)

(70 ILCS 3615/2.24) (from Ch. 111 2/3, par. 702.24)

Sec. 2.24. Drug and alcohol testing. The Regional Transportation Authority, and all of the Service Boards subject to the Authority, including the Chicago Transportation Authority, shall be responsible for the establishment, maintenance, administration and enforcement of a comprehensive drug and alcohol testing program which is in absolute conformity with Federal statutes and regulations currently in effect.  
(Source: P.A. 88-619, eff. 1-1-95.)

(70 ILCS 3615/2.30)

Sec. 2.30. Paratransit services.

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

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

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

- (1) maintain, at a minimum, the levels of ADA paratransit service that are required to be provided by the Service Boards pursuant to the Americans with Disabilities Act of 1990 and its implementing regulations;
- (2) transfer the appropriate ADA paratransit services, management, personnel, service contracts and

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

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

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

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

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

(7) provide, in cooperation with the Illinois Department of Transportation, the Illinois Department of Public Aid and other appropriate public agencies and private entities, for the application and receipt of grants, including, without limitation, reimbursement from Medicaid or other programs for ADA paratransit services;

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

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

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

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

(d) All revisions and annual updates to the ADA paratransit services plan developed pursuant to subsection (c) of this Section, or certifications of continued compliance in lieu of plan updates, that are required to be provided to the Federal Transit Administration shall be developed by the Authority, in collaboration with the Suburban Bus Board and the Chicago Transit Authority, and the Authority shall submit such revision, update or certification to the Federal Transit Administration for approval. Approval of such revisions, updates or certifications by the Authority shall require the affirmative votes of 12 of the then Directors.

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

(f) By no later than April 1, 2007, the Authority shall develop and submit to the General Assembly and the Governor a funding plan for ADA paratransit services. Approval of such plan by the Authority shall require the affirmative votes of 12 of the then Directors. The funding plan shall, at a minimum, contain an analysis of the current costs of providing ADA paratransit services, projections of the long-term costs of providing ADA paratransit services, identification of and recommendations for possible cost efficiencies in providing ADA paratransit services, and identification of and recommendations for possible funding sources for providing ADA paratransit services. The Illinois Department of Transportation, the Illinois Department of Public Aid, the Suburban Bus Board, the Chicago Transit Authority and other State and local public

agencies as appropriate shall cooperate with the Authority in the preparation of such funding plan.

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

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

(Source: P.A. 94-370, eff. 7-29-05; 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.31)

Sec. 2.31. Disadvantaged Business Enterprise Contracting and Equal Employment Opportunity Programs. The Authority and each Service Board shall, as soon as is practicable but in no event later than two years after the effective date of this amendatory Act of the 95th General Assembly, establish and maintain a disadvantaged business enterprise contracting program designed to ensure non-discrimination in the award and administration of contracts not covered under a federally mandated disadvantaged business enterprise program. The program shall establish narrowly tailored goals for the participation of disadvantaged business enterprises as the Authority and each Service Board determines appropriate. The goals shall be based on demonstrable evidence of the availability of ready, willing, and able disadvantaged business enterprises relative to all businesses ready, willing, and able to participate on the program's contracts. The program shall require the Authority and each Service Board to monitor the progress of the contractors' obligations with respect to the program's goals. Nothing in this program shall conflict with or interfere with the maintenance or operation of, or compliance with, any federally mandated disadvantaged business enterprise program.

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

Each year no later than October 1, and starting no later than the October 1 after the establishment of their disadvantaged business enterprise contracting programs, the Authority and each Service Board shall submit a report with respect to such program to the General Assembly. In addition, each year no later than October 1, the Authority and each Service Board shall submit a copy of its federally mandated semi-annual Uniform Report of Disadvantaged Business Enterprises Awards or Commitments and Payments to the General Assembly.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/2.32)

Sec. 2.32. Clean/green vehicles. Any vehicles purchased from funds made available to the Authority from the Transportation Bond, Series B Fund must incorporate clean/green technologies and alternative fuel technologies, to the extent practical.

(Source: P.A. 96-8, eff. 4-28-09.)

(70 ILCS 3615/2.35)

Sec. 2.35. Vehicle arrival information. By July 1, 2012, all Service Boards must make available web-based, real-time vehicle arrival information for use by riders for all fixed-route public transportation services. The Authority shall have access to all universally acceptable data feeds for vehicle arrival information.

(Source: P.A. 97-85, eff. 7-7-11.)

(70 ILCS 3615/2.37)

Sec. 2.37. Wireless Internet study. By January 1, 2012, the Authority must prepare and submit a report to the Governor and General Assembly regarding the feasibility of providing wireless Internet services on all fixed-route public transportation services.

(Source: P.A. 97-85, eff. 7-7-11; 97-813, eff. 7-13-12.)

(70 ILCS 3615/2.38)

Sec. 2.38. Universal fare instrument for persons age 65 and over. No later than 120 days after January 1, 2012 (the effective date of Public

Act 97-271), the Authority must develop and make available for use by riders age 65 and over a universal fare instrument that may be used interchangeably on all public transportation funded by the Authority, except for ADA paratransit services.  
(Source: P.A. 97-271, eff. 1-1-12; 97-813, eff. 7-13-12.)

(70 ILCS 3615/Art. III heading)  
ARTICLE III. ORGANIZATION.

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

Sec. 3.01. Board of Directors. The corporate authorities and governing body of the Authority shall be a Board consisting of 13 Directors until April 1, 2008, and 16 Directors thereafter, appointed as follows:

(a) Four Directors appointed by the Mayor of the City of Chicago, with the advice and consent of the City Council of the City of Chicago, and, only until April 1, 2008, a fifth director who shall be the Chairman of the Chicago Transit Authority. After April 1, 2008, the Mayor of the City of Chicago, with the advice and consent of the City Council of the City of Chicago, shall appoint a fifth Director. The Directors appointed by the Mayor of the City of Chicago shall not be the Chairman or a Director of the Chicago Transit Authority. Each such Director shall reside in the City of Chicago.

(b) Four Directors appointed by the votes of a majority of the members of the Cook County Board elected from districts, a majority of the electors of which reside outside Chicago. After April 1, 2008, a fifth Director appointed by the President of the Cook County Board with the advice and consent of the members of the Cook County Board. Each Director appointed under this subparagraph shall reside in that part of Cook County outside Chicago.

(c) Until April 1, 2008, 3 Directors appointed by the Chairmen of the County Boards of DuPage, Kane, Lake, McHenry, and Will Counties, as follows:

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

(ii) One Director appointed by the Chairman of the DuPage County Board with the advice and consent of the DuPage County Board. Such Director shall reside in DuPage County.

(d) After April 1, 2008, 5 Directors appointed by the Chairmen of the County Boards of DuPage, Kane, Lake and McHenry Counties and the County Executive of Will County, as follows:

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

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

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

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

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

(vi) To implement the changes in appointing authority under this subparagraph (d) the three Directors appointed under subparagraph (c) and residing in Lake County, DuPage County, and Kane County respectively shall each continue to serve as Director until the expiration of their respective term of office and until his or her successor is appointed and qualified or a vacancy occurs in the office. Thereupon, the appointment shall be made by the officials given appointing authority with respect to the Director whose term has expired or office has become vacant.

(e) The Chairman serving on the effective date of this amendatory Act of the 95th General Assembly shall continue to

serve as Chairman until the expiration of his or her term of office and until his or her successor is appointed and qualified or a vacancy occurs in the office. Upon the expiration or vacancy of the term of the Chairman then serving upon the effective date of this amendatory Act of the 95th General Assembly, the Chairman shall be appointed by the other Directors, by the affirmative vote of at least 11 of the then Directors with at least 2 affirmative votes from Directors who reside in the City of Chicago, at least 2 affirmative votes from Directors who reside in Cook County outside the City of Chicago, and at least 2 affirmative votes from Directors who reside in the Counties of DuPage, Lake, Will, Kane, or McHenry. The chairman shall not be appointed from among the other Directors. The chairman shall be a resident of the metropolitan region.

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

(g) Each appointment made under this Section and under Section 3.03 shall be certified by the appointing authority to the Board, which shall maintain the certifications as part of the official records of the Authority.

(h) (Blank).

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3.02) (from Ch. 111 2/3, par. 703.02)

Sec. 3.02. Chairman and Other Officers. The Chairman shall preside at meetings of the Board, and shall be entitled to vote on all matters. The Board shall select a Secretary and a Treasurer and may select persons to fill such other offices of the Authority and to perform such duties as it shall from time to time determine. The Secretary, Treasurer and other officers of the Authority may, but need not be, members of the Board.  
(Source: P.A. 83-886.)

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

Sec. 3.03. Terms, vacancies. Each Director shall hold office for a term of 5 years, and until his successor has been appointed and has qualified. A vacancy shall occur upon resignation, death, conviction of a felony, or removal from office of a Director. Any Director may be removed from office (i) upon concurrence of not less than 11 Directors, on a formal finding of incompetence, neglect of duty, or malfeasance in office or (ii) by the Governor in response to a summary report received from the Executive Inspector General in accordance with Section 20-50 of the State Officials and Employees Ethics Act, provided he or she has an opportunity to be publicly heard in person or by counsel prior to removal. Within 30 days after the office of any member becomes vacant for any reason, the appointing authorities of such member shall make an appointment to fill the vacancy. A vacancy shall be filled for the unexpired term.

Whenever a vacancy for a Director, except as to the Chairman or those Directors appointed by the Mayor of the City of Chicago, exists for longer than 4 months, the new Director shall be chosen by election by all legislative members in the General Assembly representing the affected area. In order to qualify as a voting legislative member in this matter, the affected area must be more than 50% of the geographic area of the legislative district.

(Source: P.A. 95-708, eff. 1-18-08; 96-1528, eff. 7-1-11.)

(70 ILCS 3615/3.04) (from Ch. 111 2/3, par. 703.04)

Sec. 3.04. Compensation. Each Director including the Chairman, except for the Chairman of the Chicago Transit Authority who shall not be compensated by the Authority, shall be compensated at the rate of \$25,000 per year.

Officers of the Authority shall not be required to comply with the requirements of "An Act requiring certain custodians of public moneys to file and publish statements of the receipts and disbursements thereof", approved June 24, 1919, as now or hereafter amended.

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

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

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

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

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

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3.06) (from Ch. 111 2/3, par. 703.06)

Sec. 3.06. Territory and Annexation. The initial territory of the Authority shall be Cook, DuPage, Kane, Lake, McHenry and Will Counties, Illinois. Any other county or portion thereof in Illinois contiguous to the metropolitan region may be annexed to the Authority on such conditions as the Authority shall by ordinance prescribe, by ordinance adopted by the county board of such county, and by approval by the Authority. Upon such annexation, a certificate of such action shall be filed by the Secretary of the Authority with the County Clerk of the county so annexing to the Authority and with the Secretary of State of Illinois and the State Department of Revenue.

No area may be annexed to the Authority except upon the approval of a majority of the electors of such area voting on the proposition so to annex, which proposition may be presented at any regular election as provided by the county board or boards of the county or counties in which the area in question is located. Such county board or boards shall cause certification of such proposition to be given in accordance with the general election law to the proper election officers who shall submit the proposition at an election in accordance with the general election law.

(Source: P.A. 81-1489.)

(70 ILCS 3615/3.08) (from Ch. 111 2/3, par. 703.08)

Sec. 3.08. There is established a Regional Citizens Advisory Board. This board shall be comprised of the Chairmen of the Citizens Advisory Boards of the Chicago Transit Authority, the Commuter Rail Board and the Suburban Bus Board. This Board shall meet at least quarterly and shall advise the Board of the impact of its policies and programs on the communities within the metropolitan region. Members shall serve without compensation.

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

(70 ILCS 3615/3.09)

Sec. 3.09. (Repealed).

(Source: P.A. 83-886. Repealed by P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3.10)

Sec. 3.10. (Repealed).

(Source: P.A. 83-886. Repealed by P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3.11)

Sec. 3.11. Free and reduced fare services. The Authority shall provide the Department of Public Health with a monthly list of all riders that receive free or reduced fares. The list shall include an individual's name, address, and date of birth. The Department of Public Health shall, within 2 weeks after receipt of the list, report back to the Authority any discrepancies that indicate that a rider receiving free or reduced fare services is deceased. The Authority upon receipt of the report from the Department of Public Health shall take appropriate steps to remove any deceased individual's name from the list of individuals eligible under the free or reduced fare programs.

(Source: P.A. 97-781, eff. 1-1-13.)

(70 ILCS 3615/Art. III-A heading)

ARTICLE III-A  
SUBURBAN BUS DIVISION

(70 ILCS 3615/3A.01) (from Ch. 111 2/3, par. 703A.01)

Sec. 3A.01. Suburban Bus Division. There is established within the Authority the Suburban Bus Division as the operating division responsible for providing public transportation by bus and as may be provided in this Act. Purchase of service agreements between a transportation agency and the Authority in effect on the effective date of this amendatory Act shall remain in full force and effect in accordance with the terms of such agreement. Such agreements shall first be the responsibility of the Transition Board and, on the date of its creation, shall be the responsibility of the Suburban Bus Division and its Board.

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

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

Sec. 3A.02. Suburban Bus Board. The governing body of the Suburban Bus Division shall be a board consisting of 13 directors appointed as follows:

- (a) Six Directors appointed by the members of the Cook County Board elected from that part of Cook County outside of Chicago, or in the event such Board of Commissioners becomes elected from single member districts, by those Commissioners elected from districts, a majority of the residents of which reside outside of Chicago from the chief executive officers of the municipalities, of that portion of Cook County outside of Chicago. Provided however, that:
  - (i) One of the Directors shall be the chief executive officer of a municipality within the area of the Northwest Region defined in Section 3A.13;
  - (ii) One of the Directors shall be the chief executive officer of a municipality within the area of the North Central Region defined in Section 3A.13;
  - (iii) One of the Directors shall be the chief executive officer of a municipality within the area of the North Shore Region defined in Section 3A.13;
  - (iv) One of the Directors shall be the chief executive officer of a municipality within the area of the Central Region defined in Section 3A.13;
  - (v) One of the Directors shall be the chief executive officer of a municipality within the area of the Southwest Region defined in Section 3A.13;
  - (vi) One of the Directors shall be the chief executive officer of a municipality within the area of the South Region defined in Section 3A.13;
- (b) One Director by the Chairman of the Kane County Board who shall be a chief executive officer of a municipality within Kane County;
- (c) One Director by the Chairman of the Lake County Board who shall be a chief executive officer of a municipality within Lake County;
- (d) One Director by the Chairman of the DuPage County Board who shall be a chief executive officer of a municipality within DuPage County;
- (e) One Director by the Chairman of the McHenry County Board who shall be a chief executive officer of a municipality within McHenry County;
- (f) One Director by the Chairman of the Will County Board who shall be a chief executive officer of a municipality within Will County;
- (g) The Commissioner of the Mayor's Office for People with Disabilities, from the City of Chicago, who shall serve as an ex-officio member; and
- (h) The Chairman by the Governor for the initial term, and thereafter by a majority of the Chairmen of the DuPage, Kane, Lake, McHenry and Will County Boards and the members of the Cook County Board elected from that part of Cook County outside of Chicago, or in the event such Board of Commissioners is elected from single member districts, by those Commissioners elected from districts, a majority of the electors of which reside outside of Chicago; and who after the effective date of this amendatory Act of the 95th General Assembly may not be a resident of the City of

Chicago.

Each appointment made under paragraphs (a) through (g) and under Section 3A.03 shall be certified by the appointing authority to the Suburban Bus Board which shall maintain the certifications as part of the official records of the Suburban Bus Board; provided that the initial appointments shall be certified to the Secretary of State, who shall transmit the certifications to the Suburban Bus Board following its organization.

For the purposes of this Section, "chief executive officer of a municipality" includes a former chief executive officer of a municipality within the specified Region or County, provided that the former officer continues to reside within such Region or County.

(Source: P.A. 95-906, eff. 8-26-08.)

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

Sec. 3A.03. Terms, Vacancies. The initial term of the directors appointed pursuant to subdivision (a) of Section 3A.02 shall expire on June 30, 1985; the initial term of the directors appointed pursuant to subdivisions (b) through (g) of Section 3A.02 shall expire on June 30, 1986. Thereafter, each director shall be appointed for a term of 4 years, and until his successor has been appointed and qualified. A vacancy shall occur upon the resignation, death, conviction of a felony, or removal from office of a director. Any director may be removed from office (i) upon the concurrence of not less than 8 directors, on a formal finding of incompetence, neglect of duty, or malfeasance in office or (ii) by the Governor in response to a summary report received from the Executive Inspector General in accordance with Section 20-50 of the State Officials and Employees Ethics Act, provided he or she has an opportunity to be publicly heard in person or by counsel prior to removal. Within 30 days after the office of any director becomes vacant for any reason, the appointing authorities of such director shall make an appointment to fill the vacancy. A vacancy shall be filled for the unexpired term. The initial directors other than the chairman shall be appointed within 180 days of November 9, 1983.

On June 1, 1984 the seat of any Director of the Suburban Bus Board not yet filled shall be deemed vacant and shall be chosen by the election of all the legislative members of the General Assembly representing the affected area. In order to qualify as a voting legislative member in this matter, the affected area must be more than 50% of the geographic area of the legislative district.

(Source: P.A. 96-1528, eff. 7-1-11.)

(70 ILCS 3615/3A.04) (from Ch. 111 2/3, par. 703A.04)

Sec. 3A.04. Chairman and Other Officers. The Chairman shall preside at meetings of the Suburban Bus Board and shall be entitled to vote on all matters. The Suburban Bus Board shall select a Secretary and a Treasurer and may select persons to fill such other offices of the Division and to perform such duties as it shall from time to time determine. The Secretary, Treasurer and other officers of the Division may, but need not be, members of the Suburban Bus Board.

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

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

Sec. 3A.05. Appointment of officers and employees. The Suburban Bus Board shall appoint an Executive Director who shall be the chief executive officer of the Division, appointed, retained or dismissed with the concurrence of 9 of the directors of the Suburban Bus Board. The Executive Director shall appoint, retain and employ officers, attorneys, agents, engineers, employees and shall organize the staff, shall allocate their functions and duties, fix compensation and conditions of employment, and consistent with the policies of and direction from the Suburban Bus Board take all actions necessary to achieve its purposes, fulfill its responsibilities and carry out its powers, and shall have such other powers and responsibilities as the Suburban Bus Board shall determine. The Executive Director shall be an individual of proven transportation and management skills and may not be a member of the Suburban Bus Board. The Division may employ its own professional management personnel to provide professional and technical expertise concerning its purposes and powers and to assist it in assessing the performance of transportation agencies in the metropolitan region.

No unlawful discrimination, as defined and prohibited in the Illinois Human Rights Act, shall be made in any term or aspect of employment nor shall there be discrimination based upon political reasons or factors. The

Suburban Bus Board shall establish regulations to insure that its discharges shall not be arbitrary and that hiring and promotion are based on merit.

The Division shall be subject to the "Illinois Human Rights Act", as now or hereafter amended, and the remedies and procedure established thereunder. The Suburban Bus Board shall file an affirmative action program for employment by it with the Department of Human Rights to ensure that applicants are employed and that employees are treated during employment, without regard to unlawful discrimination. Such affirmative action program shall include provisions relating to hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, selection for training and rates of pay or other forms of compensation.  
(Source: P.A. 95-906, eff. 8-26-08.)

(70 ILCS 3615/3A.06) (from Ch. 111 2/3, par. 703A.06)

Sec. 3A.06. Compensation. The Chairman of the Suburban Bus Board shall receive an annual salary of \$15,000, and the other members of the Suburban Bus Board shall receive an annual salary of \$10,000. Each member shall be reimbursed for actual expenses incurred in the performance of his duties, not to exceed \$5000 per year.

Officers of the Division shall not be required to comply with the requirements of "An Act requiring certain custodians of public monies to file and publish statements of the receipts and disbursements thereof", approved June 24, 1919, as now or hereafter amended.  
(Source: P.A. 84-939.)

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

Sec. 3A.07. Meetings. The Suburban Bus Board shall prescribe the time and places for meetings and the manner in which special meetings may be called. The Suburban Bus Board shall comply in all respects with the "Open Meetings Act", as now or hereafter amended. All records, documents and papers of the Suburban Bus Division, other than those relating to matters concerning which closed sessions of the Suburban Bus Board may be held, shall be available for public examination, subject to such reasonable regulations as the Suburban Bus Board may adopt.

A majority of the members shall constitute a quorum for the conduct of business. The affirmative votes of at least 7 members shall be necessary for any action required by this Act to be taken by ordinance.  
(Source: P.A. 83-886.)

(70 ILCS 3615/3A.08) (from Ch. 111 2/3, par. 703A.08)

Sec. 3A.08. Jurisdiction. Any public transportation by bus within the metropolitan region, other than public transportation by commuter rail or public transportation provided by the Chicago Transit Authority pursuant to agreements in effect on the effective date of this amendatory Act of 1983 or in the City of Chicago and any ADA paratransit services provided pursuant to Section 2.30 of the Regional Transportation Authority Act, shall be subject to the jurisdiction of the Suburban Bus Board.  
(Source: P.A. 94-370, eff. 7-29-05.)

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

Sec. 3A.09. General Powers. In addition to any powers elsewhere provided to the Suburban Bus Board, it shall have all of the powers specified in Section 2.20 of this Act except for the powers specified in Section 2.20(a)(v). The Board shall also have the power:

- (a) to cooperate with the Regional Transportation Authority in the exercise by the Regional Transportation Authority of all the powers granted it by such Act;
- (b) to receive funds from the Regional Transportation Authority pursuant to Sections 2.02, 4.01, 4.02, 4.09 and 4.10 of the Regional Transportation Authority Act, all as provided in the Regional Transportation Authority Act;
- (c) to receive financial grants from the Regional Transportation Authority or a Service Board, as defined in the Regional Transportation Authority Act, upon such terms and conditions as shall be set forth in a grant contract between either the Division and the Regional Transportation Authority or the Division and another Service Board, which contract or agreement may be for such number of years or duration as the parties agree, all as provided in the Regional Transportation Authority Act;
- (d) to perform all functions necessary for the provision of paratransit services under Section 2.30 of this Act; and

(e) to borrow money for the purposes of: (i) constructing a new garage in the northwestern Cook County suburbs at an estimated cost of \$60,000,000, (ii) converting the South Cook garage in Markham to a Compressed Natural Gas facility at an estimated cost of \$12,000,000, (iii) constructing a new paratransit garage in DuPage County at an estimated cost of \$25,000,000, and (iv) expanding the North Shore garage in Evanston to accommodate additional indoor bus parking at an estimated cost of \$3,000,000. For the purpose of evidencing the obligation of the Suburban Bus Board to repay any money borrowed as provided in this subsection, the Suburban Bus Board may issue revenue bonds from time to time pursuant to ordinance adopted by the Suburban Bus Board, subject to the approval of the Regional Transportation Authority of each such issuance by the affirmative vote of 12 of its then Directors; provided that the Suburban Bus Board may not issue bonds for the purpose of financing the acquisition, construction, or improvement of any facility other than those listed in this subsection (e). All such bonds shall be payable solely from the revenues or income or any other funds that the Suburban Bus Board may receive, provided that the Suburban Bus Board may not pledge as security for such bonds the moneys, if any, that the Suburban Bus Board receives from the Regional Transportation Authority pursuant to Section 4.03.3(f) of the Regional Transportation Authority Act. The bonds shall bear interest at a rate not to exceed the maximum rate authorized by the Bond Authorization Act and shall mature at such time or times not exceeding 25 years from their respective dates. Bonds issued pursuant to this paragraph must be issued with scheduled principal or mandatory redemption payments in equal amounts in each fiscal year over the term of the bonds, with the first principal or mandatory redemption payment scheduled within the fiscal year in which bonds are issued or within the next succeeding fiscal year. At least 25%, based on total principal amount, of all bonds authorized pursuant to this Section shall be sold pursuant to notice of sale and public bid. No more than 75%, based on total principal amount, of all bonds authorized pursuant to this Section shall be sold by negotiated sale. The maximum principal amount of the bonds that may be issued may not exceed \$100,000,000. The bonds shall have all the qualities of negotiable instruments under the laws of this State. To secure the payment of any or all of such bonds and for the purpose of setting forth the covenants and undertakings of the Suburban Bus Board in connection with the issuance thereof and the issuance of any additional bonds payable from such revenue or income as well as the use and application of the revenue or income received by the Suburban Bus Board, the Suburban Bus Board may execute and deliver a trust agreement or agreements; provided that no lien upon any physical property of the Suburban Bus Board shall be created thereby. A remedy for any breach or default of the terms of any such trust agreement by the Suburban Bus Board may be by mandamus proceedings in any court of competent jurisdiction to compel performance and compliance therewith, but the trust agreement may prescribe by whom or on whose behalf such action may be instituted. Under no circumstances shall any bonds issued by the Suburban Bus Board or any other obligation of the Suburban Bus Board in connection with the issuance of such bonds be or become an indebtedness or obligation of the State of Illinois, the Regional Transportation Authority, or any other political subdivision of or municipality within the State, nor shall any such bonds or obligations be or become an indebtedness of the Suburban Bus Board within the purview of any constitutional limitation or provision, and it shall be plainly stated on the face of each bond that it does not constitute such an indebtedness or obligation but is payable solely from the revenues or income as aforesaid.

(Source: P.A. 97-770, eff. 1-1-13.)

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

Sec. 3A.10. Budget and Program. The Suburban Bus Board, subject to the powers of the Authority in Section 4.11, shall control the finances of the Division. It shall by ordinance appropriate money to perform the Division's purposes and provide for payment of debts and expenses of the Division.

Each year the Suburban Bus Board shall prepare and publish a comprehensive annual budget and proposed five-year capital program document, and a financial plan for the 2 years thereafter describing the state of the Division and presenting for the forthcoming fiscal year and the 2 following years the Suburban Bus Board's plans for such operations and capital expenditures as it intends to undertake and the means by which it intends to finance them. The proposed budget, financial plan, and five-year capital program shall be based on the Authority's estimate of funds to be made available to the Suburban Bus Board by or through the Authority and shall conform in all respects to the requirements established by the Authority. The proposed budget, financial plan, and five-year capital program shall contain a statement of the funds estimated to be on hand at the beginning of the fiscal year, the funds estimated to be received from all sources for such year and the funds estimated to be on hand at the end of such year. The fiscal year of the Division shall be the same as the fiscal year of the Authority. Before the proposed budget, financial plan, and five-year capital program are submitted to the Authority, the Suburban Bus Board shall hold at least one public hearing thereon in each of the counties in the metropolitan region in which the Division provides service. The Suburban Bus Board shall hold at least one meeting for consideration of the proposed budget, financial plan, and five-year capital program with the county board of each of the several counties in the metropolitan region in which the Division provides service. After conducting such hearings and holding such meetings and after making such changes in the proposed budget, financial plan, and five-year capital program as the Suburban Bus Board deems appropriate, it shall adopt an annual budget ordinance at least by November 15 next preceding the beginning of each fiscal year. The budget, financial plan, and five-year capital program shall then be submitted to the Authority as provided in Section 4.11. In the event that the Board of the Authority determines that the budget and financial plan do not meet the standards of Section 4.11, the Suburban Bus Board shall make such changes as are necessary to meet such requirements and adopt an amended budget ordinance. The amended budget ordinance shall be resubmitted to the Authority pursuant to Section 4.11. The ordinance shall appropriate such sums of money as are deemed necessary to defray all necessary expenses and obligations of the Division, specifying purposes and the objects or programs for which appropriations are made and the amount appropriated for each object or program. Additional appropriations, transfers between items and other changes in such ordinance which do not alter the basis upon which the balanced budget determination was made by the Board of the Authority may be made from time to time by the Suburban Bus Board.

The budget shall:

- (i) show a balance between (A) anticipated revenues from all sources including operating subsidies and (B) the costs of providing the services specified and of funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness;
- (ii) show cash balances including the proceeds of any anticipated cash flow borrowing sufficient to pay with reasonable promptness all costs and expenses as incurred;
- (iii) provide for a level of fares or charges and operating or administrative costs for the public transportation provided by or subject to the jurisdiction of the Suburban Bus Board sufficient to allow the Suburban Bus Board to meet its required system generated revenues recovery ratio and, beginning with the 2007 fiscal year, its system generated ADA paratransit services revenue recovery ratio;
- (iv) be based upon and employ assumptions and projections which are reasonable and prudent;
- (v) have been prepared in accordance with sound financial practices as determined by the Board of the Authority;
- (vi) meet such other uniform financial, budgetary, or fiscal requirements that the Board of the Authority may by rule or regulation establish; and
- (vii) be consistent with the goals and objectives adopted by the Regional Transportation Authority in the Strategic Plan.

(Source: P.A. 94-370, eff. 7-29-05; 95-708, eff. 1-18-08.)

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

Sec. 3A.11. Citizens Advisory Board. The Suburban Bus Board shall establish a citizens advisory board composed of 10 residents of those portions of the metropolitan region in which the Suburban Bus Board provides service who have an interest in public transportation. The members of the advisory board shall be named for 2 year terms, shall select one of their members to serve as chairman and shall serve without compensation.

The citizens advisory board shall meet with the Suburban Bus Board at least quarterly and advise the Suburban Bus Board of the impact of its policies and programs on the communities it serves. Appointments to the citizens advisory board should, to the greatest extent possible, reflect the ethnic, cultural, and geographic diversity of all persons residing within the Suburban Bus Board's jurisdiction.  
(Source: P.A. 95-708, eff. 1-18-08.)

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

Sec. 3A.12. Working Cash Borrowing. The Suburban Bus Board with the affirmative vote of 9 of its Directors may demand and direct the Board of the Authority to issue Working Cash Notes at such time and in such amounts and having such maturities as the Suburban Bus Board deems proper, provided however any such borrowing shall have been specifically identified in the budget of the Suburban Bus Board as approved by the Board of the Authority. Provided further, that the Suburban Bus Board may not demand and direct the Board of the Authority to have issued and have outstanding at any time in excess of \$5,000,000 in Working Cash Notes.  
(Source: P.A. 95-906, eff. 8-26-08.)

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

Sec. 3A.13. Regions.

For purposes of this Article Regions are defined as follows:

(1) The North Shore Region includes all the territory, municipalities and unincorporated areas of the County of Cook, State of Illinois, bounded by: Lake Michigan from the Cook-Lake County line southerly to the north corporate limit of the City of Chicago; the north corporate limits of the City of Chicago from Lake Michigan westerly to the east corporate limit of the Village of Niles; the east corporate limits of the Village of Niles from a point where the east corporate limit of the Village of Niles meets both the south corporate limit of the Village of Skokie and the north corporate limit of the City of Chicago to the point where the north corporate limit of the Village of Niles crosses the center of the right-of-way of Illinois Route 21 (Milwaukee Avenue); the center of the right-of-way of Illinois Route 21 (Milwaukee Avenue) to the point where the center of the right-of-way of Illinois Route 21 (Milwaukee Avenue) meets the centerline of Interstate Route 294 (Tri-State Tollway); the center line of Interstate Route 294 (Tri-State Tollway) from the center of the right-of-way of Illinois Route 21 (Milwaukee Avenue) to the Cook-Lake County line; and the Cook-Lake County line from the centerline of Interstate Route 294 (Tri-State Tollway) to Lake Michigan.

(2) The Northwest Region includes all the territory, municipalities and unincorporated areas of the County of Cook, State of Illinois, bounded by: the centerline of Interstate Route 294 (Tri-State Tollway), from the Cook-Lake County line southerly to the point where the centerline of Interstate Route 294 (Tri-State Tollway) meets the center of the right-of-way of Illinois Route 21 (Milwaukee Avenue); the center of the right-of-way of Illinois Route 21 (Milwaukee Avenue) from the centerline of Interstate Route 294 (Tri-State Tollway) to the north corporate limit of the Village of Niles; the north corporate limits of the Village of Niles, from the center of the right-of-way of Illinois Route 21 (Milwaukee Avenue) to the east corporate limit of the Village of Niles; the east corporate limits of the Village of Niles from the north corporate limit of the Village of Niles to the point where the east corporate limit of the Village of Niles meets both the south corporate limit of the Village of Skokie and the north corporate limit of the City of Chicago; the south corporate limits of the Village of Niles from a point where the south corporate limit of the Village of Niles meets both the north corporate limit of the City of Chicago and the south corporate limit of the Village of Skokie westerly to the east corporate limit of the City of Park Ridge, southerly along the east corporate limits of the City of Park Ridge to the centerline of Higgins Road, westerly along the center of the right-of-way of Higgins Road to the east corporate limit of the Village of Rosemont, northerly to the south corporate limit of the City of Des Plaines, westerly and northerly along the north and east corporate limits of the Village of Rosemont to the west corporate limit of the Village of Rosemont, southerly along the west corporate limit of the City of Chicago, westerly along the north corporate limit of the City of Chicago to the east corporate limit of the Village of Elk Grove Village, southerly along the east corporate limit of the Village of Elk Grove Village to the Cook-DuPage County line, and westerly along the Cook-DuPage County line to the Cook-Kane County line; the Cook-Kane County line from the Cook-DuPage County line to the Cook-McHenry County line; the Cook-McHenry County line, from the Cook-Kane County line to the Cook-Lake County line; and the Cook-Lake County line from the Cook-McHenry County line to the centerline of Interstate Route 294 (Tri-State Tollway).

(3) The North Central Region includes all the territory, municipalities

and unincorporated areas of the County of Cook, State of Illinois, bounded by: the west corporate limits of the City of Chicago from the north corporate limit of the Village of Schiller Park southerly to the south corporate limit of the City of Oak Park; the north and west corporate limits of the City of Berwyn from the west corporate limit of the City of Chicago westerly and southerly to the south corporate limit of the Village of North Riverside, the south corporate limits of the Village of North Riverside from the west corporate limit of the City of Berwyn westerly to the center of Salt Creek, the center of Salt Creek from the south corporate limit of the Village of North Riverside westerly to the east corporate limit of the Village of Westchester, the east and south corporate limits of the Village of Westchester from the center of Salt Creek to the west corporate limit of the Village of LaGrange Park, the west corporate limits of LaGrange Park from the south corporate limit of the Village of Westchester to the center of Salt Creek, the center of Salt Creek from the west corporate limit of the Village of LaGrange Park to the Cook-DuPage County line; the Cook-DuPage County line from the center of Salt Creek northerly to the south corporate limit of the City of Chicago; the south corporate limits of the City of Chicago from the Cook-DuPage County line northeasterly to the north corporate limit of the Village of Schiller Park; and the north corporate limit of the Village of Schiller Park from the south corporate limit of the City of Chicago to the east corporate limit of the Village of Schiller Park. Also included in the North Central Region are the territories within the corporate limits of the Village of Rosemont, the Village of Norridge, the Village of Harwood Heights and the unincorporated areas of Norwood Park Township.

(4) The Central Region includes all the territory, municipalities and unincorporated areas of the County of Cook, State of Illinois, bounded by: the west corporate limits of the City of Chicago from the corporate limit of the City of Chicago at Roosevelt Road southerly to the north corporate limit of the Village of Bedford Park; the north and west corporate limits of the Village of Bedford Park from the west corporate limit of the City of Chicago westerly and southerly to the north corporate limit of the Village of Justice; the west corporate limits of the Village of Justice from the south corporate limit of the Village of Bedford Park southerly to the north corporate limit of the Village of Willow Springs; the west and north corporate limits of the Village of Willow Springs southerly and westerly to the west corporate limit of the Village of Willow Springs (near the intersection of 79th Street and Howard Street); the center of the right-of-way of 79th Street from the west corporate limit of the Village of Willow Springs westerly to the Cook-DuPage County line; the Cook-DuPage County line from the center of the right-of-way of 79th Street northerly to the center of Salt Creek; the center of Salt Creek from the Cook-DuPage County line easterly to the west corporate limit of the Village of LaGrange Park; the west corporate limits of the Village of LaGrange Park from the center of Salt Creek northerly to the south corporate limit of the Village of Westchester; the south and east corporate limits of the Village of Westchester from the west corporate limit of the Village of LaGrange Park easterly and northerly to the center of Salt Creek; the center of Salt Creek from the east corporate limit of the Village of Westchester easterly to the north corporate limit of the Village of Brookfield; the north and east corporate limits of the Village of Brookfield from the center of Salt Creek easterly and southerly to the north corporate limit of the Village of Riverside; the north and west corporate limits of the Village of Riverside from the east corporate limit of the Village of Brookfield easterly and northerly to the west corporate limit of the City of Berwyn; the west and north corporate limits of the City of Berwyn from the south corporate limit of the Village of North Riverside northerly and easterly to the west corporate limit of the Town of Cicero; and the north corporate limits of the Town of Cicero from the east corporate limit of the City of Berwyn easterly to the west corporate limit of the City of Chicago. Notwithstanding any provision of this Act to the contrary, the Village of Willow Springs is included in the Central Region as of the effective date of this amendatory Act of the 93rd General Assembly.

(5) The Southwest Region includes all the territory, municipalities and unincorporated areas of the County of Cook, State of Illinois, bounded by: the west corporate limits of the City of Chicago from the north corporate limit of the Village of Bedford Park (at Illinois 50-Cicero Avenue) southerly to the north corporate limit of the City of Blue Island (at Maplewood Street); the north and west corporate limits of the City of Blue Island from the west corporate limit of the City of Chicago (at Maplewood Street) westerly and southerly to the east corporate limit of the Village of Robbins; the north and west corporate limits of the Village of Robbins from the west corporate limit of the City of Blue Island westerly and southerly to the north corporate limit of the Village of Midlothian; the north and west corporate limits of the Village of Midlothian from the west corporate limit of the Village of Robbins westerly and southerly to the north corporate limits of the Village of Oak Forest; the north and west corporate limits of the Village of Oak Forest from the west corporate limit of the Village of Midlothian westerly and southerly to the north

corporate limit of the Village of Tinley Park; the north and west corporate limits of the Village of Tinley Park from the west corporate limit of the Village of Oak Forest westerly and southerly to the Cook-Will County line; the Cook-Will County line from the west corporate limit of the Village of Tinley Park westerly to the Norfolk and Western Railroad tracks; the Cook-Will County line from the Norfolk and Western Railroad tracks northerly and westerly to the Cook-DuPage County line; the Cook-DuPage County line from the Cook-Will County line to the center of the right-of-way of 79th Street; the center of the right-of-way of 79th Street from the Cook-DuPage County line easterly to the west corporate limit of the Village of Willow Springs; the north and west corporate limits of the Village of Willow Springs from the center of the right-of-way of 79th Street easterly and northerly to the south corporate limit of the Village of Hodgkins; the south and east corporate limits of the Village of Hodgkins from the north corporate limit of the Village of Willow Springs northeasterly to the south corporate limit of the Village of Bedford Park; and the west and north corporate limits of the Village of Bedford Park from the north corporate limit of the Village of Justice northerly and easterly to the west corporate limit of the City of Chicago (at Illinois Route 50-Cicero Avenue). Notwithstanding any provision of this Act to the contrary, the Village of Willow Springs is excluded from the Southwest Region as of the effective date of this amendatory Act of the 93rd General Assembly.

(6) The South Region includes all the territory, municipalities and unincorporated areas of the County of Cook, State of Illinois, bounded by: the Illinois-Indiana State line from the south corporate limit of the City of Chicago southerly to the Cook-Will County line; the Cook-Will County line from the Illinois-Indiana State line westerly and northerly to the west corporate limit of the Village of Tinley Park; the west and north corporate limits of the Village of Tinley Park from the Cook-Will County line northerly and easterly to the west corporate limit of the Village of Oak Forest; the west and north corporate limits of the Village of Oak Forest from the north corporate limit of the Village of Tinley Park northerly and easterly to the west corporate limit of the Village of Midlothian; the west and north corporate limits of the Village of Midlothian from the north corporate limit of the Village of Oak Forest northerly and easterly to the west corporate limit of the Village of Robbins; the west and north corporate limits of the Village of Robbins from the north corporate limit of the Village of Midlothian northerly and easterly to the west corporate limit of the City of Blue Island; the west and north corporate limits of the City of Blue Island from the north corporate limit of the Village of Robbins northerly and easterly to the west corporate limit of the City of Chicago (at Maplewood Street); and the south corporate limits of the City of Chicago from the west corporate limit of the City of Chicago (at Maplewood Street) to the Illinois-Indiana State line.

(Source: P.A. 93-158, eff. 7-10-03.)

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

(a) The provisions of this Section apply to collective bargaining agreements (including extensions and amendments of existing agreements) entered into on or after January 1, 1984.

(b) The Suburban Bus Board shall deal with and enter into written contracts with their employees, through accredited representatives of such employees authorized to act for such employees concerning wages, salaries, hours, working conditions, and pension or retirement provisions about which a collective bargaining agreement has been entered prior to the effective date of this amendatory Act of 1983. Any such agreement of the Suburban Bus Board shall provide that the agreement may be reopened if the amended budget submitted pursuant to Section 2.18a of this Act is not approved by the Board of the Authority. The agreement may not include a provision requiring the payment of wage increases based on changes in the Consumer Price Index. The Suburban Bus Board shall not have the authority to enter collective bargaining agreements with respect to inherent management rights, which include such areas of discretion or policy as the functions of the employer, standards of services, its overall budget, the organizational structure and selection of new employees and direction of personnel. Employers, however, shall be required to bargain collectively with regard to policy matters directly affecting wages, hours and terms and conditions of employment, as well as the impact thereon, upon request by employee representatives. To preserve the rights of employers and exclusive representatives which have established collective bargaining relationships or negotiated collective bargaining agreements prior to the effective date of this amendatory Act of 1983, employers shall be required to bargain collectively with regard to any matter concerning wages, hours or conditions of employment about which they have bargained prior to the effective date of this amendatory Act of 1983.

(c) The collective bargaining agreement may not include a prohibition

on the use of part-time operators on any service operated by the Suburban Bus Board except where prohibited by federal law.

(d) Within 30 days of the signing of any such collective bargaining agreement, the Suburban Bus Board shall determine the costs of each provision of the agreement, prepare an amended budget incorporating the costs of the agreement, and present the amended budget to the Board of the Authority for its approval under Section 4.11. The Board may approve the amended budget by an affirmative vote of 12 of its then Directors. If the budget is not approved by the Board of the Authority, the agreement may be reopened and its terms may be renegotiated. Any amended budget which may be prepared following renegotiation shall be presented to the Board of the Authority for its approval in like manner.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3A.15)

Sec. 3A.15. Free services; eligibility.

(a) Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly and until subsection (b) is implemented, any fixed route public transportation services provided by, or under grant or purchase of service contracts of, the Suburban Bus Board shall be provided without charge to all senior citizens of the Metropolitan Region aged 65 and older, under such conditions as shall be prescribed by the Suburban Bus Board.

(b) Notwithstanding any law to the contrary, no later than 180 days following the effective date of this amendatory Act of the 96th General Assembly, any fixed route public transportation services provided by, or under grant or purchase of service contracts of, the Suburban Bus Board shall be provided without charge to senior citizens aged 65 and older who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief Act, under such conditions as shall be prescribed by the Suburban Bus Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section. Nothing in this Section shall relieve the Suburban Bus Board from providing reduced fares as may be required by federal law.

(Source: P.A. 96-1527, eff. 2-14-11; 97-689, eff. 6-14-12.)

(70 ILCS 3615/3A.16)

Sec. 3A.16. Transit services for disabled individuals. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, all fixed route public transportation services provided by, or under grant or purchase of service contract of, the Suburban Bus Board shall be provided without charge to all disabled persons who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief Act, under such procedures as shall be prescribed by the Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

(Source: P.A. 97-689, eff. 6-14-12.)

(70 ILCS 3615/3A.17)

Sec. 3A.17. Emergency protocols. Within 6 months after the effective date of this amendatory Act of the 96th General Assembly, the Suburban Bus Board must develop written protocols to respond to medical and sanitation emergencies and to other safety hazards.

(Source: P.A. 96-677, eff. 8-25-09.)

(70 ILCS 3615/Art. III-B heading)

ARTICLE III-B  
COMMUTER RAIL DIVISION

(70 ILCS 3615/3B.01) (from Ch. 111 2/3, par. 703B.01)

Sec. 3B.01. Commuter Rail Division. There is established within the Authority the Commuter Rail Division as the operating division responsible for providing public transportation by commuter rail. Purchase of service agreements between a transportation agency and the Authority in effect on the effective date of this amendatory Act shall remain in full force and effect in accordance with the terms of such agreement. Such agreements

shall first be the responsibility of the Transition Board and, on the date of its creation, shall become the responsibility of the Commuter Rail Division and its Board.

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

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

Sec. 3B.02. Commuter Rail Board.

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

(1) One director shall be appointed by the Chairman of the Board of DuPage County with the advice and consent of the County Board of DuPage County and shall reside in DuPage County.

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

(3) Three directors appointed by the members of the Cook County Board elected from that part of Cook County outside of Chicago, or, in the event such Board of Commissioners becomes elected from single member districts, by those Commissioners elected from districts, a majority of the residents of which reside outside Chicago. In either case, such appointment shall be with the concurrence of four such Commissioners. Each such director shall reside in that part of Cook County outside Chicago.

(4) One director appointed by the Mayor of the City of Chicago, with the advice and consent of the City Council of the City of Chicago. Such director shall reside in the City of Chicago.

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

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

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

(2) One Director shall be appointed by the Chairman of the McHenry County Board with the advice and consent of the McHenry County Board and shall reside in McHenry County. To implement the change in appointing authority under this Section, upon the expiration of the term of or vacancy in office of the Director appointed under item (2) of subsection (a) of this Section who resides in McHenry County, a Director shall be appointed under this subparagraph.

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

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

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

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

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

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

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

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

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

(iv) One Director who resides in the township of Proviso, Riverside, Berwyn, Cicero, Lyons, Stickney, Lemont, Palos, or Orland. To implement the changes in appointing authority under this Section, upon the expiration of the term of or vacancy in office of the Director appointed under paragraph (3) of subsection (a) of this Section who resides in the geographic area described in this subparagraph and whose term of office had not expired as of August 1, 2007, a Director shall be appointed under this subparagraph.

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

(vi) The Directors identified under the provisions of subparagraphs (ii) through (v) of this paragraph (7) shall be appointed by the members of the Cook County Board. Each individual Director shall be appointed by those members of the Cook County Board whose Board districts overlap in whole or in part with the geographic territory described in the relevant subparagraph. The vote of County Board members eligible to appoint directors under the provisions of subparagraphs (ii) through (v) of this paragraph (7) shall be weighted by the number of electors residing in those portions of their Board districts within the geographic territory described in the relevant subparagraph (ii) through (v) of this paragraph (7).

(8) The Chairman shall be appointed by the Directors, from the members of the Board, with the concurrence of 8 of such Directors. To implement the changes in appointing authority under this Section, upon the expiration of the term of or vacancy in office of the Chairman appointed under item (5) of subsection (a) of this Section, a Chairman shall be appointed under this subparagraph.

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

(d) Each appointment made under subsections (a) and (b) of this Section and under Section 3B.03 shall be certified by the appointing authority to the Commuter Rail Board which shall maintain the certifications as part of the official records of the Commuter Rail Board.

(Source: P.A. 95-708, eff. 1-18-08.)

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

Sec. 3B.03. Terms, Vacancies. Each director shall be appointed for a term of 4 years, and until his successor has been appointed and qualified.

A vacancy shall occur upon the resignation, death, conviction of a felony, or removal from office of a director. Any director may be removed from office (i) upon the concurrence of not less than 8 directors, on a formal finding of incompetence, neglect of duty, or malfeasance in office or (ii) by the Governor in response to a summary report received from the Executive Inspector General in accordance with Section 20-50 of the State Officials and Employees Ethics Act, provided he or she has an opportunity to be publicly heard in person or by counsel prior to removal. Within 30 days after the office of any director becomes vacant for any reason, the appropriate appointing authorities of such director, as provided in Section 3B.02, shall make an appointment to fill the vacancy. A vacancy shall be filled for the unexpired term.

(Source: P.A. 95-708, eff. 1-18-08; 96-1528, eff. 7-1-11.)

(70 ILCS 3615/3B.04) (from Ch. 111 2/3, par. 703B.04)

Sec. 3B.04. Chairman and Other Officers. The Chairman shall preside at meetings of the Commuter Rail Board and shall be entitled to vote on all matters. The Commuter Rail Board shall select a Secretary and a Treasurer and may select persons to fill such other offices of the Division and to perform such duties as it shall from time to time determine. The Secretary, Treasurer and other officers of the Division may but need not be members of the Commuter Rail Board.

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

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

Sec. 3B.05. Appointment of officers and employees. The Commuter Rail Board shall appoint an Executive Director who shall be the chief executive officer of the Division, appointed, retained or dismissed with the concurrence of 8 of the directors of the Commuter Rail Board. The Executive Director shall appoint, retain and employ officers, attorneys, agents, engineers, employees and shall organize the staff, shall allocate their functions and duties, fix compensation and conditions of employment, and consistent with the policies of and direction from the Commuter Rail Board take all actions necessary to achieve its purposes, fulfill its responsibilities and carry out its powers, and shall have such other powers and responsibilities as the Commuter Rail Board shall determine. The Executive Director shall be an individual of proven transportation and management skills and may not be a member of the Commuter Rail Board. The Division may employ its own professional management personnel to provide professional and technical expertise concerning its purposes and powers and to assist it in assessing the performance of transportation agencies in the metropolitan region.

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

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

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3B.06) (from Ch. 111 2/3, par. 703B.06)

Sec. 3B.06. Compensation. The Chairman of the Commuter Rail Board shall receive an annual salary of \$25,000. Other members of the Commuter Rail Board shall receive an annual salary of \$15,000. Each member shall be reimbursed for actual expenses incurred in the performance of his duties.

Officers of the Division shall not be required to comply with the requirements of "An Act requiring certain custodians of public monies to file and publish statements of the receipts and disbursements thereof", approved June 24, 1919, as now or hereafter amended.

(Source: P.A. 83-1156.)

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

Sec. 3B.07. Meetings. The Commuter Rail Board shall prescribe the times and places for meetings and the manner in which special meetings may be called. The Commuter Rail Board shall comply in all respects with the

"Open Meetings Act", as now or hereafter amended. All records, documents and papers of the Commuter Rail Division, other than those relating to matters concerning which closed sessions of the Commuter Rail Board may be held, shall be available for public examination, subject to such reasonable regulations as the board may adopt.

A majority of the members shall constitute a quorum for the conduct of business. The affirmative votes of at least 6 members shall be necessary for any action required by this Act to be taken by ordinance.  
(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3B.08) (from Ch. 111 2/3, par. 703B.08)

Sec. 3B.08. Jurisdiction. Any public transportation within the metropolitan region outside of the City of Chicago by commuter rail and within the City of Chicago, public transportation by commuter rail along the line or route provided on the effective date of this amendatory Act of 1983 by the Burlington Northern Inc., the Chicago, Milwaukee, St. Paul, and Pacific Railroad Company, the Illinois Central Gulf Railroad Company, the Norfolk & Western Railway, the Chicago, Rock Island & Pacific Railroad Company, the Chicago and North Western Railroad Company, the Chicago South Shore and South Bend Railroad and the Authority, or their respective successors, other than public transportation provided by the Chicago Transit Authority, shall be subject to the jurisdiction of the Commuter Rail Board.

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

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

Sec. 3B.09. General Powers. In addition to any powers elsewhere provided to the Commuter Rail Board, it shall have all of the powers specified in Section 2.20 of this Act except for the powers specified in Section 2.20(a)(v). The Board shall also have the power:

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

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

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

(d) to borrow money for the purpose of acquiring, constructing, reconstructing, extending, or improving any Public Transportation Facilities (as defined in Section 1.03 of the Regional Transportation Authority Act) operated by or to be operated by or on behalf of the Commuter Rail Division. For the purpose of evidencing the obligation of the Commuter Rail Board to repay any money borrowed as provided in this subsection, the Commuter Rail Board may issue revenue bonds from time to time pursuant to ordinance adopted by the Commuter Rail Board, subject to the approval of the Regional Transportation Authority of each such issuance by the affirmative vote of 12 of its then Directors; provided that the Commuter Rail Board may not issue bonds for the purpose of financing the acquisition, construction, or improvement of a corporate headquarters building. All such bonds shall be payable solely from the revenues or income or any other funds that the Commuter Rail Board may receive, provided that the Commuter Rail Board may not pledge as security for such bonds the moneys, if any, that the Commuter Rail Board receives from the Regional Transportation Authority pursuant to Section 4.03.3(f) of the Regional Transportation Authority Act. The bonds shall bear interest at a rate not to exceed the maximum rate authorized by the Bond Authorization Act and shall mature at such time or times not exceeding 25 years from their respective dates. Bonds issued pursuant to this paragraph must be issued with scheduled principal or mandatory redemption payments in equal amounts in each fiscal year over the term of the bonds, with the first principal or mandatory redemption payment scheduled within the fiscal year in which bonds are issued or within the next succeeding fiscal year. At least 25%, based on total principal amount, of all bonds authorized pursuant to this Section shall be sold pursuant to notice of sale and public bid. No more than 75%, based on total principal amount, of all bonds authorized pursuant to this Section shall be sold by negotiated sale. The maximum principal amount of the bonds that may be issued and outstanding at any time may not exceed \$1,000,000,000. The bonds shall have all the qualities of negotiable instruments under the laws of this State. To secure the payment of any or all of such bonds and for the

purpose of setting forth the covenants and undertakings of the Commuter Rail Board in connection with the issuance thereof and the issuance of any additional bonds payable from such revenue or income as well as the use and application of the revenue or income received by the Commuter Rail Board, the Commuter Rail Board may execute and deliver a trust agreement or agreements; provided that no lien upon any physical property of the Commuter Rail Board shall be created thereby. A remedy for any breach or default of the terms of any such trust agreement by the Commuter Rail Board may be by mandamus proceedings in any court of competent jurisdiction to compel performance and compliance therewith, but the trust agreement may prescribe by whom or on whose behalf such action may be instituted. Under no circumstances shall any bonds issued by the Commuter Rail Board or any other obligation of the Commuter Rail Board in connection with the issuance of such bonds be or become an indebtedness or obligation of the State of Illinois, the Regional Transportation Authority, or any other political subdivision of or municipality within the State, nor shall any such bonds or obligations be or become an indebtedness of the Commuter Rail Board within the purview of any constitutional limitation or provision, and it shall be plainly stated on the face of each bond that it does not constitute such an indebtedness or obligation but is payable solely from the revenues or income as aforesaid.  
(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3B.09a)

Sec. 3B.09a. Bicycles on commuter rail trains. Effective July 1, 1999 and after first adopting an ordinance imposing terms and conditions designed to protect the safety and convenience of passengers, the Commuter Rail Board may allow bicycles to be transported on commuter rail trains. A reasonable fare increase may be charged to those passengers with bicycles.

(Source: P.A. 90-45, eff. 1-1-98.)

(70 ILCS 3615/3B.09b)

Sec. 3B.09b. Payment of fares by credit card.

(a) By February 28, 2010, the Commuter Rail Board shall allow passengers to purchase fares by credit card (i) through an Internet website operated by the Board, (ii) at its LaSalle Street Station, Union Station, Ogilvie Transportation Center, and Millennium Station, (iii) at stations with agents, and (iv) from vending machines capable of providing fares by credit card at the 14 largest stations on the Metra Electric Line.

(b) The Board may not require a passenger who chooses to purchase a fare by credit card to pay an additional fee.

(Source: P.A. 96-621, eff. 1-1-10.)

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

Sec. 3B.10. Budget and Program. The Commuter Rail Board, subject to the powers of the Authority in Section 4.11, shall control the finances of the Division. It shall by ordinance appropriate money to perform the Division's purposes and provide for payment of debts and expenses of the Division. Each year the Commuter Rail Board shall prepare and publish a comprehensive annual budget and proposed five-year capital program document, and a financial plan for the two years thereafter describing the state of the Division and presenting for the forthcoming fiscal year and the two following years the Commuter Rail Board's plans for such operations and capital expenditures as the Commuter Rail Board intends to undertake and the means by which it intends to finance them. The proposed budget, financial plan, and five-year capital program shall be based on the Authority's estimate of funds to be made available to the Commuter Rail Board by or through the Authority and shall conform in all respects to the requirements established by the Authority. The proposed budget, financial plan, and five-year capital program shall contain a statement of the funds estimated to be on hand at the beginning of the fiscal year, the funds estimated to be received from all sources for such year and the funds estimated to be on hand at the end of such year. The fiscal year of the Division shall be the same as the fiscal year of the Authority. Before the proposed budget, financial plan, and five-year capital program are submitted to the Authority, the Commuter Rail Board shall hold at least one public hearing thereon in each of the counties in the metropolitan region in which the Division provides service. The Commuter Rail Board shall hold at least one meeting for consideration of the proposed budget, financial plan, and five-year capital plan with the county board of each of the several counties in the metropolitan region in which the Division provides service. After conducting such hearings and holding such meetings and after making such changes in the proposed budget, financial plan, and five-year capital plan as the Commuter Rail Board deems appropriate, the

board shall adopt its annual budget ordinance at least by November 15 next preceding the beginning of each fiscal year. The budget, financial plan, and five-year capital program shall then be submitted to the Authority as provided in Section 4.11. In the event that the Board of the Authority determines that the budget and program, and financial plan do not meet the standards of Section 4.11, the Commuter Rail Board shall make such changes as are necessary to meet such requirements and adopt an amended budget ordinance. The amended budget ordinance shall be resubmitted to the Authority pursuant to Section 4.11. The ordinance shall appropriate such sums of money as are deemed necessary to defray all necessary expenses and obligations of the Division, specifying purposes and the objects or programs for which appropriations are made and the amount appropriated for each object or program. Additional appropriations, transfers between items and other changes in such ordinance which do not alter the basis upon which the balanced budget determination was made by the Board of the Authority may be made from time to time by the Commuter Rail Board.

The budget shall:

- (i) show a balance between (A) anticipated revenues from all sources including operating subsidies and (B) the costs of providing the services specified and of funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness;
- (ii) show cash balances including the proceeds of any anticipated cash flow borrowing sufficient to pay with reasonable promptness all costs and expenses as incurred;
- (iii) provide for a level of fares or charges for the public transportation provided by or subject to the jurisdiction of such Commuter Rail Board sufficient to allow the Commuter Rail Board to meet its required system generated revenue recovery ratio;
- (iv) be based upon and employ assumptions and projections which the Board of the Authority finds to be reasonable and prudent;
- (v) have been prepared in accordance with sound financial practices as determined by the Board of the Authority;
- (vi) meet such other uniform financial, budgetary, or fiscal requirements that the Board of the Authority may by rule or regulation establish; and
- (vii) be consistent with the goals and objectives adopted by the Regional Transportation Authority in the Strategic Plan.

(Source: P.A. 95-708, eff. 1-18-08.)

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

Sec. 3B.11. Citizens Advisory Board. The Commuter Rail Board shall establish a citizens advisory board composed of ten residents of those portions of the metropolitan region in which the Commuter Rail Board provides service who have an interest in public transportation. The members of the advisory board shall be named for two year terms, shall select one of their members to serve as chairman and shall serve without compensation. The citizens advisory board shall meet with the Commuter Rail Board at least quarterly and advise the Commuter Rail Board of the impact of its policies and programs on the communities it serves. Appointments to the citizens advisory board should, to the greatest extent possible, reflect the ethnic, cultural, and geographic diversity of all persons residing within the Commuter Rail Division's jurisdiction.

(Source: P.A. 95-708, eff. 1-18-08.)

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

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

(Source: P.A. 95-708, eff. 1-18-08.)

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

Sec. 3B.13. Labor.

(a) The provisions of this Section apply to collective bargaining

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

(b) The Commuter Rail Board shall deal with and enter into written contracts with their employees, through accredited representatives of such employees authorized to act for such employees concerning wages, salaries, hours, working conditions, and pension or retirement provisions about which a collective bargaining agreement has been entered prior to the effective date of this amendatory Act of 1983. Any such agreement of the Commuter Rail Board shall provide that the agreement may be reopened if the amended budget submitted pursuant to Section 2.18a of this Act is not approved by the Board of the Authority. The agreement may not include a provision requiring the payment of wage increases based on changes in the Consumer Price Index. The Commuter Rail Board shall not have the authority to enter collective bargaining agreements with respect to inherent management rights which include such areas of discretion or policy as the functions of the employer, standards of services, its overall budget, the organizational structure and selection of new employees and direction of personnel. Employers, however, shall be required to bargain collectively with regard to policy matters directly affecting wages, hours and terms and conditions of employment, as well as the impact thereon, upon request by employee representatives. To preserve the rights of the Commuter Rail Board and exclusive representatives which have established collective bargaining relationships or negotiated collective bargaining agreements prior to the effective date of this amendatory Act of 1983, the Commuter Rail Board shall be required to bargain collectively with regard to any matter concerning wages, hours or conditions of employment about which they have bargained prior to the effective date of this amendatory Act of 1983.

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

(d) Within 30 days of the signing of any such collective bargaining agreement, the Commuter Rail Board shall determine the costs of each provision of the agreement, prepare an amended budget incorporating the costs of the agreement, and present the amended budget to the Board of the Authority for its approval under Section 4.11. The Board may approve the amended budget by an affirmative vote of 12 of its then Directors. If the budget is not approved by the Board of the Authority, the agreement may be reopened and its terms may be renegotiated. Any amended budget which may be prepared following renegotiation shall be presented to the Board of the Authority for its approval in like manner.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/3B.14)

Sec. 3B.14. Free services; eligibility.

(a) Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly and until subsection (b) is implemented, any fixed route public transportation services provided by, or under grant or purchase of service contracts of, the Commuter Rail Board shall be provided without charge to all senior citizens of the Metropolitan Region aged 65 and older, under such conditions as shall be prescribed by the Commuter Rail Board.

(b) Notwithstanding any law to the contrary, no later than 180 days following the effective date of this amendatory Act of the 96th General Assembly, any fixed route public transportation services provided by, or under grant or purchase of service contracts of, the Commuter Rail Board shall be provided without charge to senior citizens aged 65 and older who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief Act, under such conditions as shall be prescribed by the Commuter Rail Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section. Nothing in this Section shall relieve the Commuter Rail Board from providing reduced fares as may be required by federal law.

(Source: P.A. 96-1527, eff. 2-14-11; 97-689, eff. 6-14-12.)

(70 ILCS 3615/3B.15)

Sec. 3B.15. Transit services for disabled individuals. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, all fixed route public transportation services provided by, or under grant or purchase of service contract of, the Commuter Rail Board shall be provided without charge to all disabled persons who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief Act, under such procedures as shall

be prescribed by the Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

(Source: P.A. 97-689, eff. 6-14-12.)

(70 ILCS 3615/3B.16)

Sec. 3B.16. Emergency protocols. Within 6 months after the effective date of this amendatory Act of the 96th General Assembly, the Commuter Rail Board must develop written protocols to respond to medical and sanitation emergencies and to other safety hazards.

(Source: P.A. 96-677, eff. 8-25-09.)

(70 ILCS 3615/3B.20)

Sec. 3B.20. Wireless Internet. The Commuter Rail Board must provide wireless Internet service on all passenger trains it owns or operates by January 1, 2012, but only if the service can be provided with no cost to the Commuter Rail Division.

(Source: P.A. 97-85, eff. 7-7-11.)

(70 ILCS 3615/3B.25)

Sec. 3B.25. Automated external defibrillators. The Commuter Rail Board must conduct a study concerning the installation and use of automated external defibrillators on passenger trains operated by the Commuter Rail Board. No later than one year after the effective date of this amendatory Act of the 97th General Assembly, the Commuter Rail Board must report to the Governor and the General Assembly the results of the study. For the purposes of this Section, "automated external defibrillator" has the meaning ascribed to that term in Section 10 of the Automated External Defibrillator Act.

(Source: P.A. 97-85, eff. 7-7-11.)

(70 ILCS 3615/Art. IV heading)

#### ARTICLE IV. FINANCES.

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

Sec. 4.01. Budget and Program.

(a) The Board shall control the finances of the Authority. It shall by ordinance adopted by the affirmative vote of at least 12 of its then Directors (i) appropriate money to perform the Authority's purposes and provide for payment of debts and expenses of the Authority, (ii) take action with respect to the budget and two-year financial plan of each Service Board, as provided in Section 4.11, and (iii) adopt an Annual Budget and Two-Year Financial Plan for the Authority that includes the annual budget and two-year financial plan of each Service Board that has been approved by the Authority. The Annual Budget and Two-Year Financial Plan shall contain a statement of the funds estimated to be on hand for the Authority and each Service Board at the beginning of the fiscal year, the funds estimated to be received from all sources for such year, the estimated expenses and obligations of the Authority and each Service Board for all purposes, including expenses for contributions to be made with respect to pension and other employee benefits, and the funds estimated to be on hand at the end of such year. The fiscal year of the Authority and each Service Board shall begin on January 1st and end on the succeeding December 31st. By July 1st of each year the Director of the Illinois Governor's Office of Management and Budget (formerly Bureau of the Budget) shall submit to the Authority an estimate of revenues for the next fiscal year of the Authority to be collected from the taxes imposed by the Authority and the amounts to be available in the Public Transportation Fund and the Regional Transportation Authority Occupation and Use Tax Replacement Fund and the amounts otherwise to be appropriated by the State to the Authority for its purposes. The Authority shall file a copy of its Annual Budget and Two-Year Financial Plan with the General Assembly and the Governor after its adoption. Before the proposed Annual Budget and Two-Year Financial Plan is adopted, the Authority shall hold at least one public hearing thereon in the metropolitan region, and shall meet with the county board or its designee of each of the several counties in the metropolitan region. After conducting such hearings and holding such meetings and after making such changes in the proposed Annual Budget and Two-Year Financial Plan as the Board deems appropriate, the Board shall adopt its annual appropriation and Annual Budget and Two-Year Financial

Plan ordinance. The ordinance may be adopted only upon the affirmative votes of 12 of its then Directors. The ordinance shall appropriate such sums of money as are deemed necessary to defray all necessary expenses and obligations of the Authority, specifying purposes and the objects or programs for which appropriations are made and the amount appropriated for each object or program. Additional appropriations, transfers between items and other changes in such ordinance may be made from time to time by the Board upon the affirmative votes of 12 of its then Directors.

(b) The Annual Budget and Two-Year Financial Plan shall show a balance between anticipated revenues from all sources and anticipated expenses including funding of operating deficits or the discharge of encumbrances incurred in prior periods and payment of principal and interest when due, and shall show cash balances sufficient to pay with reasonable promptness all obligations and expenses as incurred.

The Annual Budget and Two-Year Financial Plan must show:

(i) that the level of fares and charges for mass transportation provided by, or under grant or purchase of service contracts of, the Service Boards is sufficient to cause the aggregate of all projected fare revenues from such fares and charges received in each fiscal year to equal at least 50% of the aggregate costs of providing such public transportation in such fiscal year. "Fare revenues" include the proceeds of all fares and charges for services provided, contributions received in connection with public transportation from units of local government other than the Authority, except for contributions received by the Chicago Transit Authority from a real estate transfer tax imposed under subsection (i) of Section 8-3-19 of the Illinois Municipal Code, and from the State pursuant to subsection (i) of Section 2705-305 of the Department of Transportation Law (20 ILCS 2705/2705-305), and all other operating revenues properly included consistent with generally accepted accounting principles but do not include: the proceeds of any borrowings, and, beginning with the 2007 fiscal year, all revenues and receipts, including but not limited to fares and grants received from the federal, State or any unit of local government or other entity, derived from providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act. "Costs" include all items properly included as operating costs consistent with generally accepted accounting principles, including administrative costs, but do not include: depreciation; payment of principal and interest on bonds, notes or other evidences of obligation for borrowed money issued by the Authority; payments with respect to public transportation facilities made pursuant to subsection (b) of Section 2.20 of this Act; any payments with respect to rate protection contracts, credit enhancements or liquidity agreements made under Section 4.14; any other cost to which it is reasonably expected that a cash expenditure will not be made; costs for passenger security including grants, contracts, personnel, equipment and administrative expenses, except in the case of the Chicago Transit Authority, in which case the term does not include costs spent annually by that entity for protection against crime as required by Section 27a of the Metropolitan Transit Authority Act; the payment by the Chicago Transit Authority of Debt Service, as defined in Section 12c of the Metropolitan Transit Authority Act, on bonds or notes issued pursuant to that Section; the payment by the Commuter Rail Division of debt service on bonds issued pursuant to Section 3B.09; expenses incurred by the Suburban Bus Division for the cost of new public transportation services funded from grants pursuant to Section 2.01e of this amendatory Act of the 95th General Assembly for a period of 2 years from the date of initiation of each such service; costs as exempted by the Board for projects pursuant to Section 2.09 of this Act; or, beginning with the 2007 fiscal year, expenses related to providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act; and in fiscal years 2008 through 2012 inclusive, costs in the amount of \$200,000,000 in fiscal year 2008, reducing by \$40,000,000 in each fiscal year thereafter until this exemption is eliminated; and

(ii) that the level of fares charged for ADA paratransit services is sufficient to cause the aggregate of all projected revenues from such fares charged and received in each fiscal year to equal at least 10% of the aggregate costs of providing such ADA paratransit services.

For purposes of this Act, the percentages in this subsection (b)(ii) shall be referred to as the "system generated ADA paratransit services revenue recovery ratio". For purposes of the system generated ADA paratransit services revenue recovery ratio, "costs" shall include all items properly included as operating costs consistent with generally accepted accounting principles. However, the Board may exclude from costs an amount that does not exceed the allowable "capital costs of contracting" for ADA paratransit services pursuant to the Federal Transit Administration guidelines for the Urbanized Area Formula Program.

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

(d) This subsection applies only until the Department begins administering and enforcing an increased tax under Section 4.03(m) as authorized by this amendatory Act of the 95th General Assembly. After withholding 15% of the proceeds of any tax imposed by the Authority and 15% of money received by the Authority from the Regional Transportation Authority Occupation and Use Tax Replacement Fund, the Board shall allocate the proceeds and money remaining to the Service Boards as follows: (1) an amount equal to 85% of the proceeds of those taxes collected within the City of Chicago and 85% of the money received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the County and Mass Transit District Fund attributable to retail sales within the City of Chicago shall be allocated to the Chicago Transit Authority; (2) an amount equal to 85% of the proceeds of those taxes collected within Cook County outside the City of Chicago and 85% of the money received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the County and Mass Transit District Fund attributable to retail sales within Cook County outside of the city of Chicago shall be allocated 30% to the Chicago Transit Authority, 55% to the Commuter Rail Board and 15% to the Suburban Bus Board; and (3) an amount equal to 85% of the proceeds of the taxes collected within the Counties of DuPage, Kane, Lake, McHenry and Will shall be allocated 70% to the Commuter Rail Board and 30% to the Suburban Bus Board.

(e) This subsection applies only until the Department begins administering and enforcing an increased tax under Section 4.03(m) as authorized by this amendatory Act of the 95th General Assembly. Moneys received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund shall be allocated among the Authority and the Service Boards as follows: 15% of such moneys shall be retained by the Authority and the remaining 85% shall be transferred to the Service Boards as soon as may be practicable after the Authority receives payment. Moneys which are distributable to the Service Boards pursuant to the preceding sentence shall be allocated among the Service Boards on the basis of each Service Board's distribution ratio. The term "distribution ratio" means, for purposes of this subsection (e) of this Section 4.01, the ratio of the total amount distributed to a Service Board pursuant to subsection (d) of Section 4.01 for the immediately preceding calendar year to the total amount distributed to all of the Service Boards pursuant to subsection (d) of Section 4.01 for the immediately preceding calendar year.

(f) To carry out its duties and responsibilities under this Act, the Board shall employ staff which shall: (1) propose for adoption by the Board of the Authority rules for the Service

Boards that establish (i) forms and schedules to be used and information required to be provided with respect to a five-year capital program, annual budgets, and two-year financial plans and regular reporting of actual results against adopted budgets and financial plans, (ii) financial practices to be followed in the budgeting and expenditure of public funds, (iii) assumptions and projections that must be followed in preparing and submitting its annual budget and two-year financial plan or a five-year capital program; (2) evaluate for the Board public transportation programs operated or proposed by the Service Boards and transportation agencies in terms of the goals and objectives set out in the Strategic Plan; (3) keep the Board and the public informed of the extent to which the Service Boards and transportation agencies are meeting the goals and objectives adopted by the Authority in the Strategic Plan; and (4) assess the efficiency or adequacy of public transportation services provided by a Service Board and make recommendations for change in that service to the end that the moneys available to the Authority may be expended in the most economical manner possible with the least possible duplication.

(g) All Service Boards, transportation agencies, comprehensive planning agencies, including the Chicago Metropolitan Agency for Planning, or transportation planning agencies in the metropolitan region shall furnish to the Authority such information pertaining to public transportation or relevant for plans therefor as it may from time to time require. The Executive Director, or his or her designee, shall, for the purpose of securing any such information necessary or appropriate to carry out any of the powers and responsibilities of the Authority under this Act, have access to, and the right to examine, all books, documents, papers or records of a Service Board or any transportation agency receiving funds from the Authority or Service Board, and such Service Board or transportation agency shall comply with any request by the Executive Director, or his or her designee, within 30 days or an extended time provided by the Executive Director.

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

(Source: P.A. 94-370, eff. 7-29-05; 95-708, eff. 1-18-08; 95-906, eff. 8-26-08.)

(70 ILCS 3615/4.01a)

Sec. 4.01a. (Repealed).

(Source: P.A. 86-463. Repealed by P.A. 90-273, eff. 7-30-97.)

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

Sec. 4.02. Federal, State and Other Funds.

(a) The Authority shall have the power to apply for, receive and expend grants, loans or other funds from the State of Illinois or any department or agency thereof, from any unit of local government, from the federal government or any department or agency thereof, for use in connection with any of the powers or purposes of the Authority as set forth in this Act. The Authority shall have power to make such studies as may be necessary and to enter into contracts or agreements with the State of Illinois or any department or agency thereof, with any unit of local government, or with the federal government or any department or agency thereof, concerning such grants, loans or other funds, or any conditions relating thereto, including obligations to repay such funds. The Authority may make such covenants concerning such grants, loans and funds as it deems proper and necessary in carrying out its responsibilities, purposes and powers as provided in this Act.

(b) The Authority shall be the primary public body in the metropolitan region with authority to apply for and receive any grants, loans or other funds relating to public transportation programs from the State of Illinois or any department or agency thereof, or from the federal government or any department or agency thereof. Any unit of local government, Service Board or transportation agency may apply for and receive any such federal or state capital grants, loans or other funds, provided, however that a Service Board may not apply for or receive any grant or loan which is not identified in the Five-Year Capital Program. Any Service Board, unit of local government or transportation agency shall notify the Authority prior to making any such application and shall file a copy thereof with the Authority. Nothing in this Section shall be construed to impose any limitation on the ability of the State of Illinois or any department or agency thereof, any unit of local government or Service Board or transportation agency to make any grants or to enter into any agreement or

contract with the National Rail Passenger Corporation. Nor shall anything in this Section impose any limitation on the ability of any school district to apply for or receive any grant, loan or other funds for transportation of school children.

(c) The Authority shall provide to the Service Board any monies received relating to public transportation services under the jurisdiction of the Service Boards as provided in Section 4.03.3 of this Act. (Source: P.A. 94-839, eff. 6-6-06; 95-331, eff. 8-21-07; 95-708, eff. 1-18-08.)

(70 ILCS 3615/4.02a)

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

(a) The Authority shall continually review the Chicago Transit Authority's payment of the required contributions to its retirement system under Section 22-101 of the Illinois Pension Code.

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

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

(Source: P.A. 94-839, eff. 6-6-06; 95-708, eff. 1-18-08.)

(70 ILCS 3615/4.02b)

Sec. 4.02b. Other contributions to pension funds.

(a) The Authority shall continually review the payment of the required employer contributions to affected pension plans under Section 22-103 of the Illinois Pension Code.

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

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

(d) Beginning January 1, 2009, if the Authority fails to pay to an affected pension fund within 30 days after it is due any employer contribution that it is required to make as a contributing employer under Section 22-103 of the Illinois Pension Code, it shall promptly so notify the Commission on Government Forecasting and Accountability, the Mayor of Chicago, the Governor, and the General Assembly, and it shall promptly pay the overdue amount out of the first money available to the Authority for its administrative expenses, as that term is defined in Section 4.01(c).

(Source: P.A. 94-839, eff. 6-6-06; 95-708, eff. 1-18-08.)

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

Sec. 4.03. Taxes.

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

(b) The Board may impose a public transportation tax upon all persons engaged in the metropolitan region in the business of selling at retail motor fuel for operation of motor vehicles upon public highways. The tax shall be at a rate not to exceed 5% of the gross receipts from the sales of motor fuel in the course of the business. As used in this Act, the term "motor fuel" shall have the same meaning as in the Motor Fuel Tax Law. The Board may provide for details of the tax. The provisions of any tax shall conform, as closely as may be practicable, to the provisions of the Municipal Retailers Occupation Tax Act, including without limitation, conformity to penalties with respect to the tax imposed and as to the powers of the State Department of Revenue to promulgate and enforce rules and regulations relating to the administration and enforcement of the provisions of the tax imposed, except that reference in the Act to any municipality shall refer to the Authority and the tax shall be imposed only with regard to receipts from sales of motor fuel in the metropolitan region, at rates as limited by this Section.

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

(d) The Board may impose a motor vehicle parking tax upon the privilege of parking motor vehicles at off-street parking facilities in the metropolitan region at which a fee is charged, and may provide for reasonable classifications in and exemptions to the tax, for administration and enforcement thereof and for civil penalties and refunds thereunder and may provide criminal penalties thereunder, the maximum penalties not to exceed the maximum criminal penalties provided in the Retailers' Occupation Tax Act. The Authority may collect and enforce the tax itself or by contract with any unit of local government. The State Department of Revenue shall have no responsibility for the collection and enforcement unless the Department agrees with the Authority to undertake the collection and enforcement. As used in this paragraph, the term "parking facility" means a parking area or structure having parking spaces for more than 2 vehicles at which motor vehicles are permitted to park in return for an hourly, daily, or other periodic fee, whether publicly or privately owned, but does not include parking spaces on a public street, the use of which is regulated by parking meters.

(e) The Board may impose a Regional Transportation Authority Retailers' Occupation Tax upon all persons engaged in the business of selling tangible personal property at retail in the metropolitan region. In Cook County the tax rate shall be 1.25% of the gross receipts from sales of food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics, and 1% of the gross receipts from other taxable sales made in the course of that business. In DuPage, Kane, Lake, McHenry, and Will Counties, the tax rate shall be 0.75% of the gross receipts from all taxable sales made in the course of that business. The tax imposed under this Section and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the State Department of Revenue. The Department shall have full power to administer and enforce this Section; to collect all taxes and penalties so collected in the manner hereinafter provided; and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty hereunder. In the administration of, and compliance with this Section, the Department and persons who are subject to this Section shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties, exclusions, exemptions and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions therein other than the State rate of tax), 2c, 3 (except as to the disposition of taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act, as fully as if those provisions were set forth herein.

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

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

under paragraph (n) of this Section.

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

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

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

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

(f) If a tax has been imposed under paragraph (e), a Regional Transportation Authority Service Occupation Tax shall also be imposed upon all persons engaged, in the metropolitan region in the business of making sales of service, who as an incident to making the sales of service, transfer tangible personal property within the metropolitan region, either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. In Cook County, the tax rate shall be: (1) 1.25% of the serviceman's cost price of food prepared for immediate consumption and transferred incident to a sale of service subject to the service occupation tax by an entity licensed under the Hospital Licensing Act, the Nursing Home Care Act, the Specialized Mental Health Rehabilitation Act, or the ID/DD Community Care Act that is located in the metropolitan region; (2) 1.25% of the selling price of food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics; and (3) 1% of the selling price from other taxable sales of tangible personal property transferred. In DuPage, Kane, Lake, McHenry and Will Counties the rate shall be 0.75% of the selling price of all tangible personal property transferred.

The tax imposed under this paragraph and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the State Department of Revenue. The Department shall have full power to administer and enforce this paragraph; to collect all taxes and penalties due hereunder; to dispose of taxes and penalties collected in the manner hereinafter provided; and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty hereunder. In the administration of and compliance with this paragraph, the Department and persons who are subject to this paragraph shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties, exclusions, exemptions and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all provisions therein other than the State rate of tax), 4 (except that the reference to the State shall be to the Authority), 5, 7, 8 (except that the jurisdiction to which the tax shall be a debt to the extent indicated in that Section 8 shall be the Authority), 9 (except as to the disposition of taxes and penalties collected, and except that the returned merchandise credit for this tax may not be taken against any State tax), 10, 11, 12 (except the reference therein to Section 2b of the Retailers' Occupation Tax Act), 13 (except that any reference to the State shall mean the Authority), the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act, as fully as if those provisions were set forth herein.

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

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

Nothing in this paragraph shall be construed to authorize the Authority to impose a tax upon the privilege of engaging in any business that under the Constitution of the United States may not be made the subject of taxation by the State.

(g) If a tax has been imposed under paragraph (e), a tax shall also be imposed upon the privilege of using in the metropolitan region, any item of tangible personal property that is purchased outside the metropolitan region at retail from a retailer, and that is titled or registered with an agency of this State's government. In Cook County the tax rate shall be 1% of the selling price of the tangible personal property, as "selling price" is defined in the Use Tax Act. In DuPage, Kane, Lake, McHenry and Will counties the tax rate shall be 0.75% of the selling price of the tangible personal property, as "selling price" is defined in the Use Tax Act. The tax shall be collected from persons whose Illinois address for titling or registration purposes is given as being in the metropolitan region. The tax shall be collected by the Department of Revenue for the Regional Transportation Authority. The tax must be paid to the State, or an exemption determination must be obtained from the Department of Revenue, before the title or certificate of registration for the property may be issued. The tax or proof of exemption may be transmitted to the Department by way of the State agency with which, or the State officer with whom, the tangible personal property must be titled or registered if the Department and the State agency or State officer determine that this procedure will expedite the processing of applications for title or registration.

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

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

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

The Department shall immediately pay over to the State Treasurer, ex officio, as trustee, all taxes collected hereunder.

As soon as possible after the first day of each month, beginning January 1, 2011, upon certification of the Department of Revenue, the Comptroller shall order transferred, and the Treasurer shall transfer, to the STAR Bonds Revenue Fund the local sales tax increment, as defined in the Innovation Development and Economy Act, collected under this Section during the second preceding calendar month for sales within a STAR bond district.

After the monthly transfer to the STAR Bonds Revenue Fund, on or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the disbursement of stated sums of money to the Authority. The amount to be paid to the Authority shall be the amount collected hereunder during the second preceding calendar month by the Department, less any amount determined by the Department to be necessary for the payment of refunds, and less any amounts that are transferred to the STAR Bonds Revenue Fund. Within 10 days after receipt by the Comptroller of the disbursement certification to the Authority provided for in this Section to be given to the Comptroller by the Department, the Comptroller shall cause the orders to be drawn for that amount in accordance with the directions contained in the certification.

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

(j) A certificate of registration issued by the State Department of Revenue to a retailer under the Retailers' Occupation Tax Act or under the Service Occupation Tax Act shall permit the registrant to engage in a

business that is taxed under the tax imposed under paragraphs (b), (e), (f) or (g) of this Section and no additional registration shall be required under the tax. A certificate issued under the Use Tax Act or the Service Use Tax Act shall be applicable with regard to any tax imposed under paragraph (c) of this Section.

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

(l) The Board in imposing any tax as provided in paragraphs (b) and (c) of this Section, shall, after seeking the advice of the State Department of Revenue, provide means for retailers, users or purchasers of motor fuel for purposes other than those with regard to which the taxes may be imposed as provided in those paragraphs to receive refunds of taxes improperly paid, which provisions may be at variance with the refund provisions as applicable under the Municipal Retailers Occupation Tax Act. The State Department of Revenue may provide for certificates of registration for users or purchasers of motor fuel for purposes other than those with regard to which taxes may be imposed as provided in paragraphs (b) and (c) of this Section to facilitate the reporting and nontaxability of the exempt sales or uses.

(m) Any ordinance imposing or discontinuing any tax under this Section shall be adopted and a certified copy thereof filed with the Department on or before June 1, whereupon the Department of Revenue shall proceed to administer and enforce this Section on behalf of the Regional Transportation Authority as of September 1 next following such adoption and filing. Beginning January 1, 1992, an ordinance or resolution imposing or discontinuing the tax hereunder shall be adopted and a certified copy thereof filed with the Department on or before the first day of July, whereupon the Department shall proceed to administer and enforce this Section as of the first day of October next following such adoption and filing. Beginning January 1, 1993, an ordinance or resolution imposing, increasing, decreasing, or discontinuing the tax hereunder shall be adopted and a certified copy thereof filed with the Department, whereupon the Department shall proceed to administer and enforce this Section as of the first day of the first month to occur not less than 60 days following such adoption and filing. Any ordinance or resolution of the Authority imposing a tax under this Section and in effect on August 1, 2007 shall remain in full force and effect and shall be administered by the Department of Revenue under the terms and conditions and rates of tax established by such ordinance or resolution until the Department begins administering and enforcing an increased tax under this Section as authorized by this amendatory Act of the 95th General Assembly. The tax rates authorized by this amendatory Act of the 95th General Assembly are effective only if imposed by ordinance of the Authority.

(n) The State Department of Revenue shall, upon collecting any taxes as provided in this Section, pay the taxes over to the State Treasurer as trustee for the Authority. The taxes shall be held in a trust fund outside the State Treasury. On or before the 25th day of each calendar month, the State Department of Revenue shall prepare and certify to the Comptroller of the State of Illinois and to the Authority (i) the amount of taxes collected in each County other than Cook County in the metropolitan region, (ii) the amount of taxes collected within the City of Chicago, and (iii) the amount collected in that portion of Cook County outside of Chicago, each amount less the amount necessary for the payment of refunds to taxpayers located in those areas described in items (i), (ii), and (iii). Within 10 days after receipt by the Comptroller of the certification of the amounts, the Comptroller shall cause an order to be drawn for the payment of two-thirds of the amounts certified in item (i) of this subsection to the Authority and one-third of the amounts certified in item (i) of this subsection to the respective counties other than Cook County and the amount certified in items (ii) and (iii) of this subsection to the Authority.

In addition to the disbursement required by the preceding paragraph, an allocation shall be made in July 1991 and each year thereafter to the Regional Transportation Authority. The allocation shall be made in an amount equal to the average monthly distribution during the preceding calendar year (excluding the 2 months of lowest receipts) and the allocation shall include the amount of average monthly distribution from the Regional Transportation Authority Occupation and Use Tax Replacement Fund. The distribution made in July 1992 and each year thereafter under this paragraph and the preceding paragraph shall be reduced by the amount allocated and disbursed under this paragraph in the preceding calendar year. The Department of Revenue shall prepare and certify to the Comptroller for disbursement the allocations made in accordance with this paragraph.

(o) Failure to adopt a budget ordinance or otherwise to comply with

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

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

Any taxes imposed under the authority provided in paragraphs (b), (c) and (d) shall remain in effect only until the time as any tax authorized by paragraphs (e), (f) or (g) of this Section are imposed and becomes effective. Once any tax authorized by paragraphs (e), (f) or (g) is imposed the Board may not reimpose taxes as authorized in paragraphs (b), (c) and (d) of the Section unless any tax authorized by paragraphs (e), (f) or (g) of this Section becomes ineffective by means other than an ordinance of the Board.

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

(Source: P.A. 96-339, eff. 7-1-10; 96-939, eff. 6-24-10; 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813, eff. 7-13-12.)

(70 ILCS 3615/4.03.1) (from Ch. 111 2/3, par. 704.03.1)

Sec. 4.03.1. (a) The Board may impose a tax upon all persons engaged in the business of renting automobiles in the metropolitan region at the rate of not to exceed 1% of the gross receipts from such business within Cook County and not to exceed 1/4% of the gross receipts from such business within the Counties of DuPage, Kane, Lake, McHenry and Will. The tax imposed pursuant to this paragraph and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the State Department of Revenue. The certificate of registration which is issued by the Department to a retailer under the Retailers' Occupation Tax Act or under the Automobile Renting Occupation and Use Tax Act shall permit such person to engage in a business which is taxable under any ordinance or resolution enacted pursuant to this paragraph without registering separately with the Department under such ordinance or resolution or under this paragraph. The Department shall have full power to administer and enforce this paragraph; to collect all taxes and penalties due hereunder; to dispose of taxes and penalties so collected in the manner hereinafter provided, and to determine all rights to credit memoranda, arising on account of the erroneous payment of tax or penalty hereunder. In the administration of, and compliance with, this paragraph, the Department and persons who are subject to this paragraph shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 2 and 3 (in respect to all provisions therein other than the State rate of tax; and with relation to the provisions of the Retailers' Occupation Tax referred to therein, except as to the disposition of taxes and penalties collected, and except for the provision allowing retailers a deduction from the tax cover certain costs, and except that credit memoranda issued hereunder may not be used to discharge any State tax liability) of the Automobile Renting Occupation and Use Tax Act as fully as if provisions contained in those Sections of said Act were set forth herein. Persons subject to any tax imposed pursuant to the authority granted in this paragraph may reimburse themselves for their tax liability hereunder by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax which sellers are required to collect under the Automobile Renting Occupation and Use Tax Act pursuant to such bracket schedules as the Department may prescribe. Nothing in this paragraph shall be construed to authorize the Authority to impose a tax upon the privilege of engaging in any business which under the Constitution of the United States may not be made the subject of taxation by this State.

(b) The Board may impose a tax upon the privilege of using, in the metropolitan region an automobile which is rented from a renter outside Illinois, and which is titled or registered with an agency of this State's government, at a rate not to exceed 1% of the rental price of such automobile within the County of Cook, and not to exceed 1/4% of the rental price within the counties of DuPage, Kane, Lake, McHenry and Will. Such tax shall be collected from persons whose Illinois address for titling or registration purposes is given as being in the metropolitan region. Such tax shall be collected by the Department of Revenue for the Regional Transportation Authority. Such tax must be paid to the State, or an exemption determination must be obtained from the Department of Revenue, before the title or certificate of registration for the property may be

issued. The tax or proof of exemption may be transmitted to the Department by way of the State agency with which, or State officer with whom, the tangible personal property must be titled or registered if the Department and such agency or State officer determine that this procedure will expedite the processing of applications for title or registration. The Department shall have full power to administer and enforce this paragraph; to collect all taxes, penalties and interest due hereunder; to dispose of taxes, penalties and interest so collected in the manner hereinafter provided, and to determine all rights to credit memoranda or refunds arising on account of the erroneous payment of tax, penalty or interest hereunder. In the administration of, and compliance with, this paragraph, the Department and persons who are subject to this paragraph shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 2 and 4 (except provisions pertaining to the State rate of tax; and with relation to the provisions of the Use Tax Act referred to therein, except provisions concerning collection or refunding of the tax by retailers, and except the provisions of Section 19 pertaining to claims by retailers and except the last paragraph concerning refunds, and except that credit memoranda issued hereunder may not be used to discharge any State tax liability) of the Automobile Renting Occupation and Use Tax Act which are not inconsistent with this paragraph, as fully as if provisions contained in those Sections of said Act were set forth herein.

(c) Whenever the Department determines that a refund should be made under this Section to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause the order to be drawn for the amount specified, and to the person named, in such notification from the Department. Such refund shall be paid by the State Treasurer out of the Regional Transportation Authority tax fund created pursuant to Section 4.03 of this Act.

(d) The Department shall forthwith pay over to the State Treasurer, ex-officio, as trustee, all taxes, penalties and interest collected under this Section. On or before the 25th day of each calendar month, the Department shall prepare and certify to the State Comptroller the amount to be paid to the Authority. The State Department of Revenue shall also certify to the Authority the amount of taxes collected in each County other than Cook County in the metropolitan region less the amount necessary for the payment of refunds to taxpayers in such County. With regard to the County of Cook, the certification shall specify the amount of taxes collected within the City of Chicago less the amount necessary for the payment of refunds to taxpayers in the City of Chicago and the amount collected in that portion of Cook County outside of Chicago less the amount necessary for the payment of refunds to taxpayers in that portion of Cook County outside of Chicago. The amount to be paid to the Authority shall be the amount (not including credit memoranda) collected hereunder during the second preceding calendar month by the Department, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department on behalf of the Authority. Within 10 days after receipt, by the State Comptroller, of the disbursement certification to the Authority, the State Comptroller shall cause the orders to be drawn in accordance with the directions contained in such certification.

(e) An ordinance imposing a tax hereunder or effecting a change in the rate thereof shall be effective on the first day of the calendar month next following the month in which such ordinance is passed. The Board shall transmit to the Department of Revenue on or not later than 5 days after passage of the ordinance a certified copy of the ordinance imposing such tax whereupon the Department of Revenue shall proceed to administer and enforce this Section on behalf of the Authority as of the effective date of the ordinance. Upon a change in rate of a tax levied hereunder, or upon the discontinuance of the tax, the Board shall, on or not later than 5 days after passage of the ordinance discontinuing the tax or effecting a change in rate, transmit to the Department of Revenue a certified copy of the ordinance effecting such change or discontinuance.

(Source: P.A. 91-357, eff. 7-29-99.)

(70 ILCS 3615/4.03.3)

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

(a) With respect to taxes imposed by the Authority under Section 4.03,

after withholding 15% of 80% of the receipts from those taxes collected in Cook County at a rate of 1.25%, 15% of 75% of the receipts from those taxes collected in Cook County at the rate of 1%, 15% of one-half of the receipts from those taxes collected in DuPage, Kane, Lake, McHenry, and Will Counties, and 15% of money received by the Authority from the Regional Transportation Authority Occupation and Use Tax Replacement Fund or from the Regional Transportation Authority tax fund created in Section 4.03(n), the Board shall allocate the proceeds and money remaining to the Service Boards as follows:

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

(2) an amount equal to (i) 85% of 80% of the receipts from those taxes collected within Cook County outside of the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of the receipts from those taxes collected within Cook County outside the City of Chicago at a rate of 1%, and (iii) 85% of the money received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund or to the Regional Transportation Authority tax fund created in Section 4.03(n) from the County and Mass Transit District Fund attributable to retail sales within Cook County outside of the City of Chicago shall be allocated 30% to the Chicago Transit Authority, 55% to the Commuter Rail Board, and 15% to the Suburban Bus Board; and

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

(b) Moneys received by the Authority on account of transfers to the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund shall be allocated among the Authority and the Service Boards as follows: 15% of such moneys shall be retained by the Authority and the remaining 85% shall be transferred to the Service Boards as soon as may be practicable after the Authority receives payment. Moneys which are distributable to the Service Boards pursuant to the preceding sentence shall be allocated among the Service Boards on the basis of each Service Board's distribution ratio. The term "distribution ratio" means, for purposes of this subsection (b), the ratio of the total amount distributed to a Service Board pursuant to subsection (a) of Section 4.03.3 for the immediately preceding calendar year to the total amount distributed to all of the Service Boards pursuant to subsection (a) of Section 4.03.3 for the immediately preceding calendar year.

(c)(i) 20% of the receipts from those taxes collected in Cook County under Section 4.03 at the rate of 1.25%, (ii) 25% of the receipts from those taxes collected in Cook County under Section 4.03 at the rate of 1%, (iii) 50% of the receipts from those taxes collected in DuPage, Kane, Lake, McHenry, and Will Counties under Section 4.03, and (iv) amounts received from the State under Section 4.09 (a)(2) and items (i), (ii), and (iii) of Section 4.09 (a)(3) shall be allocated as follows: the amount required to be deposited into the ADA Paratransit Fund described in Section 2.01d, the amount required to be deposited into the Suburban Community Mobility Fund described in Section 2.01e, and the amount required to be deposited into the Innovation, Coordination and Enhancement Fund described in Section 2.01c, and the balance shall be allocated 48% to the Chicago Transit Authority, 39% to the Commuter Rail Board, and 13% to the Suburban Bus Board.

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

(e) With respect to those taxes collected in DuPage, Kane, Lake, McHenry, and Will Counties and paid directly to the counties under Section 4.03, the County Board of each county shall use those amounts to fund operating and capital costs of public safety and public transportation services or facilities

or to fund operating, capital, right-of-way, construction, and maintenance costs of other transportation purposes, including road, bridge, public safety, and transit purposes intended to improve mobility or reduce congestion in the county. The receipt of funding by such counties pursuant to this paragraph shall not be used as the basis for reducing any funds that such counties would otherwise have received from the State of Illinois, any agency or instrumentality thereof, the Authority, or the Service Boards.

(f) The Authority by ordinance adopted by 12 of its then Directors shall apportion to the Service Boards funds provided by the State of Illinois under Section 4.09(a)(1) as it shall determine and shall make payment of the amounts to each Service Board as soon as may be practicable upon their receipt provided the Authority has adopted a balanced budget as required by Section 4.01 and further provided the Service Board is in compliance with the requirements in Section 4.11.

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

(h) Moneys may be appropriated from the Public Transportation Fund to the Office of the Executive Inspector General for the costs incurred by the Executive Inspector General while serving as the inspector general for the Authority and each of the Service Boards. Beginning December 31, 2012, and each year thereafter, the Office of the Executive Inspector General shall annually report to the General Assembly the expenses incurred while serving as the inspector general for the Authority and each of the Service Boards.

(Source: P.A. 97-399, eff. 8-16-11; 97-641, eff. 12-19-11.)

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

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

(a) The Authority shall have the continuing power to borrow money and to issue its negotiable bonds or notes as provided in this Section. Unless otherwise indicated in this Section, the term "notes" also includes bond anticipation notes, which are notes which by their terms provide for their payment from the proceeds of bonds thereafter to be issued. Bonds or notes of the Authority may be issued for any or all of the following purposes: to pay costs to the Authority or a Service Board of constructing or acquiring any public transportation facilities (including funds and rights relating thereto, as provided in Section 2.05 of this Act); to repay advances to the Authority or a Service Board made for such purposes; to pay other expenses of the Authority or a Service Board incident to or incurred in connection with such construction or acquisition; to provide funds for any transportation agency to pay principal of or interest or redemption premium on any bonds or notes, whether as such amounts become due or by earlier redemption, issued prior to the date of this amendatory Act by such transportation agency to construct or acquire public transportation facilities or to provide funds to purchase such bonds or notes; and to provide funds for any transportation agency to construct or acquire any public transportation facilities, to repay advances made for such purposes, and to pay other expenses incident to or incurred in connection with such construction or acquisition; and to provide funds for payment of obligations, including the funding of reserves, under any self-insurance plan or joint self-insurance pool or entity.

In addition to any other borrowing as may be authorized by this Section, the Authority may issue its notes, from time to time, in anticipation of tax receipts of the Authority or of other revenues or receipts of the Authority, in order to provide money for the Authority or the Service Boards to cover any cash flow deficit which the Authority or a Service Board anticipates incurring. Any such notes are referred to in this Section as "Working Cash Notes". No Working Cash Notes shall be issued for a term of longer than 24 months. Proceeds of Working Cash Notes may be used to pay day to day operating expenses of the Authority or the Service Boards, consisting of wages, salaries and fringe benefits, professional and technical services (including legal, audit, engineering and other consulting services), office rental, furniture, fixtures and equipment, insurance premiums, claims for self-insured amounts under insurance policies, public utility obligations for telephone, light, heat and similar items, travel expenses, office supplies, postage, dues, subscriptions, public hearings and information expenses, fuel purchases, and payments of grants and payments under purchase of service agreements for operations of transportation agencies, prior to the receipt by the Authority or a Service Board from time to time of funds for paying such expenses. In addition to any Working Cash Notes that the Board of the Authority may determine to issue, the Suburban Bus Board, the Commuter Rail Board or the Board of the Chicago Transit Authority may demand and direct

that the Authority issue its Working Cash Notes in such amounts and having such maturities as the Service Board may determine.

Notwithstanding any other provision of this Act, any amounts necessary to pay principal of and interest on any Working Cash Notes issued at the demand and direction of a Service Board or any Working Cash Notes the proceeds of which were used for the direct benefit of a Service Board or any other Bonds or Notes of the Authority the proceeds of which were used for the direct benefit of a Service Board shall constitute a reduction of the amount of any other funds provided by the Authority to that Service Board. The Authority shall, after deducting any costs of issuance, tender the net proceeds of any Working Cash Notes issued at the demand and direction of a Service Board to such Service Board as soon as may be practicable after the proceeds are received. The Authority may also issue notes or bonds to pay, refund or redeem any of its notes and bonds, including to pay redemption premiums or accrued interest on such bonds or notes being renewed, paid or refunded, and other costs in connection therewith. The Authority may also utilize the proceeds of any such bonds or notes to pay the legal, financial, administrative and other expenses of such authorization, issuance, sale or delivery of bonds or notes or to provide or increase a debt service reserve fund with respect to any or all of its bonds or notes. The Authority may also issue and deliver its bonds or notes in exchange for any public transportation facilities, (including funds and rights relating thereto, as provided in Section 2.05 of this Act) or in exchange for outstanding bonds or notes of the Authority, including any accrued interest or redemption premium thereon, without advertising or submitting such notes or bonds for public bidding.

(b) The ordinance providing for the issuance of any such bonds or notes shall fix the date or dates of maturity, the dates on which interest is payable, any sinking fund account or reserve fund account provisions and all other details of such bonds or notes and may provide for such covenants or agreements necessary or desirable with regard to the issue, sale and security of such bonds or notes. The rate or rates of interest on its bonds or notes may be fixed or variable and the Authority shall determine or provide for the determination of the rate or rates of interest of its bonds or notes issued under this Act in an ordinance adopted by the Authority prior to the issuance thereof, none of which rates of interest shall exceed that permitted in the Bond Authorization Act. Interest may be payable at such times as are provided for by the Board. Bonds and notes issued under this Section may be issued as serial or term obligations, shall be of such denomination or denominations and form, including interest coupons to be attached thereto, be executed in such manner, shall be payable at such place or places and bear such date as the Authority shall fix by the ordinance authorizing such bond or note and shall mature at such time or times, within a period not to exceed forty years from the date of issue, and may be redeemable prior to maturity with or without premium, at the option of the Authority, upon such terms and conditions as the Authority shall fix by the ordinance authorizing the issuance of such bonds or notes. No bond anticipation note or any renewal thereof shall mature at any time or times exceeding 5 years from the date of the first issuance of such note. The Authority may provide for the registration of bonds or notes in the name of the owner as to the principal alone or as to both principal and interest, upon such terms and conditions as the Authority may determine. The ordinance authorizing bonds or notes may provide for the exchange of such bonds or notes which are fully registered, as to both principal and interest, with bonds or notes which are registerable as to principal only. All bonds or notes issued under this Section by the Authority other than those issued in exchange for property or for bonds or notes of the Authority shall be sold at a price which may be at a premium or discount but such that the interest cost (excluding any redemption premium) to the Authority of the proceeds of an issue of such bonds or notes, computed to stated maturity according to standard tables of bond values, shall not exceed that permitted in the Bond Authorization Act. The Authority shall notify the Governor's Office of Management and Budget and the State Comptroller at least 30 days before any bond sale and shall file with the Governor's Office of Management and Budget and the State Comptroller a certified copy of any ordinance authorizing the issuance of bonds at or before the issuance of the bonds. After December 31, 1994, any such bonds or notes shall be sold to the highest and best bidder on sealed bids as the Authority shall deem. As such bonds or notes are to be sold the Authority shall advertise for proposals to purchase the bonds or notes which advertisement shall be published at least once in a daily newspaper of general circulation published in the metropolitan region at least 10 days before the time set for the submission of bids. The Authority shall have the right to reject any or all bids. Notwithstanding any other provisions of this Section, Working Cash Notes or bonds or notes to provide funds for self-insurance or a joint self-insurance pool or entity may be sold either upon competitive bidding or by negotiated sale (without any requirement of publication of intention to negotiate the sale of such Notes), as the Board shall determine by ordinance adopted with the affirmative votes of at least 9 Directors. In case any officer whose signature appears on any

bonds, notes or coupons authorized pursuant to this Section shall cease to be such officer before delivery of such bonds or notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such delivery. Neither the Directors of the Authority nor any person executing any bonds or notes thereof shall be liable personally on any such bonds or notes or coupons by reason of the issuance thereof.

(c) All bonds or notes of the Authority issued pursuant to this Section shall be general obligations of the Authority to which shall be pledged the full faith and credit of the Authority, as provided in this Section. Such bonds or notes shall be secured as provided in the authorizing ordinance, which may, notwithstanding any other provision of this Act, include in addition to any other security, a specific pledge or assignment of and lien on or security interest in any or all tax receipts of the Authority and on any or all other revenues or moneys of the Authority from whatever source, which may by law be utilized for debt service purposes and a specific pledge or assignment of and lien on or security interest in any funds or accounts established or provided for by the ordinance of the Authority authorizing the issuance of such bonds or notes. Any such pledge, assignment, lien or security interest for the benefit of holders of bonds or notes of the Authority shall be valid and binding from the time the bonds or notes are issued without any physical delivery or further act and shall be valid and binding as against and prior to the claims of all other parties having claims of any kind against the Authority or any other person irrespective of whether such other parties have notice of such pledge, assignment, lien or security interest. The obligations of the Authority incurred pursuant to this Section shall be superior to and have priority over any other obligations of the Authority.

The Authority may provide in the ordinance authorizing the issuance of any bonds or notes issued pursuant to this Section for the creation of, deposits in, and regulation and disposition of sinking fund or reserve accounts relating to such bonds or notes. The ordinance authorizing the issuance of any bonds or notes pursuant to this Section may contain provisions as part of the contract with the holders of the bonds or notes, for the creation of a separate fund to provide for the payment of principal and interest on such bonds or notes and for the deposit in such fund from any or all the tax receipts of the Authority and from any or all such other moneys or revenues of the Authority from whatever source which may by law be utilized for debt service purposes, all as provided in such ordinance, of amounts to meet the debt service requirements on such bonds or notes, including principal and interest, and any sinking fund or reserve fund account requirements as may be provided by such ordinance, and all expenses incident to or in connection with such fund and accounts or the payment of such bonds or notes. Such ordinance may also provide limitations on the issuance of additional bonds or notes of the Authority. No such bonds or notes of the Authority shall constitute a debt of the State of Illinois. Nothing in this Act shall be construed to enable the Authority to impose any ad valorem tax on property.

(d) The ordinance of the Authority authorizing the issuance of any bonds or notes may provide additional security for such bonds or notes by providing for appointment of a corporate trustee (which may be any trust company or bank having the powers of a trust company within the state) with respect to such bonds or notes. The ordinance shall prescribe the rights, duties and powers of the trustee to be exercised for the benefit of the Authority and the protection of the holders of such bonds or notes. The ordinance may provide for the trustee to hold in trust, invest and use amounts in funds and accounts created as provided by the ordinance with respect to the bonds or notes. The ordinance may provide for the assignment and direct payment to the trustee of any or all amounts produced from the sources provided in Section 4.03 and Section 4.09 of this Act and provided in Section 6z-17 of "An Act in relation to State finance", approved June 10, 1919, as amended. Upon receipt of notice of any such assignment, the Department of Revenue and the Comptroller of the State of Illinois shall thereafter, notwithstanding the provisions of Section 4.03 and Section 4.09 of this Act and Section 6z-17 of "An Act in relation to State finance", approved June 10, 1919, as amended, provide for such assigned amounts to be paid directly to the trustee instead of the Authority, all in accordance with the terms of the ordinance making the assignment. The ordinance shall provide that amounts so paid to the trustee which are not required to be deposited, held or invested in funds and accounts created by the ordinance with respect to bonds or notes or used for paying bonds or notes to be paid by the trustee to the Authority.

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

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

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

(g)(1) Except as provided in subdivisions (g)(2) and (g)(3) of Section 4.04 of this Act, the Authority shall not at any time issue, sell or deliver any bonds or notes (other than Working Cash Notes) pursuant to this Section 4.04 which will cause it to have issued and outstanding at any time in excess of \$800,000,000 of such bonds and notes (other than Working Cash Notes). The Authority shall not issue, sell, or deliver any Working Cash Notes pursuant to this Section that will cause it to have issued and outstanding at any time in excess of \$100,000,000. However, the Authority may issue, sell, and deliver additional Working Cash Notes before July 1, 2014 that are over and above and in addition to the \$100,000,000 authorization such that the outstanding amount of these additional Working Cash Notes does not exceed at any time \$300,000,000. Bonds or notes which are being paid or retired by such issuance, sale or delivery of bonds or notes, and bonds or notes for which sufficient funds have been deposited with the paying agency of such bonds or notes to provide for payment of principal and interest thereon or to provide for the redemption thereof, all pursuant to the ordinance authorizing the issuance of such bonds or notes, shall not be considered to be outstanding for the purposes of this subsection.

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

\$100,000,000 is authorized to be issued on or after  
January 1, 1990;  
an additional \$100,000,000 is authorized to be issued  
on or after January 1, 1991;  
an additional \$100,000,000 is authorized to be issued  
on or after January 1, 1992;  
an additional \$100,000,000 is authorized to be issued  
on or after January 1, 1993;  
an additional \$100,000,000 is authorized to be issued  
on or after January 1, 1994; and  
the aggregate total authorization of bonds and notes  
for Strategic Capital Improvement Projects as of January 1,  
1994, shall be \$500,000,000.

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

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

\$260,000,000 is authorized to be issued on or after  
January 1, 2000;  
an additional \$260,000,000 is authorized to be issued  
on or after January 1, 2001;  
an additional \$260,000,000 is authorized to be issued  
on or after January 1, 2002;  
an additional \$260,000,000 is authorized to be issued  
on or after January 1, 2003;

an additional \$260,000,000 is authorized to be issued on or after January 1, 2004; and the aggregate total authorization of bonds and notes for Strategic Capital Improvement Projects pursuant to this paragraph (3) as of January 1, 2004 shall be \$1,300,000,000.

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

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

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

(Source: P.A. 96-906, eff. 6-7-10; 97-769, eff. 7-10-12.)

(70 ILCS 3615/4.05) (from Ch. 111 2/3, par. 704.05)

Sec. 4.05. Financial Statements and Annual Reports. Within six months after the end of each fiscal year, the Board shall prepare a complete and detailed report consolidating the audits of the Service Boards and reviewing the State of the Authority, the Service Boards, and of the public transportation provided by the various Service Boards and transportation agencies. The report shall include evaluations of public transportation in the metropolitan region and of the Authority's activities, and financial statements of the Authority's and the Service Boards' revenues and expenditures for such year and of their assets and liabilities, which financial statements shall have been audited by an independent certified public accountant. The report shall also set forth the financial results as reported to the Service Boards from each transportation agency which during such year had a purchase of service agreement with a Service Board or which received financial grants or financial assistance from a Service Board, such results to be set forth separately for each such agency. A sufficient number of copies of each annual report shall be printed for distribution to anyone, upon request, and a copy thereof shall be filed with the Governor, the State Comptroller, the Speaker and Minority Leader of the Illinois House of Representatives, the President and Minority Leader of the Illinois Senate, the Mayor of the City of Chicago and the President or Chairman of the county board of each county in the metropolitan region, each Service Board, and with each transportation agency which during such year had a purchase of service agreement with a Service Board or which received financial grants or other financial assistance from a Service Board.

(Source: P.A. 83-1362.)

(70 ILCS 3615/4.06) (from Ch. 111 2/3, par. 704.06)

Sec. 4.06. Public bidding.

(a) The Board shall adopt regulations to ensure that the construction or acquisition by the Authority or a Service Board other than the Chicago Transit Authority of services or public transportation facilities (other than real estate) involving a cost of more than \$10,000 and the disposition of all property of the Authority or a Service Board other than the Chicago Transit Authority shall be after public notice and with public bidding. Such regulations may provide for exceptions to such requirements for acquisition of repair parts, accessories, equipment or services previously furnished or contracted for; for the immediate delivery of supplies, material or equipment or performance of service when it is determined by the concurrence of two-thirds of the then Directors that an emergency requires immediate delivery or supply thereof; for goods or services that are economically procurable from only one source; for contracts for the maintenance or servicing of equipment which are made with the manufacturers or authorized service agent of that equipment where the maintenance or servicing can best be performed by the manufacturer or authorized service agent or such a contract would be otherwise advantageous to the Authority or a Service Board, other than the Chicago Transit Authority, except that the exceptions in this clause shall not apply to

contracts for plumbing, heating, piping, refrigeration and automatic temperature control systems, ventilating and distribution systems for conditioned air, and electrical wiring; for goods or services procured from another governmental agency; for purchases and contracts for the use or purchase of data processing equipment and data processing systems software; for the acquisition of professional or utility services; and for the acquisition of public transportation equipment including, but not limited to, rolling stock, locomotives and buses, provided that: (i) it is determined by a vote of 2/3 of the then Directors of the Service Board making the acquisition that a negotiated acquisition offers opportunities with respect to the cost or financing of the equipment, its delivery, or the performance of a portion of the work within the State or the use of goods produced or services provided within the State; (ii) a notice of intention to negotiate for the acquisition of such public transportation equipment is published in a newspaper of general circulation within the City of Chicago inviting proposals from qualified vendors; and (iii) any contract with respect to such acquisition is authorized by a vote of 2/3 of the then Directors of the Service Board making the acquisition. The requirements set forth in this Section shall not apply to purchase of service agreements or other contracts, purchases or sales entered into by the Authority with any transportation agency or unit of local government.

(b) (1) In connection with two-phase design/build selection procedures authorized in this Section, a Service Board may authorize, by the affirmative vote of two-thirds of the then members of the Service Board, the use of competitive selection and the prequalification of responsible bidders consistent with applicable federal regulations and this subsection (b).

(2) Two-phase design/build selection procedures shall consist of the following:

(i) A Service Board shall develop, through licensed architects or licensed engineers, a scope of work statement for inclusion in the solicitation for phase-one proposals that defines the project and provides prospective offerors with sufficient information regarding the Service Board's requirements. The statement shall include criteria and preliminary design, and general budget parameters and general schedule or delivery requirements to enable the offerors to submit proposals which meet the Service Board's needs. When the two-phase design/build selection procedure is used and the Service Board contracts for development of the scope of work statement, the Service Board shall contract for architectural or engineering services as defined by and in accordance with the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act and all applicable licensing statutes.

(ii) The evaluation factors to be used in evaluating phase-one proposals must be stated in the solicitation and must include specialized experience and technical competence, capability to perform, past performance of the offeror's team (including the architect-engineer and construction members of the team) and other appropriate technical and qualifications factors. Each solicitation must establish the relative importance assigned to the evaluation factors and the subfactors that must be considered in the evaluation of phase-one proposals on the basis of the evaluation factors set forth in the solicitation. Each design/build team must include a licensed design professional independent from the Service Board's licensed architect or engineer and a licensed design professional must be named in the phase-one proposals submitted to the Service Board.

(iii) On the basis of the phase-one proposal the Service Board shall select as the most highly qualified the number of offerors specified in the solicitation and request the selected offerors to submit phase-two competitive proposals and cost or price information. Each solicitation must establish the relative importance assigned to the evaluation factors and the subfactors that must be considered in the evaluation of phase-two proposals on the basis of the evaluation factors set forth in the solicitation. A Service Board may negotiate with the selected design/build team after award but prior to contract execution for the purpose of securing better terms than originally proposed, provided the salient features of the design/build solicitation are not diminished. Each phase-two solicitation evaluates separately (A) the technical submission for the proposal, including design concepts

or proposed solutions to requirements addressed within the scope of work, and (B) the evaluation factors and subfactors, including cost or price, that must be considered in the evaluations of proposals.

(iv) A design/build solicitation issued under the procedures in this subsection (b) shall state the maximum number of offerors that are to be selected to submit competitive phase-two proposals. The maximum number specified in the solicitation shall not exceed 5 unless the Service Board with respect to an individual solicitation determines that a specified number greater than 5 is in the best interest of the Service Board and is consistent with the purposes and objectives of the two-phase design/build selection process.

(v) All designs submitted as part of the two-phase selection process and not selected shall be proprietary to the preparers.

(Source: P.A. 89-664, eff. 8-14-96.)

(70 ILCS 3615/4.07) (from Ch. 111 2/3, par. 704.07)

Sec. 4.07. Bonds, Notes and Certificates to be Legal Investments.

The State, all units of local government, all public officers, banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, monies or other funds belonging to them or within their control in any bonds, notes or equipment trust certificates issued pursuant to this Act, it being the purpose of this Section to authorize the investment in such bonds, notes or certificates of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers: provided, however, that nothing contained in this Section may be construed as relieving any person, firm or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

(Source: P.A. 78-3rd S.S.-5.)

(70 ILCS 3615/4.08) (from Ch. 111 2/3, par. 704.08)

Sec. 4.08. Exemption from Taxation. The Authority and the Service

Boards shall be exempt from all State and unit of local government taxes and registration and license fees other than as required for motor vehicle registration in accordance with the "Illinois Vehicle Code", as now or hereafter amended. All property of the Authority and the Service Boards is declared to be public property devoted to an essential public and governmental function and purpose and shall be exempt from all taxes and special assessments of the State, any subdivision thereof, or any unit of local government.

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

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

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

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

retailer discounts pursuant to Section 9 of the Service Occupation Tax Act and Section 3 of the Retailers' Occupation Tax Act, realized from (i) 80% of the proceeds of any tax imposed by the Authority at a rate of 1.25% in Cook County, (ii) 75% of the proceeds of any tax imposed by the Authority at the rate of 1% in Cook County, and (iii) one-third of the proceeds of any tax imposed by the Authority at the rate of 0.75% in the Counties of DuPage, Kane, Lake, McHenry, and Will, all pursuant to Section 4.03, and 25% of the net revenue realized from any tax imposed by the Authority pursuant to Section 4.03.1, and 25% of the amounts deposited into the Regional Transportation Authority tax fund created by Section 4.03 of this Act from the County and Mass Transit District Fund as provided in Section 6z-20 of the State Finance Act, and 25% of the amounts deposited into the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund as provided in Section 6z-17 of the State Finance Act. As used in this Section, net revenue realized for a month shall be the revenue collected by the State pursuant to Sections 4.03 and 4.03.1 during the previous month from within the metropolitan region, less the amount paid out during that same month as refunds to taxpayers for overpayment of liability in the metropolitan region under Sections 4.03 and 4.03.1.

(2) On the first day of the month following the effective date of this amendatory Act of the 95th General Assembly and each month thereafter, upon certification by the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund an amount equal to 5% of the net revenue, before the deduction of the serviceman and retailer discounts pursuant to Section 9 of the Service Occupation Tax Act and Section 3 of the Retailers' Occupation Tax Act, realized from any tax imposed by the Authority pursuant to Sections 4.03 and 4.03.1 and certified by the Department of Revenue under Section 4.03(n) of this Act to be paid to the Authority and 5% of the amounts deposited into the Regional Transportation Authority tax fund created by Section 4.03 of this Act from the County and Mass Transit District Fund as provided in Section 6z-20 of the State Finance Act, and 5% of the amounts deposited into the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the State and Local Sales Tax Reform Fund as provided in Section 6z-17 of the State Finance Act, and 5% of the revenue realized by the Chicago Transit Authority as financial assistance from the City of Chicago from the proceeds of any tax imposed by the City of Chicago under Section 8-3-19 of the Illinois Municipal Code.

(3) As soon as possible after the first day of January, 2009 and each month thereafter, upon certification of the Department of Revenue with respect to the taxes collected under Section 4.03, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund an amount equal to 25% of the net revenue, before the deduction of the serviceman and retailer discounts pursuant to Section 9 of the Service Occupation Tax Act and Section 3 of the Retailers' Occupation Tax Act, realized from (i) 20% of the proceeds of any tax imposed by the Authority at a rate of 1.25% in Cook County, (ii) 25% of the proceeds of any tax imposed by the Authority at the rate of 1% in Cook County, and (iii) one-third of the proceeds of any tax imposed by the Authority at the rate of 0.75% in the Counties of DuPage, Kane, Lake, McHenry, and Will, all pursuant to Section 4.03, and the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund (iv) an amount equal to 25% of the revenue realized by the Chicago Transit Authority as financial assistance from the City of Chicago from the proceeds of any tax imposed by the City of Chicago under Section 8-3-19 of the Illinois Municipal Code.

(b)(1) All moneys deposited in the Public Transportation Fund and the Regional Transportation Authority Occupation and Use Tax Replacement Fund, whether deposited pursuant to this Section or otherwise, are allocated to the Authority. The Comptroller, as soon as possible after each monthly transfer provided in this Section and after each deposit into the Public Transportation Fund, shall order the Treasurer to pay to the Authority out of the Public Transportation Fund the amount so transferred or deposited. Any Additional State Assistance and Additional Financial Assistance paid to the Authority under this Section shall be expended by the Authority for its purposes as provided in this Act. The balance of the amounts paid to the Authority from the Public Transportation Fund shall be expended by the Authority as provided in Section 4.03.3. The Comptroller, as soon as possible after each deposit into the Regional Transportation Authority Occupation and Use Tax Replacement Fund provided in this Section and Section 6z-17 of the State Finance Act, shall order the Treasurer to pay to the Authority out of the Regional Transportation Authority Occupation and Use Tax Replacement Fund the amount so deposited. Such amounts paid to the Authority may be expended by it for its purposes as provided in this Act. The provisions directing the distributions from the Public Transportation Fund and the Regional Transportation Authority Occupation and Use Tax Replacement Fund provided for in this Section shall constitute an irrevocable and continuing appropriation of all amounts as provided

herein. The State Treasurer and State Comptroller are hereby authorized and directed to make distributions as provided in this Section. (2) Provided, however, no moneys deposited under subsection (a) of this Section shall be paid from the Public Transportation Fund to the Authority or its assignee for any fiscal year until the Authority has certified to the Governor, the Comptroller, and the Mayor of the City of Chicago that it has adopted for that fiscal year an Annual Budget and Two-Year Financial Plan meeting the requirements in Section 4.01(b).

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

1990	\$5,000,000;
1991	\$5,000,000;
1992	\$10,000,000;
1993	\$10,000,000;
1994	\$20,000,000;
1995	\$30,000,000;
1996	\$40,000,000;
1997	\$50,000,000;
1998	\$55,000,000; and
each year thereafter	\$55,000,000.

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

2000	\$0;
2001	\$16,000,000;
2002	\$35,000,000;
2003	\$54,000,000;
2004	\$73,000,000;
2005	\$93,000,000; and
each year thereafter	\$100,000,000.

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

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

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

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

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

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

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

On the first day of each month of the State fiscal year in which there are bonds outstanding with respect to which the certification is made, the State Comptroller shall order

transferred and the State Treasurer shall transfer from the General Revenue Fund to the Public Transportation Fund the Additional State Assistance and Additional Financial Assistance in an amount equal to the aggregate of (i) one-twelfth of the sum of the amounts certified under items (1) and (3) above less the amount certified under item (4) above, plus (ii) the amount required to pay debt service on bonds and notes issued during the fiscal year, if any, divided by the number of months remaining in the fiscal year after the date of issuance, or some smaller portion as may be necessary under subsection (c) or (c-5) of this Section for the relevant State fiscal year, plus (iii) any cumulative deficiencies in transfers for prior months, until an amount equal to the sum of the amounts certified under items (1) and (3) above, plus the actual debt service certified under item (2) above, less the amount certified under item (4) above, has been transferred; except that these transfers are subject to the following limits:

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

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

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

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

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

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

(i) whether the aggregate of all system generated revenues for public transportation in the metropolitan region which is provided by, or under grant or purchase of service contracts with, the Service Boards equals 50% of the aggregate of all costs of providing such public transportation. "System generated revenues" include all the proceeds of fares and charges for services provided, contributions received in connection with public transportation from units of local government other than the Authority, except for contributions received by the Chicago Transit Authority from a real estate transfer tax imposed under subsection (i) of Section 8-3-19 of the Illinois Municipal Code, and from the State pursuant to subsection (i) of Section 2705-305 of the Department of Transportation Law (20 ILCS 2705/2705-305), and all other revenues properly included consistent with generally accepted accounting principles but may not include: the proceeds from any borrowing, and, beginning with the 2007 fiscal year, all revenues and receipts, including but not limited to fares and grants received from the federal, State or any unit of local government or other entity, derived from providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act. "Costs" include all items properly included as operating costs consistent with generally accepted accounting principles, including administrative costs, but do not

include: depreciation; payment of principal and interest on bonds, notes or other evidences of obligations for borrowed money of the Authority; payments with respect to public transportation facilities made pursuant to subsection (b) of Section 2.20; any payments with respect to rate protection contracts, credit enhancements or liquidity agreements made under Section 4.14; any other cost as to which it is reasonably expected that a cash expenditure will not be made; costs for passenger security including grants, contracts, personnel, equipment and administrative expenses, except in the case of the Chicago Transit Authority, in which case the term does not include costs spent annually by that entity for protection against crime as required by Section 27a of the Metropolitan Transit Authority Act; the costs of Debt Service paid by the Chicago Transit Authority, as defined in Section 12c of the Metropolitan Transit Authority Act, or bonds or notes issued pursuant to that Section; the payment by the Commuter Rail Division of debt service on bonds issued pursuant to Section 3B.09; expenses incurred by the Suburban Bus Division for the cost of new public transportation services funded from grants pursuant to Section 2.01e of this amendatory Act of the 95th General Assembly for a period of 2 years from the date of initiation of each such service; costs as exempted by the Board for projects pursuant to Section 2.09 of this Act; or, beginning with the 2007 fiscal year, expenses related to providing ADA paratransit service pursuant to Section 2.30 of the Regional Transportation Authority Act; or in fiscal years 2008 through 2012 inclusive, costs in the amount of \$200,000,000 in fiscal year 2008, reducing by \$40,000,000 in each fiscal year thereafter until this exemption is eliminated. If said system generated revenues are less than 50% of said costs, the Board shall remit an amount equal to the amount of the deficit to the State. The Treasurer shall deposit any such payment in the General Revenue Fund; and

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

(h) If the Authority makes any payment to the State under paragraph (g), the Authority shall reduce the amount provided to a Service Board from funds transferred under paragraph (a) in proportion to the amount by which that Service Board failed to meet its required system generated revenues recovery ratio. A Service Board which is affected by a reduction in funds under this paragraph shall submit to the Authority concurrently with its next due quarterly report a revised budget incorporating the reduction in funds. The revised budget must meet the criteria specified in clauses (i) through (vi) of Section 4.11(b)(2). The Board shall review and act on the revised budget as provided in Section 4.11(b)(3).  
(Source: P.A. 94-370, eff. 7-29-05; 95-708, eff. 1-18-08; 95-906, eff. 8-26-08.)

(70 ILCS 3615/4.10) (from Ch. 111 2/3, par. 704.10)

Sec. 4.10. Agreements with the Chicago Transit Authority. The Authority shall not for any fiscal year of the Authority release to the Chicago Transit Authority any funds except for the proceeds of taxes imposed by the Authority under Sections 4.03 and 4.03.1 which are allocated to the Chicago Transit Authority under Section 4.01(d) unless a unit or units of local government in Cook County (other than the Chicago Transit Authority) enters or enter into an agreement with the Chicago Transit Authority to make a monetary contribution for such year of at least \$5,000,000 for public transportation.

Except as otherwise provided in this Section, the Authority shall not for any fiscal year of the Authority release to the Chicago Transit Authority any funds except for the proceeds of taxes imposed by the Authority under Sections 4.03 and 4.03.1 which are allocated to the Chicago Transit Authority under Section 4.01(d) unless the County of Cook and City of Chicago continue to provide services to the Chicago Transit Authority at the same level and on the same basis as are being provided by such units as of the effective date of this Act. The Authority may from time to time approve reductions in the level and basis of services to be provided pursuant to this Section.

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

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

Sec. 4.11. Budget Review Powers.

(a) Based upon estimates which shall be given to the Authority by the Director of the Governor's Office of Management and Budget (formerly Bureau of the Budget) of the receipts to be received by the Authority from the taxes imposed by the Authority and the authorized estimates of amounts to be available from State and other sources to the Service Boards, and the times at which such receipts and amounts will be available, the Board shall, not later than the next preceding September 15th prior to the beginning of the Authority's next fiscal year, advise each Service Board of the amounts estimated by the Board to be available for such Service Board during such fiscal year and the two following fiscal years and the times at which such amounts will be available. The Board shall, at the same time, also advise each Service Board of its required system generated revenues recovery ratio for the next fiscal year which shall be the percentage of the aggregate costs of providing public transportation by or under jurisdiction of that Service Board which must be recovered from system generated revenues. The Board shall, at the same time, consider the written determination of the Executive Director, made pursuant to Section 2.01d, of the costs of ADA paratransit services that are required to be provided under the federal Americans with Disabilities Act of 1990 and its implementing regulations, and shall amend the current year budgets of the Authority and the Service Boards to provide for additional funding for the provision of ADA paratransit services, if needed. The Board shall, at the same time, beginning with the 2007 fiscal year, also advise each Service Board that provides ADA paratransit services of its required system generated ADA paratransit services revenue recovery ratio for the next fiscal year which shall be the percentage of the aggregate costs of providing ADA paratransit services by or under jurisdiction of that Service Board which must be recovered from fares charged for such services, except that such required system generated ADA paratransit services revenue recovery ratio shall not exceed the minimum percentage established pursuant to Section 4.01(b)(ii) of this Act. In determining a Service Board's system generated revenue recovery ratio, the Board shall consider the historical system generated revenues recovery ratio for the services subject to the jurisdiction of that Service Board. The Board shall not increase a Service Board's system generated revenues recovery ratio for the next fiscal year over such ratio for the current fiscal year disproportionately or prejudicially to increases in such ratios for other Service Boards. The Board may, by ordinance, provide that (i) the cost of research and development projects in the fiscal year beginning January 1, 1986 and ending December 31, 1986 conducted pursuant to Section 2.09 of this Act, (ii) the costs for passenger security, and (iii) expenditures of amounts granted to a Service Board from the Innovation, Coordination, and Enhancement Fund for operating purposes may be exempted from the farebox recovery ratio or the system generated revenues recovery ratio of the Chicago Transit Authority, the Suburban Bus Board, and the Commuter Rail Board, or any of them. During fiscal years 2008 through 2012, the Board may also allocate the exemption of \$200,000,000 and the reducing amounts of costs provided by this amendatory Act of the 95th General Assembly from the farebox recovery ratio or system generated revenues recovery ratio of each Service Board.

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

(2) The Board shall review the proposed budget and two-year financial plan submitted by each Service Board. The Board shall approve the budget and two-year financial plan of a Service Board if:

- (i) such budget and plan show a balance between (A) anticipated revenues from all sources including operating subsidies and (B) the costs of providing the services specified and of funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness;
- (ii) such budget and plan show cash balances including the proceeds of any anticipated cash flow borrowing sufficient to pay with reasonable promptness all costs and expenses as incurred;
- (iii) such budget and plan provide for a level of fares or charges and operating or administrative costs for

the public transportation provided by or subject to the jurisdiction of such Service Board sufficient to allow the Service Board to meet its required system generated revenue recovery ratio and, beginning with the 2007 fiscal year, system generated ADA paratransit services revenue recovery ratio;

(iv) such budget and plan are based upon and employ assumptions and projections which are reasonable and prudent;

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

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

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

(3) (Blank).

(4) Unless the Board by an affirmative vote of 12 of the then Directors determines that the budget and financial plan of a Service Board meets the criteria specified in clauses (i) through (vii) of subparagraph (2) of this paragraph (b), the Board shall withhold from that Service Board 25% of the cash proceeds of taxes imposed by the Authority under Section 4.03 and Section 4.03.1 and received after February 1 and 25% of the amounts transferred to the Authority from the Public Transportation Fund under Section 4.09(a) (but not including Section 4.09(a)(3)(iv)) after February 1 that the Board has estimated to be available to that Service Board under Section 4.11(a). Such funding shall be released to the Service Board only upon approval of a budget and financial plan under this Section or adoption of a budget and financial plan on behalf of the Service Board by the Authority.

(5) If the Board has not found that the budget and financial plan of a Service Board meets the criteria specified in clauses (i) through (vii) of subparagraph (2) of this paragraph (b), the Board, by the affirmative vote of at least 12 of its then Directors, shall adopt a budget and financial plan meeting such criteria for that Service Board.

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

(2) Each Service Board shall, within such period after the end of each fiscal quarter as shall be specified by the Board, report to the Authority its financial condition and results of operations and the financial condition and results of operations of the public transportation services subject to its jurisdiction, as at the end of and for such quarter. If in the judgment of the Board such condition and results are not substantially in accordance with such Service Board's budget for such period, the Board shall so advise such Service Board and such Service Board shall within the period specified by the Board submit a revised budget incorporating such results.

(3) If the Board shall determine that a revised budget submitted by a Service Board pursuant to subparagraph (1) or (2) of this paragraph (c) does not meet the criteria specified in clauses (i) through (vii) of subparagraph (2) of paragraph (b) of this Section, the Board shall withhold from that Service Board 25% of the cash proceeds of taxes imposed by the Authority under Section 4.03 or 4.03.1 and received by the Authority after February 1 and 25% of the amounts transferred to the Authority from the Public Transportation Fund under Section 4.09(a) (but not including Section 4.09(a)(3)(iv)) after February 1 that the Board has estimated to be available to that Service Board under Section 4.11(a). If the Service Board submits a revised financial plan and budget which plan and budget shows that the criteria will be met within a four

quarter period, the Board shall release any such withheld funds to the Service Board. The Board by the affirmative vote of at least 12 of its then Directors may require a Service Board to submit a revised financial plan and budget which shows that the criteria will be met in a time period less than four quarters.

(d) All budgets and financial plans, financial statements, audits and other information presented to the Authority pursuant to this Section or which may be required by the Board to permit it to monitor compliance with the provisions of this Section shall be prepared and presented in such manner and frequency and in such detail as shall have been prescribed by the Board, shall be prepared on both an accrual and cash flow basis as specified by the Board, shall present such information as the Authority shall prescribe that fairly presents the condition of any pension plan or trust for health care benefits with respect to retirees established by the Service Board and describes the plans of the Service Board to meet the requirements of Sections 4.02a and 4.02b, and shall identify and describe the assumptions and projections employed in the preparation thereof to the extent required by the Board. If the Executive Director certifies that a Service Board has not presented its budget and two-year financial plan in conformity with the rules adopted by the Authority under the provisions of Section 4.01(f) and this subsection (d), and such certification is accepted by the affirmative vote of at least 12 of the then Directors of the Authority, the Authority shall not distribute to that Service Board any funds for operating purposes in excess of the amounts distributed for such purposes to the Service Board in the previous fiscal year. Except when the Board adopts a budget and a financial plan for a Service Board under paragraph (b)(5), a Service Board shall provide for such levels of transportation services and fares or charges therefor as it deems appropriate and necessary in the preparation of a budget and financial plan meeting the criteria set forth in clauses (i) through (vii) of subparagraph (2) of paragraph (b) of this Section. The Authority shall have access to and the right to examine and copy all books, documents, papers, records, or other source data of a Service Board relevant to any information submitted pursuant to this Section.

(e) Whenever this Section requires the Board to make determinations with respect to estimates, budgets or financial plans, or rules or regulations with respect thereto such determinations shall be made upon the affirmative vote of at least 12 of the then Directors and shall be incorporated in a written report of the Board and such report shall be submitted within 10 days after such determinations are made to the Governor, the Mayor of Chicago (if such determinations relate to the Chicago Transit Authority), and the Auditor General of Illinois.  
(Source: P.A. 97-399, eff. 8-16-11.)

(70 ILCS 3615/4.12) (from Ch. 111 2/3, par. 704.12)

Sec. 4.12. RTA Strategic Capital Improvement Program. The program created by this amendatory Act of 1989 in Sections 4.12 and 4.13 shall be known as the RTA Strategic Capital Improvement Program (the "Strategic Capital Improvement Program"). The Strategic Capital Improvement Program will enhance the ability of the Authority to acquire, repair or replace public transportation facilities in the metropolitan region and shall be financed through the issuance of bonds or notes authorized for Strategic Capital Improvement Projects under Section 4.04 of this Act. The Program is intended as a supplement to the ongoing capital development activities of the Authority and the Service Boards financed with grants, loans and other moneys made available by the federal government or the State of Illinois. The Authority and the Service Boards shall continue to seek, receive and expend all available grants, loans and other moneys.

Any contracts for architectural or engineering services for projects approved pursuant to Section 4.13 shall comply with the requirements set forth in "An Act concerning municipalities, counties and other political subdivisions", as now or hereafter amended.  
(Source: P.A. 91-37, eff. 7-1-99.)

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

Sec. 4.13. Annual Capital Improvement Plan.

(a) With respect to each calendar year, the Authority shall prepare as

part of its Five Year Program an Annual Capital Improvement Plan (the "Plan") which shall describe its intended development and implementation of the Strategic Capital Improvement Program. The Plan shall include the following information:

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

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

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

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

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

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

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

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

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

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

(e) With respect to capital improvements, only those capital improvements which are in a Plan approved by the Governor shall be financed with the proceeds of bonds or notes issued for Strategic Capital Improvement Projects.

(f) Before the Authority or a Service Board obligates any funds for a project for which the Authority or Service Board intends to use the proceeds of bonds or notes for Strategic Capital Improvement Projects, but which project is not included in an approved Plan, the Authority must notify the Governor of the intended obligation. No project costs incurred prior to approval of the Plan including that project may be paid from the proceeds of bonds or notes for Strategic Capital Improvement Projects issued under Section 4.04 of this Act. (Source: P.A. 94-839, eff. 6-6-06; 95-708, eff. 1-18-08.)

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

Sec. 4.14. Rate Protection Contract. "Rate Protection Contract" means interest rate price exchange agreements; currency exchange agreements; forward payment conversion agreements; contracts providing for payment or receipt of funds based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices; contracts to exchange cash flows or a series of payments; contracts, including without limitation, interest rate caps; interest rate floor; interest rate locks; interest rate collars; rate of return guarantees or assurances, to manage payment, currency, rate, spread or similar exposure; the obligation, right, or option to issue, put, lend, sell, grant a security interest in, buy, borrow or otherwise acquire, a bond, note or other security or interest therein as an investment, as collateral, as a hedge, or otherwise as a source or assurance of payment to or by the Authority or as a reduction of the Authority's or an obligor's risk exposure; repurchase agreements; securities lending agreements; and other agreements or arrangements similar to the foregoing.

Notwithstanding any provision in Section 2.20 (a) (ii) of this Act to the contrary, in connection with or incidental to the issuance by the Authority of its bonds or notes under the provisions of Section 4.04 or the exercise of its powers under subsection (b) of Section 2.20, the Authority, for its own benefit or for the benefit of the holders of its obligations or their trustee, may enter into rate protection contracts. The Authority may enter into rate protection contracts only pursuant to a determination by a vote of 12 of the then Directors that the terms of the contracts and any related agreements reduce the risk of loss to the Authority, or protect, preserve or enhance the value of its assets, or provide compensation to the Authority for losses resulting from changes in interest rates. The Authority's obligations under any rate protection contract or credit enhancement or liquidity agreement shall not be considered bonds or notes for purposes of this Act. For purposes of this Section a rate protection contract is a contract determined by the Authority as necessary or appropriate to permit it to manage payment, currency or interest rate risks or levels. (Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3615/Art. V heading)

#### ARTICLE V. PROCEDURES AND MISCELLANEOUS PROVISIONS.

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

Sec. 5.01. Hearings and Citizen Participation.

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

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

(c) Unless such items are specifically provided for either in the Five-Year Capital Program or in the annual budget program which has been the subject of public hearings as provided in Sections 2.01 or 4.01 of this Act, the Board shall hold public hearings at which citizens may be heard prior to:

(i) the construction or acquisition of any public transportation facility, the aggregate cost of which exceeds \$5 million; and

(ii) the extension of, or major addition to services provided by the Authority or by any transportation agency pursuant to a purchase of service agreement with the

Authority.

(d) Unless such items are specifically provided for in the annual budget and program which has been the subject of public hearing, as provided in Section 4.01 of this Act, the Board shall hold public hearings at which citizens may be heard prior to the providing for or allowing, by means of any purchase of service agreement or any grant pursuant to Section 2.02 of this Act, or so providing for or allowing any discontinuance of any public transportation route, or major portion thereof, which has been in service for more than a year.

(e) At least twenty days prior notice of any public hearing, as required in this Section, shall be given by public advertisement in a newspaper of general circulation in the metropolitan region.

(e-5) With respect to any increase in fares or charges for public transportation, whether by the Authority or by any Service Board or transportation agency, a public hearing must be held in each county in which the fare increase takes effect. Notice of the public hearing shall be given at least 20 days prior to the hearing and at least 30 days prior to the effective date of any fare increase. Notice shall be given by public advertisement in a newspaper of general circulation in the metropolitan region and must also be sent to the Governor and to each member of the General Assembly whose district overlaps in whole or in part with the area in which the increase takes effect. The notice must state the date, time, and place of the hearing and must contain a description of the proposed increase. The notice must also specify how interested persons may obtain copies of any reports, resolutions, or certificates describing the basis upon which the increase was calculated.

(f) The Authority may designate one or more Directors or may appoint one or more hearing officers to preside over any hearing pursuant to this Act. The Authority shall have the power in connection with any such hearing to issue subpoenas to require the attendance of witnesses and the production of documents, and the Authority may apply to any circuit court in the State to require compliance with such subpoenas.

(g) The Authority may require any Service Board to hold one or more public hearings with respect to any item described in paragraphs (c), (d), and (e-5) of this Section 5.01, notwithstanding whether such item has been the subject of a public hearing under this Section 5.01 or Section 2.01 or 4.01 of this Act.

(Source: P.A. 95-708, eff. 1-18-08; 95-906, eff. 8-26-08.)

(70 ILCS 3615/5.02) (from Ch. 111 2/3, par. 705.02)

Sec. 5.02. Limitation on Home Rule Powers. Insofar as this Act authorizes the Authority to take or authorize any action notwithstanding or in lieu of any ordinance, rule, regulation or power of any unit of local government; or provides that any unit of local government restrictions are not effective with regard to the Authority or provides that any power or action of any unit of local government is subject to any power or action of the Authority, this Act is an express limitation on the powers of home rule municipalities and counties within the meaning of paragraph (g) of Section 6 of Article VII of the Illinois Constitution. No such action by the Authority shall be such a limit unless taken pursuant to an ordinance which is passed by at least seven members of the Board and which specifically states that it is a limit on the home rule unit; and provided further that this Act is not a limit on the power of home rule units to license, tax, franchise or regulate taxicabs except for services provided pursuant to purchase of service agreements. Except as provided in this Section, this Act is not a limit on any home rule unit.

(Source: P.A. 81-2nd S.S.-3.)

(70 ILCS 3615/5.03) (from Ch. 111 2/3, par. 705.03)

Sec. 5.03. Limitation on Actions.

The Authority shall not be liable in any civil action for any injury to any person or property for any acts or omissions of any transportation agency or unit of local government, as a result of the Authority making grants to or having a purchase of service agreement with such agency or unit of local government. Nothing in this Act, however, limits the power of the Authority in its purchase of service agreements to pay the cost of any such injuries.

No civil action shall be commenced in any court against the Authority by any person on account of any wrongful death or for any injury to any

person unless it is commenced within one year from the date that the cause of action accrued; provided, however, that the foregoing shall not limit a transportation agency in bringing a civil action to enforce its rights under a purchase of service agreement with the Authority. This amendatory Act of 1995 applies only to causes of action accruing on or after January 1, 1996.

(Source: P.A. 89-109, eff. 1-1-96.)

(70 ILCS 3615/5.04) (from Ch. 111 2/3, par. 705.04)

Sec. 5.04. Severability.

If any Section, sentence, clause or provision of this Act or any application thereof to any person or circumstance is for any reason held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the other provisions or applications of this Act which can be given effect without the invalid or unconstitutional application or provision, and to this end the provisions of this Act are declared to be severable.

(Source: P.A. 78-3rd S.S.-5.)

(70 ILCS 3615/5.05) (from Ch. 111 2/3, par. 705.05)

Sec. 5.05. Opt Out.

(a) Notwithstanding any other provision of this Act, if the County Board of the County of DuPage, Kane, Lake, McHenry or Will by ordinance authorizes that such county shall elect to terminate the powers of the Authority and the Suburban Bus Division in that County, the Secretary of such County Board shall certify that proposition to the proper election officials, who shall submit such proposition at an election in accordance with the general election law to decide whether or not the County shall opt out; and if a majority of the voters voting upon the proposition is in favor of terminating the powers of the Authority and the Suburban Bus Division those powers shall be terminated.

The form of the ballot to be used at the referendum shall be substantially as follows:

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Shall ..... County Terminate the
Powers of the Regional Transportation Authority and the Suburban Bus
Division in .... County
on ..... (date)
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YES
-----
NO
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If a majority of the voters vote in favor of terminating the powers of the Authority and the Suburban Bus Division then all of the powers of the Authority and the Suburban Bus Division shall terminate in such county except those powers and functions which the Authority determines to be necessary to exercise with regard to:

- (i) public transportation by commuter rail, and related public transportation facilities;
- (ii) public transportation other than by commuter rail which is required in order to comply with federal or State laws and regulations, and related public transportation facilities; and
- (iii) public transportation other than by commuter rail provided by the Suburban Bus Division pursuant to contract with the County or other governmental entity therein, and related public transportation facilities.

(b) The termination of the powers of the Authority and the Suburban Bus Division referred to in paragraph (a) of this Section with respect to any County shall occur on approval of the referendum by the electors provided on or prior to the date of such termination, such County shall have:

- (i) assumed the obligations of the Authority under all laws, federal or State, and all contracts with respect to public transportation or public transportation facilities in such County, which statutory or contractual obligations extend beyond the termination date provided for in accordance with paragraph (c) of this Section provided that such obligations shall not be deemed to include any indebtedness of the Authority for borrowed money;
- (ii) agreed to indemnify and hold harmless the Authority against any and all claims, actions and liabilities arising out of or in connection with the termination of the Authority's powers and functions pursuant to paragraph (a) of this Section; and
- (iii) taken or caused to be taken all necessary actions and fulfilled or caused to be fulfilled all requirements under federal and State laws, rules and regulations with respect to such termination and any

related transfers of assets or liabilities of the Authority. A County may, by mutual agreement with the Authority, permit the Authority to fulfill one or more contracts which by their terms extend beyond the termination date provided for in accordance with paragraph (c) of this Section, in which case the powers and functions of the Authority in that County shall survive only to the extent deemed necessary by the Authority to fulfill said contract or contracts. The satisfaction of the requirements provided for in this paragraph shall be evidenced in such manner as the Authority may require.

(c) Following an election to terminate the powers of the Authority and the Suburban Bus Division at a referendum held under paragraph (a) of this Section the County Board shall notify the Authority of the results of the referendum which notice shall specify a termination date, which is the last day of the calendar month, but no earlier than December 31, 1984. Unless the termination date is extended by mutual agreement between the County and the Authority, the termination of the powers and functions of the Authority in the County shall occur at midnight on the termination date, provided that the requirements of this Section have been met.

(d) The proceeds of taxes imposed by the Authority under Sections 4.03 and 4.03.1 collected after the termination date within a County wherein the powers of the Authority and the Suburban Bus Division have been terminated under this Section shall be provided by the Authority to the Commuter Rail Board to support services under the jurisdiction of the Commuter Rail Board which are attributable to that County, as determined by the Commuter Rail Board. Any proceeds which are in excess of that necessary to support such services shall be paid by the Authority to that County to be expended for general transportation purposes in accordance with law. If no services under the jurisdiction of the Commuter Rail Board are provided in a County wherein the powers of the Authority have been terminated under this Section, all proceeds of taxes imposed by the Authority in the County shall be paid by the Authority to the County to be expended for general transportation purposes in accordance with law. The Authority or the Suburban Bus Division has no obligation to see that the funds expended under this paragraph by the County are spent for general transportation purposes in accordance with law.

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

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## Illinois Compiled Statutes

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### SPECIAL DISTRICTS

#### (70 ILCS 3605/) Metropolitan Transit Authority Act.

(70 ILCS 3605/1) (from Ch. 111 2/3, par. 301)

Sec. 1. This Act shall be known and may be cited as the "Metropolitan Transit Authority Act."

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/2) (from Ch. 111 2/3, par. 302)

Sec. 2. When used in this Act:

"Transportation System" means all plants, equipment, property and rights useful for transportation of passengers for hire except taxicabs and includes, without limiting the generality of the foregoing, street railways, elevated railroads, subways and underground railroads, motor vehicles, trolley buses, motor buses and any combination thereof.

"Metropolitan area of Cook County" embraces all the territory in the County of Cook, State of Illinois East of the east line of Range Eleven (11), East of the Third Principal Meridian of the United States Government survey.

"Metropolitan area" means the metropolitan area of Cook County, as above defined.

"Authority" means Chicago Transit Authority created by this Act.

"Board" means Chicago Transit Board.

"Governor" means Governor of the State of Illinois.

"Mayor" means Mayor of the City of Chicago.

"Motor vehicle" means every vehicle which is self-propelled or which is propelled by electric power obtained from overhead trolley wires but not operated on rails.

(Source: Laws 1955, p. 1166.)

(70 ILCS 3605/3) (from Ch. 111 2/3, par. 303)

Sec. 3. All the territory in the County of Cook, State of Illinois, lying east of the east line of Range Eleven, East of the Third Principal Meridian of the United States Government Survey is hereby created a political subdivision, body politic and municipal corporation under the name of Chicago Transit Authority.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/4) (from Ch. 111 2/3, par. 304)

Sec. 4. The Authority shall not exercise any of the powers granted by this Act until it is adopted, in the manner provided in Section 44, by the electors of one or more cities, villages and incorporated towns within the metropolitan area having a population in the aggregate of at least 100,000 according to the Federal census of 1940.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/5) (from Ch. 111 2/3, par. 305)

Sec. 5. The Authority may sue and be sued in its corporate name but execution shall not in any case issue against any property of the Authority. It may adopt a common seal and change the same at pleasure. The principal office of the Authority shall be in the City of Chicago.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/6) (from Ch. 111 2/3, par. 306)

Sec. 6. The Authority shall have power to acquire, construct, own, operate and maintain for public service a transportation system in the metropolitan area of Cook County and outside thereof to the extent herein provided and all the powers necessary or convenient to accomplish the purposes of this Act, including, without limiting the generality of the foregoing, the specific powers enumerated herein.

(Source: Laws 1955, p. 1166.)

(70 ILCS 3605/6.1) (from Ch. 111 2/3, par. 306.1)

Sec. 6.1. Within 5 years after the receipt of any assets transferred to the Authority from an Urban Transportation District created under the Urban Transportation District Act, such assets shall be used by the Authority, exclusively within the area included in such District, for projects which develop, maintain or improve capital improvements in public transportation.

(Source: P.A. 82-1048.)

(70 ILCS 3605/7) (from Ch. 111 2/3, par. 307)

Sec. 7. The Authority shall have power to acquire by purchase, condemnation, lease, gift or otherwise all or any part of the plant, equipment, property, rights in property, reserve funds, employees' pension or retirement funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any public utility operating a transportation system within the metropolitan area of Cook County, together with all or any part of the right of way, equipment, fixed facilities and other property of any kind of any such utility extending beyond the boundaries of the metropolitan area of Cook County and forming part of an integrated suburban rapid transit, rail transportation facility or motor bus operation connecting with rapid transit or electric railway lines in super highways of the Authority or leading to the unification and integration of a unified rapid transit, rail, and motor bus operation in and about the metropolitan area of Cook County. Such properties upon acquisition by or lease to the Authority shall become and be operated as part of the transportation system of the Authority and the Authority shall have all powers in connection with such properties and such operations as are conferred by this

Act with respect to the transportation system of the Authority located within the metropolitan area of Cook County. The Authority shall also have the power to enter into agreements to operate any such lines extending beyond the boundaries of the metropolitan area; such agreements to be subject to all other provisions of this Act. The Authority shall have power to contract for or lease for operation and maintenance by the Authority, any municipally owned local transportation subways or other municipally owned local transportation facilities or the facilities of any common carrier or the facilities of any local Mass Transit District, organized under the "Local Mass Transit Act", approved July 21, 1959, as heretofore and hereafter amended, whether such subways or facilities are within or without the metropolitan area of Cook County. The Authority shall have the power to contract with any local Mass Transit District, organized under the "Local Mass Transit Act", approved July 21, 1959, as heretofore and hereafter amended, or with any common carrier for the construction and operation of a transportation system, whether such transportation system is within or without the metropolitan area of Cook County. However, the Authority shall not have power to operate a motor bus facility, the major part of which is used for local transportation of passengers in any city, village or incorporated town, unless and until the Authority shall have secured the right to operate motor buses in such municipality for local transportation of passengers in the manner stated in Section 11 of this Act.

(Source: P.A. 76-1548.)

(70 ILCS 3605/7a) (from Ch. 111 2/3, par. 307a)

Sec. 7a. Purchases made pursuant to this Act shall be made in compliance with the "Local Government Prompt Payment Act", approved by the Eighty-fourth General Assembly.

(Source: P.A. 84-731.)

(70 ILCS 3605/8) (from Ch. 111 2/3, par. 308)

Sec. 8. The Authority shall have power to acquire by purchase, condemnation, lease, gift or otherwise any property and rights useful for its purposes and to sell, lease, transfer or convey any property or rights when no longer useful or exchange the same for other property or rights which are useful for its purposes.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/8.5)

Sec. 8.5. Eminent domain. Notwithstanding any other provision of this Act, any power granted under this Act to acquire property by condemnation or eminent domain is subject to, and shall be exercised in accordance with, the Eminent Domain Act.

(Source: P.A. 94-1055, eff. 1-1-07.)

(70 ILCS 3605/9) (from Ch. 111 2/3, par. 309)

Sec. 9. The Authority shall have power to enter into agreements for the joint use of any property and rights by the Authority and any public utility operating a railroad; to enter into agreements with any public utility operating any transportation facilities either within or without the metropolitan area for the joint use of any property of the

Authority or public utility, or the establishment of through routes, joint fares and transfer of passengers.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/9a) (from Ch. 111 2/3, par. 309a)

Sec. 9a. In addition to all its other powers, the Authority shall, in all its dealings with the Regional Transportation Authority established by the "Regional Transportation Authority Act", enacted by the 78th General Assembly, have the following powers:

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

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

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

(d) to acquire from the Regional Transportation Authority any Public Transportation Facility, as defined in the "Regional Transportation Authority Act", by purchase contract, gift, grant, exchange for other property or rights in property, lease (or sublease) or installment or conditional purchase contracts, which contracts or leases may provide for consideration to be paid in annual installments during a period not exceeding 40 years; such property may be acquired subject to such conditions, restrictions, liens or security or other interests of other parties as the Authority may deem appropriate and in each case the Authority may acquire or dispose of a joint, leasehold, easement, license or other partial interest in such property;

(e) to sell, sell by installment contract, lease (or sublease) as lessor, or transfer to, or grant to or provide for the use by the Regional Transportation Authority any Public Transportation Facility, as defined in the "Regional Transportation Authority Act", upon such terms and for such consideration, or for no consideration, as the Authority may deem proper;

(f) to cooperate with the Regional Transportation Authority for the protection of employees of the Authority and users of public transportation facilities against crime and unsafe conditions and also to protect such facilities; such cooperation may include, without limitation, agreements for the coordination or merger of police or security forces;

(g) to file such budgets, financial plans and reports with and transfer such records, papers or documents to the Regional Transportation Authority as may be agreed upon with, or required by the Regional Transportation Authority, all as provided in the "Regional Transportation Authority Act".

(Source: P.A. 90-273, eff. 7-30-97.)

(70 ILCS 3605/9b) (from Ch. 111 2/3, par. 309b)

Sec. 9b. The Authority shall comply with the requirements imposed upon a Service Board in Sections 4.09(d) and 4.11 of the Regional Transportation Authority Act and with the requirements of subsection (b) of Section 2.11 of the Regional Transportation Authority Act. The Authority shall present evidence that it has complied with Section 27a of this Act to the Regional Transportation Authority.

(Source: P.A. 90-273, eff. 7-30-97.)

(70 ILCS 3605/10) (from Ch. 111 2/3, par. 310)

Sec. 10. The Authority shall have the right of eminent domain to acquire private property and property devoted to any public use which is necessary for the purposes of the Authority, provided, however, the Authority shall have the right of eminent domain to acquire the property or properties mentioned in Section 7 hereof extending beyond the boundaries of the metropolitan area. However, the Authority shall have the right of eminent domain to acquire property of any railroad which is not used for the transportation of persons or property and to acquire rights and easements across, under or over the right of way of such railroad. The Authority shall have power to require persons or corporations owning or operating public utility structures and appliances in, upon, under, over, across, or along the public roads, streets, or other public ways in which the Authority has the right to own, construct, operate or maintain transportation facilities (1) to remove these public utility structures and appliances from their locations, and (2) to relocate them in such places elsewhere in the public roads, streets, or public ways as may be designated by the corporate authorities having control of such public roads, streets or public ways, either temporarily or for the remainder of the period of the grant, license, or franchise which the specified persons or corporations have to occupy such public roads, streets, or public ways for public utility purposes. If any person or corporation owning or operating public utility structures and appliances fails or refuses so to remove or relocate them, the Authority may remove or relocate them. However, the power of the Authority to so remove or relocate public utility structures and appliances itself, or to require persons or corporations owning or operating public utility structures and appliances to so remove or relocate them, shall be exercised only upon such terms and conditions as the Authority and these persons or corporations may agree upon, or in default of such an agreement, upon such fair and reasonable terms and conditions as the Authority may prescribe. These terms and conditions may include fair and reasonable provisions as to how much of the expense of the removal, or relocation shall be paid by the owners or operators of public utility structures and appliances.

(Source: P.A. 76-1548.)

(70 ILCS 3605/11) (from Ch. 111 2/3, par. 311)

Sec. 11. The Authority shall have the right, but not exclusive of the public right, to use any public road, street or other public way in the metropolitan area for interurban transportation of passengers. The Authority shall not have the right to use any street or other public way in any city,

village or incorporated town, either within or without the metropolitan area, for local transportation of passengers within any such municipality, unless and until authorized so to do by an ordinance passed by the corporate authorities of such municipality. In no case shall the Authority construct or operate any street railroad in any city, village or incorporated town until the corporate authorities thereof shall have passed an ordinance consenting thereto.

(Source: P.A. 76-1548.)

(70 ILCS 3605/11.1) (from Ch. 111 2/3, par. 311.1)

Sec. 11.1. Bikeways and trails. The Authority may use its established funds, personnel, and other resources to acquire, construct, operate, and maintain bikeways and trails. The Authority may cooperate with other governmental and private agencies in bikeway and trail programs.

(Source: P.A. 87-985.)

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

Sec. 12. The Authority shall have the continuing power to borrow money for the purpose of acquiring any transportation system (including any cash funds of such system reserved to replace worn out or obsolete equipment and facilities), and for acquiring necessary cash working funds, or for acquiring constructing, reconstructing, extending or improving its transportation system or any part thereof, and for acquiring any property and equipment useful for the construction, reconstruction, extension, improvement or operation of its transportation system or any part thereof. For the purpose of evidencing the obligation of the Authority to repay any money borrowed as aforesaid the Authority may pursuant to ordinance adopted by the Board from time to time issue and dispose of its interest bearing revenue bonds or certificates and may also from time to time issue and dispose of its interest bearing revenue bonds or certificates to refund any bonds or certificates at maturity or pursuant to redemption provisions or at any time before maturity with the consent of the holders thereof. All such bonds and certificates shall be payable solely from the revenues or income or any other funds which the Authority may receive, may bear such date or dates, may mature at such time or times not exceeding forty years from their respective dates, may bear interest at such rate or rates, not exceeding 9 per cent per annum or 70% of the prime commercial rate in effect at the time the contract is made, whichever is greater, payable semi-annually, may be in such form, may carry such registration privileges, may be executed in such manner, may be payable at such place or places, may be made subject to redemption in such manner and upon such terms, with or without premium as is stated on the face thereof, may be authenticated in such manner and may contain such terms and covenants, all as may be provided in such ordinance. Notwithstanding the form or tenor thereof and in the absence of an express recital on the face thereof that it is non-negotiable all such bonds and certificates shall be negotiable instruments. Pending the preparation and execution of any such bonds or certificates temporary bonds or certificates may be issued with or without interest coupons as may be provided by ordinance. To secure the payment of any or all of such bonds or certificates and for the purpose of setting forth the

covenants and undertakings of the authority in connection with the issuance thereof and the issuance of any additional bonds or certificates payable from such revenue or income as well as the use and application of the revenue or income to be derived from the transportation system the Authority may execute and deliver a trust agreement or agreements; provided that no lien upon any physical property of the Authority shall be created thereby. A remedy for any breach or default of the terms of any such trust agreement by the Authority may be by mandamus proceedings in any court of competent jurisdiction to compel performance and compliance therewith, but the trust agreement may prescribe by whom or on whose behalf such action may be instituted. Under no circumstances shall any bonds or certificates issued by the Authority or any other obligation of the Authority be or become an indebtedness or obligation of the State of Illinois or of any other political subdivision of or municipality within the State, nor shall any such bond, certificate, or obligation be or become an indebtedness of the Authority within the purview of any constitutional limitation or provision, and it shall be plainly stated on the face of each bond and certificate that it does not constitute such an indebtedness or obligation but is payable solely from the revenues or income as aforesaid.

Before any such bonds or certificates (excepting refunding bonds or certificates) are sold the entire authorized issue, or any part thereof, shall be offered for sale as a unit after advertising for bids at least three times in a daily newspaper of general circulation published in the metropolitan area, the last publication to be at least ten days before bids are required to be filed. Copies of such advertisement may be published in any newspaper or financial publication in the United States. All bids shall be sealed, filed and opened as provided by ordinance and the bonds or certificates shall be awarded to the highest and best bidder or bidders therefor. The Authority shall have the right to reject all bids and readvertise for bids in the manner provided for the initial advertisement. However, if no bids are received such bonds or certificates may be sold at not less than par value, without further advertising, within sixty (60) days after the bids are required to be filed pursuant to any advertisement.

Prime commercial rate means such prime rate as from time to time is publicly announced by the largest commercial banking institution located in this State, measured in terms of total assets.

(Source: P.A. 81-1504.)

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

Sec. 12a. In addition to other powers provided in Section 12b, the Authority may issue its notes from time to time, in anticipation of tax receipts of the Regional Transportation Authority allocated to the Authority or of other revenues or receipts of the Authority, in order to provide money for the Authority to cover any cash flow deficit which the Authority anticipates incurring. Provided, however, that no such notes may be issued unless the annual cost thereof is incorporated in a budget or revised budget of the Authority which has been approved by the Regional Transportation Authority. Any such notes are referred to as "Working Cash Notes". Provided further that, the board shall not issue and have outstanding

or demand and direct that the Board of the Regional Transportation Authority issue and have outstanding more than an aggregate of \$40,000,000 in Working Cash Notes. No Working Cash Notes shall be issued for a term of longer than 18 months. Proceeds of Working Cash Notes may be used to pay day to day operating expenses of the Authority, consisting of wages, salaries and fringe benefits, professional and technical services (including legal, audit, engineering and other consulting services), office rental, furniture, fixtures and equipment, insurance premiums, claims for self-insured amounts under insurance policies, public utility obligations for telephone, light, heat and similar items, travel expenses, office supplies, postage, dues, subscriptions, public hearings and information expenses, fuel purchases, and payments of grants and payments under purchase of service agreements for operations of transportation agencies, prior to the receipt by the Authority from time to time of funds for paying such expenses. Proceeds of the Working Cash Notes shall not be used (i) to increase or provide a debt service reserve fund for any bonds or notes other than Working Cash Notes of the same Series, or (ii) to pay principal of or interest or redemption premium on any capital bonds or notes, whether as such amounts become due or by earlier redemption, issued by the Authority or a transportation agency to construct or acquire public transportation facilities, or to provide funds to purchase such capital bonds or notes.

(b) The ordinance providing for the issuance of any such notes shall fix the date or dates of maturity, the dates on which interest is payable, any sinking fund account or reserve fund account provisions and all other details of such notes and may provide for such covenants or agreements necessary or desirable with regard to the issue, sale and security of such notes. The Authority shall determine and fix the rate or rates of interest of its notes issued under this Act in an ordinance adopted by the Board prior to the issuance thereof, none of which rates of interest shall exceed that permitted in "An Act to authorize public corporations to issue bonds, other evidences of indebtedness and tax anticipation warrants subject to interest rate limitations set forth therein", approved May 26, 1970, as now or hereafter amended. Interest may be payable annually or semi-annually, or at such other times as determined by the Board. Notes issued under this Section may be issued as serial or term obligations, shall be of such denomination or denominations and form, including interest coupons to be attached thereto, be executed in such manner, shall be payable at such place or places and bear such date as the Board shall fix by the ordinance authorizing such note and shall mature at such time or times, within a period not to exceed 18 months from the date of issue, and may be redeemable prior to maturity with or without premium, at the option of the Board, upon such terms and conditions as the Board shall fix by the ordinance authorizing the issuance of such notes. The Board may provide for the registration of notes in the name of the owner as to the principal alone or as to both principal and interest, upon such terms and conditions as the Board may determine. The ordinance authorizing notes may provide for the exchange of such notes which are fully registered, as to both principal and interest, with notes which are registerable as to principal only. All notes issued under this Section by the Board shall be sold at a price which

may be at a premium or discount but such that the interest cost (excluding any redemption premium) to the Board of the proceeds of an issue of such notes, computed to stated maturity according to standard tables of bond values, shall not exceed that permitted in "An Act to authorize public corporations to issue bonds, other evidences of indebtedness and tax anticipation warrants subject to interest rate limitations set forth therein", approved May 26, 1970, as now or hereafter amended. Such notes shall be sold at such time or times as the Board shall determine. The notes may be sold either upon competitive bidding or by negotiated sale (without any requirement of publication of intention to negotiate the sale of such notes), as the Board shall determine by ordinance adopted with the affirmative votes of at least 4 Directors. In case any officer whose signature appears on any notes or coupons authorized pursuant to this Section shall cease to be such officer before delivery of such notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such delivery. Neither the Directors of the Regional Transportation Authority, the Directors of the Authority nor any person executing any bonds or notes thereof shall be liable personally on any such bonds or notes or coupons by reason of the issuance thereof.

(c) All notes of the Authority issued pursuant to this Section shall be general obligations of the Authority to which shall be pledged the full faith and credit of the Authority, as provided in this Section. Such notes shall be secured as provided in the authorizing ordinance, which may, notwithstanding any other provision of this Act, include in addition to any other security, a specific pledge or assignment of and lien on or security interest in any or all tax receipts of the Regional Transportation Authority allocated to the Authority and on any or all other revenues or moneys of the Authority from whatever source which may by law be utilized for debt service purposes and a specific pledge or assignment of and lien on or security interest in any funds or accounts established or provided for by the ordinance of the Board authorizing the issuance of such notes. Any such pledge, assignment, lien or security interest for the benefit of holders of notes of the Authority shall be valid and binding from the time the notes are issued without any physical delivery or further act, and shall be valid and binding as against and prior to the claims of all other parties having claims of any kind against the Authority or any other person irrespective of whether such other parties have notice of such pledge, assignment, lien or security interest. The obligations of the Authority incurred pursuant to this Section shall be superior to and have priority over any other obligations of the Authority except for obligations under Section 12. The Board may provide in the ordinance authorizing the issuance of any notes issued pursuant to this Section for the creation of, deposits in, and regulation and disposition of sinking fund or reserve accounts relating to such notes. The ordinance authorizing the issuance of any notes pursuant to this Section may contain provisions as part of the contract with the holders of the notes, for the creation of a separate fund to provide for the payment of principal and interest on such notes and for the deposit in such fund from any or all the tax receipts of the Regional Transportation Authority allocated to

the Authority and from any or all such other moneys or revenues of the Authority from whatever source which may by law be utilized for debt service purposes, all as provided in such ordinance, of amounts to meet the debt service requirements on such notes, including principal and interest, and any sinking fund or reserve fund account requirements as may be provided by such ordinance, and all expenses incident to or in connection with such fund and accounts or the payment of such notes. Such ordinance may also provide limitations on the issuance of additional notes of the Authority. No such notes of the Authority shall constitute a debt of the State of Illinois.

(d) The ordinance of the Board authorizing the issuance of any notes may provide additional security for such notes by providing for appointment of a corporate trustee (which may be any trust company or bank having the powers of a trust company within the State) with respect to such notes. The ordinance shall prescribe the rights, duties and powers of the trustee to be exercised for the benefit of the Authority and the protection of the holders of such notes. The ordinance may provide for the trustee to hold in trust, invest and use amounts in funds and accounts created as provided by the ordinance with respect to the notes. The ordinance shall provide that amounts so paid to the trustee which are not required to be deposited, held or invested in funds and accounts created by the ordinance with respect to notes or used for paying notes to be paid by the trustee to the Authority.

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

(f) The State of Illinois pledges to and agrees with the holders of the notes of the Authority issued pursuant to this Section that the State will not limit or alter the rights and powers vested in the Authority by this Act or in the Regional Transportation Authority by the "Regional Transportation Authority Act" so as to impair the terms of any contract made by the Authority with such holders or in any way impair the rights and remedies of such holders until such notes, together with interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of such holders, are fully met and discharged. In addition, the State pledges to and agrees with the holders of the notes of the Authority issued pursuant to this Section that the State will not limit or alter the basis on which State funds are to be paid to the Authority as provided in the Regional Transportation Authority Act, or the use of such funds, so as to impair the terms of any such contract. The Board is authorized to include these pledges and agreements of the State in any contract with the holders of bonds or notes

issued pursuant to this Section.

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

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

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

(Source: P.A. 96-328, eff. 8-11-09.)

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

Sec. 12b. Working Cash Borrowing. In addition to the powers provided in Section 12a, the Board with the affirmative vote of 5 of its Directors may demand and direct the Board of the Regional Transportation Authority to issue Working Cash Notes at such time and in such amounts and having such maturities as the Authority deems proper, provided however any such borrowing shall have been specifically identified in the budget of the Authority as approved by the Board of the Regional Transportation Authority. Provided further, that the Board may not issue and have outstanding or demand and direct the Board of the Regional Transportation Authority to issue and have outstanding more than an aggregate of \$40,000,000 in Working Cash Notes.

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

(70 ILCS 3605/12c)

Sec. 12c. Retiree Benefits Bonds and Notes.

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

(b)(1) After its receipt of a certified copy of a report of the Auditor General of the State of Illinois meeting the requirements of Section 3-2.3 of the Illinois State Auditing Act, the Authority may issue \$1,348,550,000 aggregate original

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

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

(3) In addition, refunding bonds are authorized to be issued for the purpose of refunding outstanding bonds or notes issued under this Section 12c.

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

(5) With respect to bonds and notes issued under subparagraph (b), scheduled aggregate annual payments of interest or deposits into funds and accounts established for the purpose of such payment shall commence within one year after the bonds and notes are issued. With respect to principal and interest, scheduled aggregate annual payments of principal and interest or deposits into funds and accounts established for the purpose of such payment shall be not less than 70% in 2009, 80% in 2010, and 90% in 2011, respectively, of scheduled payments or deposits of principal and interest in 2012 and shall be substantially equal beginning in 2012 and each year thereafter. For purposes of this subparagraph (b), "substantially equal" means that debt service in any full year after calendar year 2011 is not more than 115% of debt service in any other full year after calendar year 2011 during the term of the bonds or notes. For the purposes of this subsection (b), with respect to bonds and notes that bear interest at a variable rate, interest shall be assumed at a rate equal to the rate for United States Treasury Securities - State and Local Government Series for the same maturity, plus 75 basis points. If the Authority enters into a Swap with a counterparty requiring the Authority to pay a fixed interest

rate on a notional amount, and the Authority has made a determination that such Swap was entered into for the purpose of providing substitute interest payments for variable interest rate bonds or notes of a particular maturity or maturities in a principal amount equal to the notional amount of the Swap, then during the term of the Swap for purposes of any calculation of interest payable on such bonds or notes, the interest rate on the bonds or notes of such maturity or maturities shall be determined as if such bonds or notes bore interest at the fixed interest rate payable by the Authority under such Swap.

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

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

(d) The Authority is authorized to cause the proceeds of the bonds or notes, and any interest or investment earnings on the bonds or notes, and of any Swaps, to be invested until the proceeds and any interest or investment earnings have been deposited with the Retirement Plan or the Retiree Health Care Trust.

(e) Bonds or notes issued pursuant to this Section 12c may be general obligations of the Authority, to which shall be pledged the full faith and credit of the Authority, or may be obligations payable solely from particular sources of funds all as may be provided in the authorizing ordinance. The authorizing ordinance for the bonds and notes, whether or not general obligations of the Authority, may provide for the Debt Service (as defined in paragraph (i) of this Section 12c) to have a claim for payment from particular sources of funds, including, without limitation, amounts to be paid to the Authority or a bond trustee. The authorizing ordinance may provide for the means by which the bonds or notes (and any related Swaps) may be secured, which may include, a pledge of any revenues or funds of the Authority from whatever source which may by law be utilized for paying Debt Service. In addition to any other security, upon the written approval of the Regional Transportation Authority by the affirmative vote of 12 of its then Directors, the ordinance may provide a specific pledge or assignment of and lien on or security interest in amounts to be paid to the Authority by the Regional Transportation Authority and direct payment thereof to the bond trustee for payment of Debt Service with respect to the bonds or notes, subject to the provisions of existing lease agreements of the Authority with any public building commission. The authorizing ordinance may also provide a specific pledge or assignment of and lien on or security interest in and direct payment to the trustee of all or a portion of the moneys otherwise payable to the Authority from the City of Chicago pursuant to an intergovernmental agreement with the Authority to provide financial assistance to the Authority. Any such pledge, assignment, lien or security interest for the benefit of owners of bonds or notes shall be valid and binding from the time the bonds or notes are issued, without any physical delivery or further act, and shall be

valid and binding as against and prior to the claims of all other parties having claims of any kind against the Authority or any other person, irrespective of whether such other parties have notice of such pledge, assignment, lien or security interest, all as provided in the Local Government Debt Reform Act, as it may be amended from time to time. The bonds or notes of the Authority issued pursuant to this Section 12c shall have such priority of payment and as to their claim for payment from particular sources of funds, including their priority with respect to obligations of the Authority issued under other Sections of this Act, all as shall be provided in the ordinances authorizing the issuance of the bonds or notes. The ordinance authorizing the issuance of any bonds or notes under this Section may provide for the creation of, deposits in, and regulation and disposition of sinking fund or reserve accounts relating to those bonds or notes and related agreements. The ordinance authorizing the issuance of any such bonds or notes authorized under this Section 12c may contain provisions for the creation of a separate fund to provide for the payment of principal of and interest on those bonds or notes and related agreements. The ordinance may also provide limitations on the issuance of additional bonds or notes of the Authority.

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

(g) The ordinance of the Chicago Transit Board authorizing the issuance of bonds or notes pursuant to this Section 12c may provide for the appointment of a corporate trustee (which may be any trust company or bank having the powers of a trust company within Illinois) with respect to bonds or notes issued pursuant to this Section 12c. The ordinance shall prescribe the rights, duties, and powers of the trustee to be exercised for the benefit of the Authority and the protection of the owners of bonds or notes issued pursuant to this Section 12c. The ordinance may provide for the trustee to hold in trust, invest and use amounts in funds and accounts created as provided by the ordinance with respect to the bonds or notes in accordance with this Section 12c. The Authority may apply, as it shall determine, any amounts received upon the sale of the bonds or notes to pay any Debt Service on the bonds or notes. The ordinance may provide for a trust indenture to set forth terms of, sources of payment for and security for the bonds and notes.

(h) The State of Illinois pledges to and agrees with the owners of the bonds or notes issued pursuant to Section 12c that the State of Illinois will not limit the powers vested in the Authority by this Act to pledge and assign its revenues and funds as security for the payment of the bonds or notes, or vested in the Regional Transportation Authority by the Regional Transportation Authority Act or this Act, so as to materially impair the payment obligations of the Authority under the terms of any contract made by the Authority with those owners or to materially impair the rights and remedies of those owners until those bonds or notes, together with interest and any redemption premium, and all costs and expenses in connection with any action or proceedings by or on behalf of such owners are fully met and discharged. The

Authority is authorized to include these pledges and agreements of the State of Illinois in any contract with owners of bonds or notes issued pursuant to this Section 12c.

(i) For purposes of this Section, "Debt Service" with respect to bonds or notes includes, without limitation, principal (at maturity or upon mandatory redemption), redemption premium, interest, periodic, upfront, and termination payments on Swaps, fees for bond insurance or other credit enhancement, liquidity facilities, the funding of bond or note reserves, bond trustee fees, and all other costs of providing for the security or payment of the bonds or notes.

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

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

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3605/13) (from Ch. 111 2/3, par. 313)

Sec. 13. The Authority shall have power to purchase equipment such as cars, trolley buses and motor buses, and may execute agreements, leases and equipment trust certificates in the form customarily used in such cases appropriate to effect such purchase and may dispose of such equipment trust certificates. All money required to be paid by the Authority under the provisions of such agreements, leases and equipment trust certificates shall be payable solely from the revenue or income to be derived from the transportation system and from grants and loans as provided in Section 15 of this Act. Payment for such equipment, or rentals therefor, may be made

in installments, and the deferred installments may be evidenced by equipment trust certificates payable solely from such revenue or income, and title to such equipment shall not vest in the Authority until the equipment trust certificates are paid.

The agreement to purchase may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in the State of Illinois, as Trustee, for the benefit and security of the equipment trust certificates and may direct the Trustee to deliver the equipment to one or more designated officers of the Authority and may authorize the Trustee simultaneously therewith to execute and deliver a lease of the equipment to the Authority.

The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgements of deeds and in the form required for acknowledgement of deeds and such agreements, leases and equipment trust certificates shall be authorized by ordinance of the Board and shall contain such covenants, conditions and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenue or income to be derived from the transportation system.

The covenants, conditions and provisions of the agreements, leases and equipment trust certificates shall not conflict with any of the provisions of any trust agreement securing the payment of bonds or certificates of the Authority.

An executed copy of each such agreement and lease shall be filed in the office of the Secretary of State, who shall be entitled to receive one dollar for each such copy filed with him and which filing shall constitute notice to any subsequent judgment creditor or any subsequent purchaser. Each vehicle so purchased and leased shall have the name of the owner and lessor plainly marked upon both sides thereof, followed by the words "Owner and Lessor."

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/14) (from Ch. 111 2/3, par. 314)

Sec. 14. The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies, and public officers of any thereof, all banks, bankers, trust companies, saving banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or certificates issued pursuant to this Act, it being the purpose of this section to authorize the investment in such bonds or certificates of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

(Source: Laws 1945, p. 1171.)

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

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

The Authority may also accept from the state, or from any county or other political subdivision, or from any municipal corporation, or school district, or school authorities, grants or other funds authorized by law to be paid to the Authority for any of the purposes of this Act.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3605/16) (from Ch. 111 2/3, par. 316)

Sec. 16. The Authority shall have power to invest and reinvest any funds held in reserve or sinking funds not required for immediate disbursement in bonds or notes of the United States, bonds of the State of Illinois or of Cook County or of the City of Chicago or of the Chicago Park District or of the Sanitary District of Chicago, or of the Board of Education of the City of Chicago and in bonds or certificates of the Authority at not to exceed their par value or their call price and to sell these securities whenever the funds are needed for disbursement. Such investment or reinvestment of any fund shall not be in conflict with any provisions of any trust agreement securing the payment of bonds or certificates of the Authority.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/17) (from Ch. 111 2/3, par. 317)

Sec. 17. The Authority shall have power to procure and enter into contracts for any type of insurance and indemnity against loss or damage to property from any cause, including loss of use and occupancy, against death or injury of any person, against employers' liability, against any act of any member, officer or employee of the Board or of the Authority in the performance of the duties of his office or employment or any other insurable risk, and may self-insure or participate in joint self-insurance pools or entities to insure against such risk.

(Source: P.A. 84-1246.)

(70 ILCS 3605/18) (from Ch. 111 2/3, par. 318)

Sec. 18. The Authority shall not have power to levy taxes for any purpose whatsoever.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/19) (from Ch. 111 2/3, par. 319)

Sec. 19. The governing and administrative body of the Authority shall be a board consisting of seven members, to be known as Chicago Transit Board. Members of the Board shall be residents of the metropolitan area and persons of recognized business ability. No member of the Board of the Authority shall hold any other office or employment under the Federal, State or any County or any municipal government except an honorary office without compensation or an office in the National Guard. No employee of the Authority shall hold any other office or employment under the Federal, State or any County or any municipal government except an office with compensation not exceeding \$15,000 annually or a position in the National Guard or the United States military reserves. Provided, however, that the Chairman may be a member of the Board of the Regional Transportation Authority. No member of the Board or employee of the Authority shall have any private financial interest, profit or benefit in any contract, work or business of the Authority nor in the sale or lease of any property to or from the Authority. The salary of each member of the initial Board shall be \$15,000.00 per annum, and such salary shall not be increased or diminished during his or her term of office. The salaries of successor members of the Board shall be fixed by the Board and shall not be increased or diminished during their respective terms of office. No Board member shall be allowed any fees, perquisites or emoluments, reward or compensation for his or her services as a member or officer of the Authority aside from his or her salary or pension, but he or she shall be reimbursed for actual expenses incurred by him or her in the performance of his or her duties.

(Source: P.A. 95-968, eff. 1-1-09.)

(70 ILCS 3605/20) (from Ch. 111 2/3, par. 320)

Sec. 20. Within sixty (60) days after the adoption of this Act by the electors of one or more cities, villages and incorporated towns within the metropolitan area having a population in the aggregate of at least 100,000 according to the Federal census of 1940, the Governor, by and with the advice and consent of the Senate, shall appoint three members of the Board for initial terms expiring September first of the years 1947, 1948 and 1949, respectively, at least one of which members shall be a resident of that portion of the metropolitan area which is outside the corporate limits of the City of Chicago, and the Mayor, with advice and consent of the City Council of the City of Chicago, shall appoint four members of the Board for initial terms expiring September first of the years 1946, 1950, 1951 and 1952, respectively. At the expiration of the term of any member appointed by the Governor his successor shall be appointed by the Governor, and at the expiration of the term of any member appointed by the Mayor his successor shall be appointed by the Mayor in like manner, and with like regard as to the place of residence of the appointee, as appointments for the initial terms. All successors shall hold office for the term of seven years from the first day of September of the year in which they are appointed, except in case of an appointment to fill a vacancy. In case of vacancy in the office of any member appointed by the Governor during the recess of the Senate, the Governor shall make a temporary appointment until the next meeting of

the Senate when he shall nominate some person to fill such office; and any person so nominated, who is confirmed by the Senate, shall hold his office during the remainder of the term and until his successor shall be appointed and qualified. If the Senate is not in session at the time this Act takes effect, the Governor shall make temporary appointments as in case of vacancies. Each appointment by the Governor shall be subject to approval by the Mayor, and each appointment by the Mayor shall be subject to approval by the Governor and, when so approved, the Governor and the Mayor shall certify their respective appointments and approvals to the Secretary of State. If the Governor or the Mayor does not approve or disapprove the appointment by the Mayor or the Governor, respectively, within 15 days after receipt thereof, the person is appointed. Within thirty days after certification and approval of his appointment, and before entering upon the duties of his office, each member of the Board shall take and subscribe the constitutional oath of office and file it in the office of the Secretary of State.  
(Source: P.A. 79-938.)

(70 ILCS 3605/21) (from Ch. 111 2/3, par. 321)

Sec. 21. Members of the Board shall hold office until their respective successors have been appointed and have qualified. Any member may resign from his or her office, to take effect when his or her successor has been appointed and has qualified. The Governor and the Mayor, respectively, may remove any member of the Board appointed by him or her in case of incompetency, neglect of duty, or malfeasance in office. They may give him or her a copy of the charges against him or her and an opportunity to be publicly heard in person or by counsel in his or her own defense upon not less than 10 days' notice. The Governor may remove any member in response to a summary report received from the Executive Inspector General in accordance with Section 20-50 of the State Officials and Employees Ethics Act, provided he or she has an opportunity to be publicly heard in person or by counsel prior to removal. In case of failure to qualify within the time required, or of abandonment of his or her office, or in case of death, conviction of a crime or removal from office, his or her office shall become vacant. Each vacancy shall be filled for the unexpired term by appointment in like manner, and with like regard as to the place of residence of the appointee, as in case of expiration of the term of a member of the Board.  
(Source: P.A. 96-1528, eff. 7-1-11.)

(70 ILCS 3605/22) (from Ch. 111 2/3, par. 322)

Sec. 22. As soon as possible after the appointment of the initial members, the board shall organize for the transaction of business, select a chairman and a temporary secretary from its own number, and adopt by-laws, rules and regulations to govern its proceedings. The initial chairman and successors shall be elected by the Board from time to time for the term of his office as a member of the Board or for the term of three years, whichever is shorter. The Board shall fix the salary of the chairman in addition to his salary as a member of the Board, which shall not be increased or diminished during his term of office as chairman. But if the chairman is engaged in any other business or employment during his term as

chairman, his annual salary shall be not more than \$25,000.  
(Source: P.A. 80-937.)

(70 ILCS 3605/23) (from Ch. 111 2/3, par. 323)

Sec. 23. Regular meetings of the Board shall be held at least once in each calendar month, the time and place of such meetings to be fixed by the Board. Four members of the Board shall constitute a quorum for the transaction of business. All action of the Board shall be by ordinance or resolution and the affirmative vote of at least four members shall be necessary for the adoption of any ordinance or resolution. All such ordinances and resolutions before taking effect shall be approved by the chairman of the Board, and if he shall approve thereof he shall sign the same, and such as he shall not approve he shall return to the Board with his objections thereto in writing at the next regular meeting of the Board occurring after the passage thereof. But in case the chairman shall fail to return any ordinance or resolution with his objections thereto by the time aforesaid, he shall be deemed to have approved the same and it shall take effect accordingly. Upon the return of any ordinance or resolution by the chairman with his objections, the vote by which the same was passed shall be reconsidered by the Board, and if upon such reconsideration said ordinance or resolution is passed by the affirmative vote of at least five members, it shall go into effect notwithstanding the veto of the chairman. All ordinances, resolutions and all proceedings of the Authority and all documents and records in its possession shall be public records, and open to public inspection, except such documents and records as shall be kept or prepared by the Board for use in negotiations, action or proceedings to which the Authority is a party.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/24) (from Ch. 111 2/3, par. 324)

Sec. 24. The Board shall appoint a secretary and a treasurer, who need not be members of the Board, to hold office during the pleasure of the Board, and fix their duties and compensation. The Secretary shall not be engaged in any other business or employment during his tenure of office as Secretary of the Board. Before entering upon the duties of their respective offices they shall take and subscribe the constitutional oath of office, and the treasurer shall execute a bond with corporate sureties to be approved by the Board. The bond shall be payable to the Authority in whatever penal sum may be directed by the Board conditioned upon the faithful performance of the duties of the office and the payment of all money received by him according to law and the orders of the Board. The Board may, at any time, require a new bond from the treasurer in such penal sum as may then be determined by the Board. The obligation of the sureties shall not extend to any loss sustained by the insolvency, failure or closing of any savings and loan association or national or State bank wherein the treasurer has deposited funds if the bank has been approved by the Board as a depository for these funds. The oaths of office and the treasurer's bond shall be filed in the principal office of the Authority.

(Source: P.A. 83-541.)

(70 ILCS 3605/25) (from Ch. 111 2/3, par. 325)

Sec. 25. All funds deposited by the treasurer in any bank, savings bank, or savings and loan association shall be placed in the name of the Authority and shall be withdrawn or paid out only by check or draft upon the bank, savings bank, or savings and loan association, signed by the treasurer or an assistant treasurer and countersigned by the chairman of the Board or a vice-chairman of the Board. The Board may designate any of its members or any officer or employee of the Authority to affix the signature of the chairman and another to affix the signature of the treasurer to any check or draft for payment of salaries or wages and for the payment of any other obligation of not more than \$2500.00.

No bank, savings bank, or savings and loan association shall receive public funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of "An Act relating to certain investments of public funds by public agencies", approved July 23, 1943, as now or hereafter amended.

(Source: P.A. 92-811, eff. 8-21-02.)

(70 ILCS 3605/26) (from Ch. 111 2/3, par. 326)

Sec. 26. In case any officer whose signature appears upon any check, draft, bond, certificate or interest coupon, issued pursuant to this Act, ceases to hold his office before the delivery thereof to the payee or the purchaser of any bond or certificate, his signature nevertheless shall be valid and sufficient for all purposes with the same effect as if he had remained in office until delivery thereof.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/27) (from Ch. 111 2/3, par. 327)

Sec. 27. The Board may appoint an Executive Director who shall be a person of recognized ability and experience in the operation of transportation systems to hold office during the pleasure of the Board. The Executive Director shall have management of the properties and business of the Authority and the employees thereof, subject to the general control of the Board, shall direct the enforcement of all ordinances, resolutions, rules and regulations of the Board, and shall perform such other duties as may be prescribed from time to time by the Board. The Board may appoint a General Counsel and a Chief Engineer, and shall provide for the appointment of other officers, attorneys, engineers, consultants, agents and employees as may be necessary for the construction, extension, operation, maintenance, and policing of its properties. It shall define their duties and require bonds of such of them as the Board may designate. The Executive Director, General Counsel, Chief Engineer, and all other officers provided for pursuant to this section shall be exempt from taking and subscribing any oath of office. The compensation of the Executive Director, General Counsel, Chief Engineer, and all other officers, attorneys, consultants, agents and employees shall be fixed by the Board.

In the policing of its properties the Board may provide for the appointment and maintenance, from time to time, of such police force as it may find necessary and practicable to aid and supplement the police forces of any municipality in the protection of its property and the protection of the

persons and property of its passengers and employees, or otherwise in furtherance of the purposes for which such Authority was organized. The members of such police force shall have and exercise like police powers to those conferred upon the police of cities. Neither the Authority, the members of its Board nor its officers or employees shall be held liable for failure to provide a security or police force or, if a security or police force is provided, for failure to provide adequate police protection or security, failure to prevent the commission of crimes by fellow passengers or other third persons or for the failure to apprehend criminals. (Source: P.A. 84-939; 87-597.)

(70 ILCS 3605/27a) (from Ch. 111 2/3, par. 327a)

Sec. 27a. In addition to annually expending moneys equal to moneys expended by the Authority in the fiscal year ending December 31, 1988 for the protection against crime of its properties, employees and consumers of its public transportation services, the Authority also shall annually expend for the protection against crime of its employees and consumers, an amount that is equal to not less than 15 percent of all direct grants it receives from the State of Illinois as reimbursement for providing reduced fares for mass transportation services to students, handicapped persons and the elderly. The Authority shall provide to the Regional Transportation Authority such information as is required by the Regional Transportation Authority in determining whether the Authority has expended moneys in compliance with the provisions of this Section. The provisions of this Section shall apply in any fiscal year of the Authority only after all debt service requirements are met for that fiscal year. (Source: P.A. 90-273, eff. 7-30-97.)

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

Sec. 28. The Board shall classify all the offices, positions and grades of regular and exempt employment required, excepting that of the Chairman of the Board, the Executive Director, Secretary, Treasurer, General Counsel, and Chief Engineer, with reference to the duties, job title, job schedule number, and the compensation fixed therefor, and adopt rules governing appointments to any of such offices or positions on the basis of merit and efficiency. The job title shall be generally descriptive of the duties performed in that job, and the job schedule number shall be used to identify a job title and to further classify positions within a job title. No discrimination shall be made in any appointment or promotion to any office, position, or grade of regular employment because of race, creed, color, sex, national origin, physical or mental handicap unrelated to ability, or political or religious affiliations. No officer or employee in regular employment shall be discharged or demoted except for cause which is detrimental to the service. Any officer or employee in regular employment who is discharged or demoted may file a complaint in writing with the Board within ten days after notice of his or her discharge or demotion. If an employee is a member of a labor organization the complaint may be filed by such organization for and in behalf of such employee. The Board shall grant a hearing on such complaint within thirty (30) days after it is filed. The time and place

of the hearing shall be fixed by the Board and due notice thereof given to the complainant, the labor organization by or through which the complaint was filed and the Executive Director. The hearing shall be conducted by the Board, or any member thereof or any officers' committee or employees' committee appointed by the Board. The complainant may be represented by counsel. If the Board finds, or approves a finding of the member or committee appointed by the Board, that the complainant has been unjustly discharged or demoted, he or she shall be restored to his or her office or position with back pay. The decision of the Board shall be final and not subject to review. The Board may designate such offices, positions, and grades of employment as exempt as it deems necessary for the efficient operation of the business of the Authority. The total number of employees occupying exempt offices, positions, or grades of employment may not exceed 3% of the total employment of the Authority. All exempt offices, positions, and grades of employment shall be at will. No discrimination shall be made in any appointment or promotion to any office, position, or grade of exempt employment because of race, creed, color, sex, national origin, physical or mental handicap unrelated to ability, or religious or political affiliation. The Board may abolish any vacant or occupied office or position. Additionally, the Board may reduce the force of employees for lack of work or lack of funds as determined by the Board. When the number of positions or employees holding positions of regular employment within a particular job title and job schedule number are reduced, those employees with the least company seniority in that job title and job schedule number shall be first released from regular employment service. For a period of one year, an employee released from service shall be eligible for reinstatement to the job title and job schedule number from which he or she was released, in order of company seniority, if additional force of employees is required. "Company seniority" as used in this Section means the overall employment service credited to an employee by the Authority since the employee's most recent date of hire irrespective of job titles held. If 2 or more employees have the same company seniority date, time in the affected job title and job schedule number shall be used to break the company seniority tie. For purposes of this Section, company seniority shall be considered a working condition. When employees are represented by a labor organization that has a labor agreement with the Authority, the wages, hours, and working conditions (including, but not limited to, seniority rights) shall be governed by the terms of the agreement. Exempt employment shall not include any employees who are represented by a labor organization that has a labor agreement with the Authority. (Source: P.A. 90-183, eff. 1-1-98.)

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

Sec. 28a. (a) The Board may deal with and enter into written contracts with the employees of the Authority through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees, concerning wages, salaries, hours, working conditions and pension or retirement provisions; provided, nothing herein shall be construed to permit hours of labor in

excess of those provided by law or to permit working conditions prohibited by law. In case of dispute over wages, salaries, hours, working conditions, or pension or retirement provisions the Board may arbitrate any question or questions and may agree with such accredited representatives or labor organization that the decision of a majority of any arbitration board shall be final, provided each party shall agree in advance to pay half of the expense of such arbitration.

No contract or agreement shall be made with any labor organization, association, group or individual for the employment of members of such organization, association, group or individual for the construction, improvement, maintenance, operation or administration of any property, plant or facilities under the jurisdiction of the Authority, where such organization, association, group or individual denies on the ground of race, creed, color, sex, religion, physical or mental handicap unrelated to ability, or national origin membership and equal opportunities for employment to any citizen of Illinois.

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

(2) The Board shall deal with and enter into written contracts with their employees, through accredited representatives of such employees authorized to act for such employees concerning wages, salaries, hours, working conditions, and pension or retirement provisions about which a collective bargaining agreement has been entered prior to the effective date of this amendatory Act of 1983. Any such agreement of the Authority shall provide that the agreement may be reopened if the amended budget submitted pursuant to Section 2.18a of the Regional Transportation Authority Act is not approved by the Board of the Regional Transportation Authority. The agreement may not include a provision requiring the payment of wage increases based on changes in the Consumer Price Index. The Board shall not have the authority to enter into collective bargaining agreements with respect to inherent management rights, which include such areas of discretion or policy as the functions of the employer, standards of services, its overall budget, the organizational structure and selection of new employees and direction of personnel. Employers, however, shall be required to bargain collectively with regard to policy matters directly affecting wages, hours and terms and conditions of employment, as well as the impact thereon upon request by employee representatives. To preserve the rights of employers and exclusive representatives which have established collective bargaining relationships or negotiated collective bargaining agreements prior to the effective date of this amendatory Act of 1983, employers shall be required to bargain collectively with regard to any matter concerning wages, hours or conditions of employment about which they have bargained prior to the effective date of this amendatory Act of 1983.

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

(4) Within 30 days of the signing of any such collective

bargaining agreement, the Board shall determine the costs of each provision of the agreement, prepare an amended budget incorporating the costs of the agreement, and present the amended budget to the Board of the Regional Transportation Authority for its approval under Section 4.11 of the Regional Transportation Act. The Board of the Regional Transportation Authority may approve the amended budget by an affirmative vote of 12 of its then Directors. If the budget is not approved by the Board of the Regional Transportation Authority, the agreement may be reopened and its terms may be renegotiated. Any amended budget which may be prepared following renegotiation shall be presented to the Board of the Regional Transportation Authority for its approval in like manner.

(Source: P.A. 95-708, eff. 1-18-08.)

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

Sec. 28b. Any person applying for a position as a driver of a vehicle owned by a private carrier company which provides public transportation pursuant to an agreement with the Authority shall be required to authorize an investigation by the private carrier company to determine if the applicant has been convicted of any of the following offenses: (i) those offenses defined in Sections 9-1, 9-1.2, 10-1, 10-2, 10-3.1, 10-4, 10-5, 10-6, 10-7, 11-1.20, 11-1.30, 11-1.40, 11-1.50, 11-1.60, 11-6, 11-9, 11-14, 11-14.3, 11-14.4, 11-15, 11-15.1, 11-16, 11-17, 11-18, 11-19, 11-19.1, 11-19.2, 11-20, 11-20.1, 11-20.1B, 11-20.3, 11-21, 11-22, 11-30, 12-4.3, 12-4.4, 12-4.5, 12-6, 12-7.1, 12-11, 12-13, 12-14, 12-14.1, 12-15, 12-16, 12-16.1, 18-1, 18-2, 19-6, 20-1, 20-1.1, 31A-1, 31A-1.1, and 33A-2, in subsection (a) and subsection (b), clause (1), of Section 12-4, in subdivisions (a)(1), (b)(1), and (f)(1) of Section 12-3.05, and in subsection (a-5) of Section 12-3.1 of the Criminal Code of 1961 or the Criminal Code of 2012; (ii) those offenses defined in the Cannabis Control Act except those offenses defined in subsections (a) and (b) of Section 4, and subsection (a) of Section 5 of the Cannabis Control Act (iii) those offenses defined in the Illinois Controlled Substances Act; (iv) those offenses defined in the Methamphetamine Control and Community Protection Act; and (v) any offense committed or attempted in any other state or against the laws of the United States, which if committed or attempted in this State would be punishable as one or more of the foregoing offenses. Upon receipt of this authorization, the private carrier company shall submit the applicant's name, sex, race, date of birth, fingerprints and social security number to the Department of State Police on forms prescribed by the Department. The Department of State Police shall conduct an investigation to ascertain if the applicant has been convicted of any of the above enumerated offenses. The Department shall charge the private carrier company a fee for conducting the investigation, which fee shall be deposited in the State Police Services Fund and shall not exceed the cost of the inquiry; and the applicant shall not be charged a fee for such investigation by the private carrier company. The Department of State Police shall furnish, pursuant to positive identification, records of convictions, until expunged, to the private carrier company which requested the investigation. A copy of the record of convictions obtained from the Department

shall be provided to the applicant. Any record of conviction received by the private carrier company shall be confidential. Any person who releases any confidential information concerning any criminal convictions of an applicant shall be guilty of a Class A misdemeanor, unless authorized by this Section.

(Source: P.A. 96-1551, Article 1, Section 920, eff. 7-1-11; 96-1551, Article 2, Section 960, eff. 7-1-11; 97-1108, eff. 1-1-13; 97-1109, eff. 1-1-13; 97-1150, eff. 1-25-13.)

(70 ILCS 3605/28c)

Sec. 28c. Power to deduct wages for debts. Upon receipt of notice from the comptroller of a municipality with a population of 500,000 or more, a county with a population of 3,000,000 or more, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Board of Education, or a housing authority of a municipality with a population of 500,000 or more that a debt is due and owing the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Board of Education, or the housing authority by an employee of the Authority, the Authority may withhold, from the compensation of that employee, the amount of the debt that is due and owing and pay the amount withheld to the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Board of Education, or the housing authority; provided, however, that the amount deducted from any one salary or wage payment shall not exceed 25% of the net amount of the payment. Before the Authority deducts any amount from any salary or wage of an employee under this Section, the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Board of Education, or the housing authority shall certify that (i) the employee has been afforded an opportunity for a hearing to dispute the debt that is due and owing the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Board of Education, or the housing authority and (ii) the employee has received notice of a wage deduction order and has been afforded an opportunity for a hearing to object to the order. For purposes of this Section, "net amount" means that part of the salary or wage payment remaining after the deduction of any amounts required by law to be deducted and "debt due and owing" means (i) a specified sum of money owed to the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Board of Education, or the housing authority for services, work, or goods, after the period granted for payment has expired, or (ii) a specified sum of money owed to the municipality, the county, the Cook County Forest Preserve District, the Chicago Park District, the Metropolitan Water Reclamation District, the Chicago Board of Education, or the housing authority pursuant to a court order or order of an administrative hearing officer after the exhaustion of, or the failure to exhaust, judicial review.

(Source: P.A. 92-109, eff. 7-20-01.)

(70 ILCS 3605/29) (from Ch. 111 2/3, par. 329)

Sec. 29. If the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such public utility and all other employees except executive and administrative officers and employees, shall be transferred to and appointed as employees of the Authority, subject to all rights and benefits of this Act, and these employees shall be given seniority credit in accordance with the records and labor agreements of the public utility. Employees who left the employ of such a public utility to enter the military service of the United States shall have the same rights as to the Authority, under the provisions of the Service Member's Employment Tenure Act as they would have had thereunder as to such public utility. After such acquisition the authority shall be required to extend to such former employees of such public utility only the rights and benefits as to pensions and retirement as are accorded other employees of the Authority. (Source: P.A. 93-828, eff. 7-28-04.)

(70 ILCS 3605/30) (from Ch. 111 2/3, par. 330)

Sec. 30. The Board shall make all rules and regulations governing the operation of the transportation system, shall determine all routings and change the same whenever it is deemed advisable by the Board, subject to the provisions of any ordinance granting rights to the Authority. Except as provided in Sections 2.04 and 4.11(b)(5) of the Regional Transportation Authority Act, the Board shall fix rates, fares and charges for transportation, provided that they shall be at all times sufficient in the aggregate to provide revenues (a) for the payment of the interest on and principal of all bonds, certificates and other obligations payable from said revenues and to meet all other charges upon such revenues as provided by any trust agreement executed by the Authority in connection with the issuance of bonds or certificates under this Act, (b) for the payment of all operating costs including all charges which may be incurred pursuant to Sections 29 and 39 of this Act and all other costs and charges incidental to the operation of the transportation system, (c) for the payment of all costs and charges incurred pursuant to Sections 37 and 38 of this Act and any other costs and charges for acquisition, installation, construction or for replacement or reconstruction of equipment, structures or rights of way not financed through issuance of bonds or certificates under Section 12 of this Act, and (d) for any compensation required to be paid to any municipality for the use of streets, subways and other public ways. The Board may provide free transportation within any municipality in and by which they are employed for firemen and public health nurses, when in uniform, and policemen when in uniform or, when not in uniform, upon presentation of identification as policemen, and shall provide free transportation to sworn law enforcement personnel of the Cook County Sheriff's Department when in uniform or, when not in uniform, upon presentation of identification as sworn law enforcement personnel of the Cook County Sheriff's Department, and may provide free transportation for employees of the Authority when in uniform or upon presentation of identification as such employees, and

may enter into agreements with the United States Post Office Department for the transportation of mail, and the payment of compensation to the Authority in lieu of fares for the transportation of letter carriers, when in uniform at all times.

The Board may also provide free transportation, or transportation at reduced fares, to all or designated classes of pupils in attendance at public schools of school districts within or partly within the territorial limits of the Authority, or in attendance at private schools offering grades of instruction comparable to those offered in public schools, under such conditions as shall be prescribed by the Board, and, if otherwise authorized by law, the Board may contract with public school boards and representatives of private schools, for reimbursement of pupil transportation costs from public funds.

(Source: P.A. 97-85, eff. 7-7-11.)

(70 ILCS 3605/31) (from Ch. 111 2/3, par. 331)

Sec. 31. The Board shall have power to pass all ordinances and make all rules and regulations proper or necessary to regulate the use, operation and maintenance of its property and facilities, and to carry into effect the powers granted to the Authority, with such fines or penalties as may be deemed proper. No fine or penalty shall exceed \$300.00, and no imprisonment shall exceed six (6) months for one offense. All fines and penalties shall be imposed by ordinances, which shall be published in a newspaper of general circulation published in the metropolitan area. No such ordinance shall take effect until ten days after its publication.

(Source: P.A. 80-937.)

(70 ILCS 3605/31.1) (from Ch. 111 2/3, par. 331.1)

Sec. 31.1. Agreement to enforce municipal traffic ordinances. The Board may enter into an agreement with the corporate authorities of a municipality with a population greater than 1,000,000 whereby supervisory employees of the Authority are empowered to enforce certain traffic ordinances enacted by the municipality.

(Source: P.A. 87-597.)

(70 ILCS 3605/32) (from Ch. 111 2/3, par. 332)

Sec. 32. The Board shall adopt regulations to insure that the construction or acquisition by the Authority of services or public transportation facilities (other than real estate) involving a cost of more than \$10,000 and the disposition of all property of the Authority shall be after public notice and with public bidding. The regulations may provide for exceptions to the requirements for the issuance and sale of bonds or notes of the Authority, to the acquisition of professional or utility services and to other matters for which public bidding is disadvantageous. The regulations may also provide for the use of competitive negotiations or the prequalification of responsible bidders consistent with applicable federal regulations. The requirements set forth therein shall not apply to purchase of service agreements or other contracts, purchases or sales entered into by the Authority with any transportation agency or unit of local government.

(Source: P.A. 86-1277.)

(70 ILCS 3605/33) (from Ch. 111 2/3, par. 333)  
Sec. 33.

The Authority shall be exempt from all state, county, municipal and other units of local government taxes and registration and license fees, other than as required for motor vehicle registration in accordance with "The Illinois Vehicle Code", as now or hereafter amended. All property of the Authority is declared to be public property devoted to an essential public and governmental function and purpose and shall be exempt from all taxes and special assessments of the State, any subdivision thereof, or any unit of local government.

(Source: P.A. 78-3rd S.S.-10.)

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

Sec. 34. Budget and Program. The Authority, subject to the powers of the Regional Transportation Authority in Section 4.11 of the Regional Transportation Authority Act, shall control the finances of the Authority. It shall by ordinance appropriate money to perform the Authority's purposes and provide for payment of debts and expenses of the Authority. Each year the Authority shall prepare and publish a comprehensive annual budget and five-year capital program document, and a financial plan for the 2 years thereafter describing the state of the Authority and presenting for the forthcoming fiscal year and the two following years the Authority's plans for such operations and capital expenditures as it intends to undertake and the means by which it intends to finance them. The proposed budget, financial plan, and five-year capital program shall be based on the Regional Transportation Authority's estimate of funds to be made available to the Authority by or through the Regional Transportation Authority and shall conform in all respects to the requirements established by the Regional Transportation Authority. The proposed budget, financial plan, and five-year capital program shall contain a statement of the funds estimated to be on hand at the beginning of the fiscal year, the funds estimated to be received from all sources for such year and the funds estimated to be on hand at the end of such year. The proposed budget, financial plan, and five-year capital program shall be available at no cost for public inspection at the Authority's main office and at the Regional Transportation Authority's main office at least 3 weeks prior to any public hearing. Before the proposed budget, financial plan, and five-year capital program are submitted to the Regional Transportation Authority, the Authority shall hold at least one public hearing thereon in each of the counties in which the Authority provides service. All Board members of the Authority shall attend a majority of the public hearings unless reasonable cause is given for their absence. After the public hearings, the Board of the Authority shall hold at least one meeting for consideration of the proposed program and budget with the Cook County Board. After conducting such hearings and holding such meetings and after making such changes in the proposed budget, financial plan, and five-year capital program as the Board deems appropriate, it shall adopt an annual budget ordinance at least by November 15th preceding

the beginning of each fiscal year. The budget, financial plan, and five-year capital program shall then be submitted to the Regional Transportation Authority as provided in Section 4.11 of the Regional Transportation Authority Act. In the event that the Board of the Regional Transportation Authority determines that the budget, financial plan, and five-year capital program do not meet the standards of said Section 4.11, the Board of the Authority shall make such changes as are necessary to meet such requirements and adopt an amended budget ordinance. The amended budget ordinance shall be resubmitted to the Regional Transportation Authority pursuant to said Section 4.11. The ordinance shall appropriate such sums of money as are deemed necessary to defray all necessary expenses and obligations of the Authority, specifying purposes and the objects or programs for which appropriations are made and the amount appropriated for each object or program. Additional appropriations, transfers between items and other changes in such ordinance which do not alter the basis upon which the balanced budget determination was made by the Regional Transportation Authority may be made from time to time by the Board.

The budget shall:

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

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

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

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

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

(vi) meet such other financial, budgetary, or fiscal requirements that the Board of the Regional Transportation Authority may by rule or regulation establish; and

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

The Board shall establish a fiscal operating year. At least thirty days prior to the beginning of the first full fiscal year after the creation of the Authority, and annually thereafter, the Board shall cause to be prepared a tentative budget which shall include all operation and maintenance expense for the ensuing fiscal year. The tentative budget shall be considered by the Board and, subject to any revision and amendments as may be determined, shall be adopted prior to the first day of the ensuing fiscal year as the budget for that year. No expenditures for operations and maintenance in

excess of the budget shall be made during any fiscal year except by the affirmative vote of at least five members of the Board. It shall not be necessary to include in the annual budget any statement of necessary expenditures for pensions or retirement annuities, or for interest or principal payments on bonds or certificates, or for capital outlays, but it shall be the duty of the Board to make provision for payment of same from appropriate funds. The Board may not alter its fiscal year without the prior approval of the Board of the Regional Transportation Authority.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3605/35) (from Ch. 111 2/3, par. 335)

Sec. 35. As soon after the end of each fiscal year as may be expedient, the Board shall cause to be prepared and printed a complete and detailed report and financial statement of its operations and of its assets and liabilities. A reasonably sufficient number of copies of such report shall be printed for distribution to persons interested, upon request, and a copy thereof shall be filed with the Governor, the county clerk of Cook County and the clerk of each municipality which has adopted this Act, or which has granted rights to the Authority by ordinance. A copy of such report shall be addressed to and mailed to the Mayor and City Council or President and Board of Trustees of such municipality.

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

(70 ILCS 3605/36) (from Ch. 111 2/3, par. 336)

Sec. 36. In case the Authority acquires the plant, equipment, property and rights in property of any public utility used or useful in the operation of a transportation system, the Illinois Commerce Commission shall transfer and deliver to the Board, upon its demand in writing, all books, papers and records in control of said Commission affecting such public utility exclusively.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/37) (from Ch. 111 2/3, par. 337)

Sec. 37. It shall be the duty of the Board, as promptly as possible, to rehabilitate, reconstruct and modernize all portions of any transportation system acquired by the Authority and to maintain at all times an adequate and modern transportation system suitable and adapted to the needs of the municipalities served by the Authority, and for safe, comfortable and convenient service. To that end the Board shall establish a modernization fund which shall include, but is not limited to, cash in renewal, equipment or depreciation funds which are part of public utility transportation systems acquired by the Authority and any excess cash derived from the sale of revenue bonds or certificates. The moneys in the modernization fund shall be disbursed for the purpose of acquiring or constructing extensions and improvements and betterment of the system, to make replacements of property damaged or destroyed or in necessary cases where depreciation fund is insufficient, to purchase and cancel its revenue bonds and certificates prior to their maturity at the price of not to exceed their par value, and to redeem and cancel its revenue bonds and certificates according to their terms. The Board may make temporary loans from the modernization fund for

use as initial working capital.  
(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/37a) (from Ch. 111 2/3, par. 337a)

Sec. 37a. It shall be the duty of the Board to require installation of safety glass made of safety glazing materials in all ticket fare booths where an agent is stationed and use of such material shall be required in the construction of all new ticket fare booths. The Board shall establish a program for the installation of safety glass in existing stations. Priority is to be given to booths in which agents are stationed on a 24 hour basis.

Any employee of the Authority finding instances of noncompliance with the requirements of this Section may file suit against the Authority, in the appropriate court, to compel the Authority to comply.

For the purposes of this Section "safety glazing materials" means any glazing materials so constructed, treated or combined with other materials as to be mar resistant and shatterproof and capable of withstanding the impact of a bullet fired from at least a medium power small arm weapon having a muzzle energy of 475 foot-pounds, a muzzle velocity of 1,280 feet per second, and which uses 130 grain ammunition.  
(Source: P.A. 81-847.)

(70 ILCS 3605/38) (from Ch. 111 2/3, par. 338)

Sec. 38. To assure modern, attractive transportation service the Board may establish a depreciation policy which makes provision for the continuous and prompt replacement of worn out and obsolete property and the Board may make provision for such depreciation of the property of the Authority as is not offset by current expenditures for maintenance, repairs and replacements under such rules and regulations as may be prescribed by the Board. The Board from time to time shall make a determination of the relationship between the service condition of the properties of the Authority and the then established depreciation rates and reserves and from time to time may make adjustments or modifications of such rates in such amounts as it may deem appropriate because of experienced and estimated consumption of service life of road, plant, and equipment.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/39) (from Ch. 111 2/3, par. 339)

Sec. 39. The Board shall withdraw from the gross receipts of the Authority and charge to operating expenses such an amount of money as in the opinion of the Board shall be sufficient to provide for the adjustment, defense and satisfaction of all suits, claims, demands, rights and causes of action and the payment and satisfaction of all judgments entered against the Authority for damage caused by injury to or death of any person and for damage to property resulting from the construction, maintenance and operation of the transportation system and the Board shall deposit such moneys in a fund to be known and designated as Damage Reserve Fund. The Board shall use the moneys in the Damage Reserve Fund to pay all expenses and costs arising from the adjustment, defense and satisfaction of all suits, claims, demands, rights and causes of action and the payment and satisfaction of all

judgments entered against the Authority for damages caused by injury to or death of any person and for damage to property resulting from the construction, maintenance and operation of the transportation system. At any time and from time to time the Board may obtain and maintain insurance coverage or protection partially or wholly insuring or indemnifying the Authority against loss or liability on account of injury to or death of any person and for damage to property resulting from the construction, maintenance and operation of the transportation system. The cost of obtaining and maintaining such insurance shall be paid out of the moneys in the Damage Reserve Fund. All moneys received from such insurance coverage or protection shall be paid into the Damage Reserve Fund.  
(Source: Laws 1945, p.1171.)

(70 ILCS 3605/40) (from Ch. 111 2/3, par. 340)

Sec. 40. The Authority pursuant to ordinances adopted from time to time by the Board may establish and create such other and additional special funds as may be found desirable by the Board and in and by such ordinances may provide for payments into all special funds from specified sources with such preferences and priorities as may be deemed advisable and may also by any such ordinances provide for the custody, disbursement and application of any moneys in any such special funds consistent with the provisions of this Act.  
(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/41) (from Ch. 111 2/3, par. 341)

Sec. 41. No civil action shall be commenced in any court against the Authority by any person for any injury to his person unless it is commenced within one year from the date the cause of action accrued.

The changes to this Section made by this amendatory Act of the 96th General Assembly apply to causes of action that accrue on or after the effective date of this amendatory Act of the 96th General Assembly.  
(Source: P.A. 96-12, eff. 6-1-09.)

(70 ILCS 3605/42) (from Ch. 111 2/3, par. 342)

Sec. 42. The Board may investigate all means of transportation and the management thereof, the enforcement of its ordinances, rules and regulations, and the action, conduct and efficiency of all officers, agents and employees of the Authority. In the conduct of such investigations the Board may hold public hearings on its own motion, and shall do so on complaint or petition of any municipality which has adopted this Act or which has granted rights to the Authority by ordinance. Each member of the Board shall have power to administer oaths, and the Secretary, by order of the Board, shall issue subpoenas to secure the attendance and testimony of witnesses, and the production of books and papers relevant to such investigations and to any hearing before the Board or any member thereof or any officers' committee or employees' committee appointed by the Board to hear any complaint of an officer or employee who has been discharged or demoted.

Any circuit court of this State, upon application of the Board, or any member thereof, may in its discretion compel the attendance of witnesses, the production of books and papers, and giving of testimony before the Board or before any member

thereof or any officers' committee or employees' committee appointed by the Board, by attachment for contempt or otherwise in the same manner as the production of evidence may be compelled before the court.

(Source: P.A. 83-334.)

(70 ILCS 3605/43) (from Ch. 111 2/3, par. 343)

Sec. 43. If any provision of this Act is held invalid such provision shall be deemed to be excised from this Act and the invalidity thereof shall not affect any of the other provisions of this Act. If the application of any provision of this Act to any person or circumstance is held invalid it shall not affect the application of such provision to persons or circumstances other than those as to which it is invalid.

(Source: Laws 1945, p. 1171.)

(70 ILCS 3605/44) (from Ch. 111 2/3, par. 344)

Sec. 44. This Act may be adopted by any city, village or incorporated town within the metropolitan area in the following manner: The city council of any city, or the president and board of trustees of any village or incorporated town, by ordinance, may direct that the question of the adoption of this Act be submitted to the electors at any regular election. The clerk of such municipality shall promptly certify the passage of such ordinance and the proposition to the proper election officials and thereupon it shall be the duty of the election officials to submit the question to popular vote. Public notice of the referendum shall be given in the manner provided by the general election law. If a majority of those voting on the question vote in the affirmative thereon, this Act shall be adopted in that city, village or incorporated town. The proposition shall be in substantially the following form:

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Shall "An Act to create a municipal corporation for public ownership and operation of a transportation system in the metropolitan area of Cook County" be adopted?	YES ----- NO
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The result of said election shall be certified to the Secretary of State.

(Source: P.A. 81-1489.)

(70 ILCS 3605/45) (from Ch. 111 2/3, par. 345)

Sec. 45. (a) A member of the Board of the Authority is not liable for any injury resulting from any act or omission in determining policy or exercising discretion, except: (1) for willful or wanton misconduct or (2) as otherwise provided by statute.

(b) If any claim or action is instituted against a member of the Board of the Authority based on an injury allegedly arising out of an act or omission of such member occurring within the scope of the member's employment, the Authority shall indemnify the member for all legal expenses and court costs incurred in defending against the claim or action and shall indemnify the member for any amount paid pursuant to any judgment on, or any good faith settlement of, such claim, except for that portion of a judgment awarded for willful or

wanton misconduct.

(c) The Authority may purchase insurance to cover the costs of any legal expenses, judgments, or settlements under this Section.

(Source: P.A. 81-1466.)

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

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

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3605/47) (from Ch. 111 2/3, par. 347)

Sec. 47. The Authority shall establish, maintain, administer and enforce a comprehensive drug testing program for employees as provided by Section 2.24 of the Regional Transportation Authority Act.

(Source: P.A. 86-906.)

(70 ILCS 3605/48) (from Ch. 111 2/3, par. 348)

Sec. 48. Beginning 30 days after the effective date of this amendatory Act of 1990, no person shall consume any food or drink, excluding any medicine, upon any rapid transit train. As used in this Section "rapid transit train" means a high speed, high capacity, electric powered public transport train that operates on exclusive rights of way with limited stops. The tracks may be in underground tunnels, in elevated structures, in open cuts, at surface level, or any combination thereof. This Section does not apply to commuter trains. As used in this Section "commuter train" means a passenger carrying train, multi-unit electrical or diesel type, designed to operate a commuter service on railways forming part of the general railway system.

A violation of this Section is a petty offense for which the offender shall be fined \$100.

(Source: P.A. 86-1277.)

(70 ILCS 3605/49) (from Ch. 111 2/3, par. 349)

Sec. 49. Disclosure of information by employees; Disciplinary Actions.

(a) No disciplinary action shall be taken by the Authority against an employee in any case involving the disclosure of information by an employee that a reasonable individual believes concerns the following:

- (1) a violation of any law, rule, or regulation; or
- (2) mismanagement, a gross waste of funds, an abuse

of authority, or a substantial and specific danger to

public health or safety.

(b) Violation of this Section shall be a petty offense.

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

(70 ILCS 3605/50)

Sec. 50. Disadvantaged Business Enterprise Contracting and Equal Employment Opportunity Programs. The Authority shall, as soon as is practicable but in no event later than two years after the effective date of this amendatory Act of the 95th General Assembly, establish and maintain a disadvantaged business enterprise contracting program designed to ensure non-discrimination in the award and administration of contracts not covered under a federally mandated disadvantaged business enterprise program. The program shall establish narrowly tailored goals for the participation of disadvantaged business enterprises as the Authority determines appropriate. The goals shall be based on demonstrable evidence of the availability of ready, willing, and able disadvantaged business enterprises relative to all businesses ready, willing, and able to participate on the program's contracts. The program shall require the Authority to monitor the progress of the contractors' obligations with respect to the program's goals. Nothing in this program shall conflict with or interfere with the maintenance or operation of, or compliance with, any federally mandated disadvantaged business enterprise program.

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

Each year no later than October 1, and starting no later than the October 1 after the establishment of the disadvantaged business enterprise contracting program, the Authority shall submit a report with respect to such program to the General Assembly. In addition, no later than October 1 of each year, the Authority shall submit a copy of its federally mandated semi-annual Uniform Report of Disadvantaged Business Enterprises Awards or Commitments and Payments to the General Assembly.

(Source: P.A. 95-708, eff. 1-18-08.)

(70 ILCS 3605/51)

Sec. 51. Free services; eligibility.

(a) Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly and until subsection (b) is implemented, any fixed route public transportation services provided by, or under grant or purchase of service contracts of, the Board shall be provided without charge to all senior citizens of the Metropolitan Region (as such term is defined in 70 ILCS 3615/1.03) aged 65 and older, under such conditions as shall be prescribed by the Board.

(b) Notwithstanding any law to the contrary, no later than 180 days following the effective date of this amendatory Act of the 96th General Assembly, any fixed route public transportation services provided by, or under grant or purchase of service contracts of, the Board shall be provided

without charge to senior citizens aged 65 and older who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief Act, under such conditions as shall be prescribed by the Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section. Nothing in this Section shall relieve the Board from providing reduced fares as may be required by federal law.

(Source: P.A. 96-1527, eff. 2-14-11; 97-689, eff. 6-14-12.)

(70 ILCS 3605/52)

Sec. 52. Transit services for disabled individuals. Notwithstanding any law to the contrary, no later than 60 days following the effective date of this amendatory Act of the 95th General Assembly, all fixed route public transportation services provided by, or under grant or purchase of service contract of, the Board shall be provided without charge to all disabled persons who meet the income eligibility limitation set forth in subsection (a-5) of Section 4 of the Senior Citizens and Disabled Persons Property Tax Relief Act, under such procedures as shall be prescribed by the Board. The Department on Aging shall furnish all information reasonably necessary to determine eligibility, including updated lists of individuals who are eligible for services without charge under this Section.

(Source: P.A. 97-689, eff. 6-14-12.)

(70 ILCS 3605/53)

Sec. 53. Emergency protocols. Within 6 months after the effective date of this amendatory Act of the 96th General Assembly, the Board must develop written protocols to respond to medical and sanitation emergencies and to other safety hazards.

(Source: P.A. 96-677, eff. 8-25-09.)

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