

1                                    AMENDMENT TO HOUSE BILL 1521

2            AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1521 by replacing  
3 everything after the enacting clause with the following:

4            "Section 1. Short title. This Act may be cited as the  
5 I-FLY Act.

6            Section 5. Findings. The General Assembly finds that, in  
7 order to create, retain, and stabilize reliable air service  
8 to commercial service airports outside of Cook County,  
9 improve accessibility to business and industrial centers,  
10 augment the State's tourism industry, and encourage the  
11 development of facilities and support initiatives for  
12 community growth, cooperation between the State, airports,  
13 and communities is essential. The General Assembly further  
14 finds that a State grant program is the best method to  
15 achieve these ends.

16            Section 10. Definitions. As used in this Act:

17            "Air carrier" means an entity that provides commercial  
18 passenger air transportation.

19            "Department" means the Illinois Department of  
20 Transportation.

1 Section 15. I-FLY Fund.

2 (a) The I-FLY Fund is created as a special fund in the  
3 State treasury. Moneys may be transferred to the Fund from:  
4 (1) appropriations made by the General Assembly and units of  
5 local government to the Fund, (2) federal moneys designated  
6 for the Fund, and (3) any grants or gifts designated for the  
7 Fund.

8 (b) Fifty percent of the moneys in the Fund shall be  
9 used, subject to appropriation, for air carrier recruitment  
10 and retention program grants. Fifty percent of the moneys in  
11 the Fund shall be used, subject to appropriation, for  
12 planning grants and capital improvement and equipment grants.

13 Section 20. I-FLY Program.

14 (a) The Department shall establish the I-FLY Program.  
15 The Program shall consist of the following components:

- 16 (1) air carrier recruitment and retention grants as  
17 described in subsection (c);
- 18 (2) planning grants under subsection (d); and
- 19 (3) capital improvement and equipment grants under  
20 subsection (e).

21 Grants under this Act may be made only to airports that  
22 are located completely outside of Cook County.

23 (b) During any one-year period, an airport may receive a  
24 grant for only one of the 3 components specified in  
25 subsection (a).

26 (c) Air carrier recruitment and retention program  
27 grants.

28 (1) An airport may receive an air carrier  
29 recruitment and retention program grant only if:

- 30 (A) it is capable of supporting takeoffs and  
31 landings by aircraft that have at least 19 passenger  
32 seats or have made improvements or commitments to  
33 the Department to provide this capability;

1 (B) it is located within 20 miles of one or  
2 more manufacturing facilities having at least 50  
3 full-time employees or within a municipality with at  
4 least 75,000 inhabitants; and

5 (C) it has a commitment from an air carrier to  
6 start or continue air service to the community that  
7 the airport serves subject to financial support  
8 from the State and from the airport or unit of local  
9 government that the airport serves. The commitment  
10 must specify that the air carrier would not provide  
11 or continue to provide service to the community if  
12 financial assistance were not available.

13 (2) An application for an air carrier recruitment  
14 and retention program grant must contain commitments from  
15 the airport or the unit of local government in which the  
16 airport is located as to the amount of the total project  
17 cost, the contribution from the unit of local government  
18 or airport, the method in which the contribution from the  
19 airport or unit of local government will be generated,  
20 and the requested State contribution.

21 (3) The air carrier recruitment and retention  
22 program grant shall be used to guarantee the financial  
23 viability of air carriers providing 4 flights per day for  
24 6 days per week at the airport using aircraft that have  
25 at least 19 passenger seats. A grant under this  
26 subsection (c) to a particular airport may be in only one  
27 of the following 3 forms:

28 (A) A grant may be used to guarantee that an  
29 air carrier shall receive a specified amount of  
30 revenue per flight.

31 (B) A grant may be used to guarantee a reduced  
32 or subsidized consumer ticket price.

33 (C) A grant may be used to guarantee a profit  
34 goal established by the air carrier and airport.

1           (4) During the first year of a grant under this  
2 subsection (c), the grant shall pay 80% of the total cost  
3 of the guarantee and the airport or unit of local  
4 government in which the airport is located shall pay 20%  
5 of the total cost of the guarantee. During the second  
6 year of a grant under this subsection (c), the grant  
7 shall pay 50% of the total cost of the guarantee and the  
8 airport or the unit of local government in which the  
9 airport is located shall pay 50% of the total cost of the  
10 guarantee.

11           (5) The total State funding for a grant under this  
12 subsection (c) to a particular airport may not exceed  
13 \$2,500,000 in any year.

14           (6) An airport that has received a 2-year grant  
15 under this subsection (c) may apply for another grant for  
16 an additional 2-year period; however, the Department  
17 shall, in determining whether to make a grant for an  
18 additional 2-year period, give priority to other airports  
19 that have not previously received a grant under this  
20 subsection (c). The Department shall also give priority  
21 in making grants under this subsection (c) to airports at  
22 which the Department determines that a 2-year grant may  
23 result in the creation of stable and reliable commercial  
24 air service without an additional grant.

25           (d) Planning grants. An airport may apply for and  
26 receive a planning grant to conduct feasibility studies or  
27 business plans designed to study the recruitment, retention,  
28 or expansion of an air carrier at the airport. To be eligible  
29 for a grant under this subsection (d), the airport must have  
30 the potential for initial or expanded air service as the  
31 Department determines through its evaluation process. The  
32 grant shall pay 70% of the total cost of the feasibility  
33 studies or business plans and the airport or the unit of  
34 local government in which the airport is located shall pay

1 30% of the total cost of the feasibility studies or business  
2 plans. An airport may receive only one planning grant.

3 (e) Capital improvement and equipment grants. An airport  
4 may apply for and receive a capital improvement and equipment  
5 grant for capital improvements, including equipment to  
6 facilitate the attraction or retention of commercial air  
7 service. The grant shall pay 50% of the cost of an approved  
8 project and the airport or the unit of local government in  
9 which the airport is located shall pay 50% of the cost of  
10 the approved project. In evaluating an application for a  
11 grant under this subsection (e), the Department shall give  
12 priority to airports at which the requested improvements  
13 would facilitate the airport's ability to recruit or retain  
14 commercial air service.

15 Section 25. Rules. The Department shall adopt rules to  
16 carry out this Act.

17 Section 90. The State Finance Act is amended by adding  
18 Section 5.545 as follows:

19 (30 ILCS 105/5.545 new)

20 Sec. 5.545. The I-FLY Fund.

21 Section 99. Effective date. This Act takes effect upon  
22 becoming law."