

AN ACT concerning local government.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Metropolitan Transit Authority Act is amended by changing Section 12a as follows:

(70 ILCS 3605/12a) (from Ch. 111 2/3, par. 312a)

Sec. 12a. (a) 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 the Bond Authorization Act. 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 the Bond Authorization Act. 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. In the event of a default on an interim financing note issued by the Chicago Transit Authority in which State money in the State treasury was invested, the Treasurer may, after giving notice to the Authority, certify to the Comptroller the amounts of the defaulted interim financing note, in accordance with any applicable rules of the Comptroller, and the Comptroller must deduct and remit to the State treasury the certified amounts or a portion of those amounts from the following proportions of payments of State funds to the Authority:

(1) in the first year after default, one-third of the total amount of any payments of State funds to the Authority;

(2) in the second year after default, two-thirds of the total amount of any payments of State funds to the Authority; and

(3) in the third year after default and for each year thereafter until the total invested amount is repaid, the total amount of any payments of State funds to the Authority.

(Source: P.A. 100-201, eff. 8-18-17.)

Section 10. The Regional Transportation Authority Act is amended by changing Section 4.04 as follows:

(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 and lines of credit) 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 and lines of credit). The Authority shall not issue, sell, or deliver any Working Cash Notes or establish a line of credit 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 or establish a line of credit before July 1, 2022 ~~2019~~ 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 and lines of credit do ~~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. In the event of a default on a Working Cash Note issued by the Regional Transportation Authority in which State money in the State treasury was invested, the Treasurer may, after giving notice to the Authority, certify to the Comptroller the amounts of the defaulted Working Cash Note, in accordance with any applicable rules of the Comptroller, and the Comptroller must deduct and remit to the State treasury the certified amounts or a portion of those amounts from the following proportions of payments of State funds to the Authority:

(1) in the first year after default, one-third of the total amount of any payments of State funds to the Authority;

(2) in the second year after default, two-thirds of the total amount of any payments of State funds to the Authority; and

(3) in the third year after default and for each year thereafter until the total invested amount is repaid, the total amount of any payments of State funds to the Authority.

(j) The Authority may establish a line of credit with a bank or other financial institution as may be evidenced by the issuance of notes or other obligations, secured by and payable from all tax receipts of the Authority and any or all other revenues or moneys of the Authority, in an amount not to exceed the limitations set forth in paragraph (1) of subsection (g).



Money borrowed under this subsection (j) shall be used to provide money for the Authority or the Service Boards to cover any cash flow deficit that the Authority or a Service Board anticipates incurring and shall be repaid within 24 months.

Before establishing a line of credit under this subsection (j), the Authority shall authorize the line of credit by ordinance. The ordinance shall set forth facts demonstrating the need for the line of credit, state the amount to be borrowed, establish a maximum interest rate limit not to exceed the maximum rate authorized by the Bond Authorization Act, and provide a date by which the borrowed funds shall be repaid. The ordinance shall authorize and direct the relevant officials to make arrangements to set apart and hold, as applicable, the moneys that will be used to repay the borrowing. In addition, the ordinance may authorize the relevant officials to make partial repayments on the line of credit as the moneys become available and may contain any other terms, restrictions, or limitations desirable or necessary to give effect to this subsection (j).

The Authority shall notify the Governor's Office of Management and Budget and the State Comptroller at least 30 days before establishing a line of credit and shall file with the Governor's Office of Management and Budget and the State Comptroller a certified copy of any ordinance authorizing the establishment of a line of credit upon or before establishing the line of credit.

Public Act 101-0485

HB2823 Enrolled

LRB101 10036 AWJ 55138 b

Moneys borrowed under a line of credit pursuant to this subsection (j) are general obligations of the Authority that are secured by the full faith and credit of the Authority.

(Source: P.A. 98-392, eff. 8-16-13; 99-238, eff. 8-3-15.)

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