

AN ACT concerning transportation.

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

Section 5. The Local Mass Transit District Act is amended by changing Sections 2, 3, 3.01, 3.5, 4, 5, 5.01, and 8.1 as follows:

(70 ILCS 3610/2) (from Ch. 111 2/3, par. 352)

Sec. 2. For the purposes of this Act:

(a) "Mass transit facility" means any local public transportation facility, whether buses, trolley-buses, or railway systems, utilized by a substantial number of persons for their daily transportation, and includes not only the local public transportation facility itself but ancillary and supporting facilities such as, for example, motor vehicle parking facilities, as well.

(b) "Participating municipality and county" means the municipality or municipalities, county or counties creating the local Mass Transit District pursuant to Section 3 of this Act.

(c) "Municipality" means a city, village, township, or incorporated town.

(d) "Corporate authorities" means (1) the city council or similar body of a city, (2) the board of trustees or similar body of a village or incorporated town, (3) the council of a municipality under the commission form of municipal government, and (4) the board of trustees in a township.

(e) "County board" means the governing board of a county.

(f) "District" means a local Mass Transit District created pursuant to Section 3 of this Act.

(g) "Board" means the Board of Trustees of a local Mass Transit District created pursuant to Section 3 of this Act.

(h) "Interstate transportation authority" shall mean any political subdivision created by compact between this State and another state, which is a body corporate and politic and a political subdivision of both contracting states, and which operates a public mass transportation system;

(i) "Metro East Mass Transit District" means one or more local mass transit districts created pursuant to this Act, composed only of Madison, St. Clair or Monroe Counties, or any combination thereof or any territory annexed to such district.

(j) "Public mass transportation system" shall mean a transportation system or systems owned and operated by an interstate transportation authority, a municipality, District, or other public or private authority, employing motor busses, rails or any other means of conveyance, by whatsoever type or power, operated for public use in the conveyance of persons, mainly providing local transportation service within an interstate transportation district, municipality, or county.

(Source: P.A. 82-783.)

(70 ILCS 3610/3) (from Ch. 111 2/3, par. 353)

Sec. 3. For the purpose of acquiring, constructing, owning, operating and maintaining mass transit facilities for public service or subsidizing the operation thereof a local Mass Transit District may be created, composed of one or more municipalities or one or more counties or any combination thereof, by ordinance approved by a majority vote of the corporate authorities or by resolution approved by a majority vote of the county board of each participating municipality and county, ~~and any county participating in a Metro East Mass Transit District may terminate its participation in the same~~

manner. A Metro East Mass Transit District created by one or more counties shall include: (1) those townships which were served by regularly scheduled mass transit routes operated by an interstate transportation authority on June 1, 1980; (2) in the case of a county without townships, any municipality or unincorporated portion of a road district which was served by regularly scheduled mass transit routes operated by an interstate transportation authority on June 1, 1980; (3) any other townships or municipalities whose participation is approved by ordinance adopted by a majority vote of their Board of Trustees or corporate authorities; plus (4) in the case of a county without townships, the unincorporated portion of any road district, the participation of which is approved by an ordinance adopted by a majority vote of the Board of Commissioners of the county in which it is located. Such District shall be known as the "... Mass Transit District", inserting all or any significant part of the name or names of the municipality or the county, or both, creating the District, or a name descriptive of the area to be served if the District is created by more than one municipality, more than one county, or any combination thereof.

The District created pursuant to this Act shall be a municipal corporation and shall have the right of eminent domain to acquire private property which is necessary for the purposes of the District, and shall have the power to contract for public mass transportation with an Interstate Transportation Authority.

Upon the creation of any District, the clerk of the municipality or of the county, or the clerks of the several municipalities or counties, as the case may be, shall certify a copy of the ordinance or resolution creating the District, and the names of the persons first appointed Trustees thereof, and shall file the same with the county clerk for recording as certificates of incorporation and the county

clerk shall cause duplicate certified copies thereof to be filed with the Secretary of State.

(Source: P.A. 81-1471.)

(70 ILCS 3610/3.01) (from Ch. 111 2/3, par. 353.01)

Sec. 3.01. Any municipality or county may be annexed to a District, other than a Metro East Transit District, formed pursuant to Section 3 when the District has no tax levy in effect and has no bonded indebtedness if a petition for annexation is adopted by an ordinance or resolution approved by a majority vote of the corporate authorities of such municipality or the county board of such county and such ordinance or resolution is approved by a 2/3 vote of the members of the board of trustees of the District. Upon the approval of such a petition of annexation by the board of trustees of a District, a certified copy of the ordinance of annexation shall be filed by the secretary of the board in the same manner as provided for upon creation of the District.

Any contiguous township of any county, not already participating in a Metro East Transit District, may be annexed to a Metro East Transit District formed by one county pursuant to Section 3 of this Act, ~~provided that township is within such county,~~ if a petition for annexation, which is signed by at least 10% of the registered voters in the last general election who are residents of the township to be annexed or approved by a majority vote of the township board of the township to be annexed, is adopted by resolution approved by a majority vote of the county board in which the District was formed ~~of such county~~ and such resolution is approved by a 2/3 vote of the members of the board of trustees of the District. Upon the approval of such petition of annexation by the board of trustees of a District, a certified copy of the ordinance of annexation

shall be filed by the secretary of the board in the same manner as provided for upon creation of the District.

(Source: P.A. 85-779.)

(70 ILCS 3610/3.5) (from Ch. 111 2/3, par. 353.5)

Sec. 3.5. If the district acquires a mass transit facility, all of the employees in the ~~operating~~ and ~~maintenance~~ ~~divisions~~ of such mass transit facility and ~~all other employees except executive and administrative officers and employees~~, shall be transferred to and appointed as employees of the district, 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 mass transit facility. Employees who left the employ of such a mass transit facility to enter the military service of the United States shall have the same rights as to the district, under the provisions of the "Service Men's Employment Tenure Act", approved July 17, 1941, as they would have had thereunder as to such mass transit facility. After such acquisition the district shall be required to extend to such former employees of such mass transit facility only the rights and benefits as to pensions and retirement as are accorded other employees of the district.

(Source: Laws 1959, p. 1635.)

(70 ILCS 3610/4) (from Ch. 111 2/3, par. 354)

Sec. 4. The powers of the local Mass Transit District shall repose in, and be exercised by, a Board of Trustees. If the District is created by only one municipality or only one county the corporate authorities or the county board chairman with the consent of the county board of such municipality or county shall appoint either 3 or 5 trustees to the Board; provided that in any Metro East Mass Transit District created by a single county, 5 trustees shall be

appointed and the trustees so appointed shall be: (1) a mayor of a municipality within the District county; (2) a township supervisor from within the District such-county, or if in a county without township supervisors, another such mayor within the District; (3) the county board chairman in which the District was formed or such other county board member as he shall designate; and (4) 2 members of the general public. If the District is created by one or more municipalities or one or more counties or any combination thereof, the corporate authorities or the county board chairman with the consent of the county board of each participating municipality or county shall appoint one trustee to the Board for every 100,000 inhabitants, or fraction thereof, of such municipality or county. The first Trustees appointed to the Board and any 2 additional trustees, initially appointed as a result of this amendatory Act of 1983 shall serve for terms of 4 years or less, the terms to be staggered to the extent possible so that they expire one year apart and so that the terms of not more than 2 trustees expire in the same year, with the Trustees to serve less than 4 years to be selected by lot. Thereafter, their successors shall serve for 4 years. Vacancies shall be filled for the unexpired term in the same manner as the original appointment.

Except in a Metro East Mass Transit District, no Trustee of any District may be an elected official of the municipality or municipalities or county or counties creating the District. A Trustee shall hold office until his successor has been appointed and has qualified. A certificate of the appointment or reappointment of any Trustee shall be filed with the clerk or clerks and such certificate shall be conclusive evidence of the due and proper appointment of such Trustee. A Trustee shall receive, as compensation for his services, not more than \$100 \$50 for each day devoted to the

business of the Board but not more than \$400 \$200 per month. For the purposes of this Section, each District may determine what constitutes a business day. He shall also be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties. The powers of each District and the Board shall be vested in the Trustees thereof in office from time to time. A majority shall constitute a quorum of the Board for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Board upon a vote of the majority of the Trustees present, unless in any case the bylaws of the Board shall require a larger number. The Board shall select a chairman and a vice-chairman from among the Trustees.

No Trustee or employee of the Board shall acquire or have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with operations of the District. For inefficiency or neglect of duty or misconduct in office, a Trustee may be removed by the person or body which made the original appointment, but a Trustee shall be removed only after he shall have been given a copy of the charges against him at least 10 days prior to the hearing thereon and has had an opportunity to be heard in person or by counsel. In the event of the removal of any Trustee, a record of the proceedings, together with the charges and findings thereon, shall be filed in the office of the clerk or clerks of the creating county or counties or municipality or municipalities.

The Board shall employ a managing director of the District and may employ a secretary, treasurer, technical experts and such other officers, agents and employees, permanent and temporary, as it may require, and shall fix and determine their qualifications, duties and compensation and

the amount of bond to be furnished for such offices and positions. For such legal services as it may require, the Board may call upon any chief law officers of the municipality, municipalities, or the county or counties as the case may be, or may employ and fix the compensation of its own counsel and legal staff. The Board may delegate to one or more of its agents or employees such powers and duties as it may deem proper. Notwithstanding the other provisions of this paragraph, employment of any person other than a managing director or secretary by any Metro East Mass Transit District created by a single county shall require the authorization of the county board of such county.

Neither the District, 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. 85-779.)

(70 ILCS 3610/5) (from Ch. 111 2/3, par. 355)

Sec. 5. (a) The Board of Trustees of every District may establish or acquire any or all manner of mass transit facility. The Board may engage in the business of transportation of passengers on scheduled routes and by contract on nonscheduled routes within the territorial limits of the counties or municipalities creating the District, by whatever means it may decide. Its routes may be extended beyond such territorial limits with the consent of the governing bodies of the municipalities or counties into which such operation is extended.

(b) The Board of Trustees of every District may for the purposes of the District, acquire by gift, purchase, lease,



legacy, condemnation, or otherwise and hold, use, improve, maintain, operate, own, manage or lease, as lessor or lessee, such cars, buses, equipment, buildings, structures, real and personal property, and interests therein, and services, lands for terminal and other related facilities, improvements and services, or any interest therein, including all or any part of the plant, land, buildings, equipment, vehicles, licenses, franchises, patents, property, service contracts and agreements of every kind and nature. Real property may be so acquired if it is situated within or partially within the area served by the District or if it is outside the area if it is desirable or necessary for the purposes of the District.

(c) The Board of Trustees of every District which establishes, provides, or acquires mass transit facilities or services may contract with any person or corporation or public or private entity for the operation or provision thereof upon such terms and conditions as the District shall determine.

(d) The Board of Trustees of every District shall have the authority to contract for any and all purposes of the District, including with an interstate transportation authority, or with another local Mass Transit District or any other municipal, public, or private corporation entity in the transportation business including the authority to contract to lease its or otherwise provide land, buildings, and equipment, and other related facilities, improvements, and services, for the carriage of passengers beyond the territorial limits of the District or to subsidize transit operations by a public or private or municipal corporation operating entity providing mass transit facilities.

(e) The Board of Trustees of every District shall have the authority to establish, alter and discontinue transportation routes and services and any or all ancillary

or supporting facilities and services, and to establish and amend rate schedules for the transportation of persons thereon or for the public or private use thereof which rate schedules shall, together with any grants, receipts or income from other sources, be sufficient to pay the expenses of the District, the repair, maintenance and the safe and adequate operation of its mass transit facilities and public mass transportation system and to fulfill the terms of its debts, undertakings, and obligations.

(f) The Board of Trustees of every District shall have perpetual succession and shall have the following powers in addition to any others in this Act granted:

(1) to sue and be sued;

(2) to adopt and use a seal;

(3) to make and execute contracts loans, leases, subleases, installment purchase agreements, contracts, notes and other instruments evidencing financial obligations, and other instruments necessary or convenient in the exercise of its powers;

(4) to make, amend and repeal bylaws, rules and regulations not inconsistent with this Act;

(5) to sell, lease, sublease, license, transfer, convey or otherwise and dispose of any of its real or personal property, or interests interest therein, in whole or in part, at any time upon such terms and conditions as it may determine, with public bidding if the value exceeds \$1,000 at negotiated, competitive, public, or private sale;

(6) to invest funds, not required for immediate disbursement, in property, agreements, or securities legal for investment of public funds controlled by savings banks under applicable law;

(7) to mortgage, pledge, hypothecate or otherwise encumber all or any part of its real or personal property

or other assets, or interests therein;

(8) to apply for, accept and use grants, loans or other financial assistance from any private entity or municipal, county, State or Federal governmental agency or other public entity;

(9) to borrow money from the United States Government or any agency thereof, or from any other public or private source, for the purposes of the District and, as evidence thereof, to issue its revenue bonds, payable solely from the revenue derived from the operation of the District. These bonds may be issued with maturities not exceeding 40 years from the date of the bonds, and in such amounts as may be necessary to provide sufficient funds, together with interest, for the purposes of the District. These bonds shall bear interest at a rate of not more than the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract of sale, payable semi-annually, may be made registerable as to principal, and may be made payable and callable as provided on any interest payment date at a price of par and accrued interest under such terms and conditions as may be fixed by the ordinance authorizing the issuance of the bonds. Bonds issued under this Section are negotiable instruments. They shall be executed by the chairman and members of the Board of Trustees, attested by the secretary, and shall be sealed with the corporate seal of the District. In case any Trustee or officer whose signature appears on the bonds or coupons ceases to hold that office before the bonds are delivered, such officer's his signature, shall nevertheless be valid and sufficient for all purposes, the same as though such officer he had remained in office until the bonds were delivered. The bonds shall be sold in such manner and upon such terms as the Board of

Trustees shall determine, except that the selling price shall be such that the interest cost to the District of the proceeds of the bonds shall not exceed the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract of sale, payable semi-annually, computed to maturity according to the standard table of bond values.

The ordinance shall fix the amount of revenue bonds proposed to be issued, the maturity or maturities, the interest rate, which shall not exceed the maximum rate authorized by the Bond Authorization Act, as amended at the time of the making of the contract of sale, and all the details in connection with the bonds. The ordinance may contain such covenants and restrictions upon the issuance of additional revenue bonds thereafter, which will share equally in the revenue of the District, as may be deemed necessary or advisable for the assurance of the payment of the bonds first issued. Any District may also provide in the ordinance authorizing the issuance of bonds under this Section that the bonds, or such ones thereof as may be specified, shall, to the extent and in the manner prescribed, be subordinated and be junior in standing, with respect to the payment of principal and interest and the security thereof, to such other bonds as are designated in the ordinance.

The ordinance shall pledge the revenue derived from the operations operation of the District for the purpose of paying the cost of operation and maintenance of the District, and, as applicable, providing an adequate depreciation funds fund, and paying the principal of and interest on the bonds of the District issued under this Section.

No--Metro--East--Mass--Transit--District--may--issue revenue--bonds--under--this--subparagraph--(9)--unless--the

~~question-of-the-issuance-of-such-bonds-is-first-submitted  
to-and-approved-by--the--voters--of--the--District--at--a  
referendum---within---the---District.---Notice--of--such  
referendum-shall-be--given--and--the--election--shall--be  
conducted-in-accordance-with-the-general-election-law.~~

(10) subject to Section 5.1, to levy a tax on property within the District at the rate of not to exceed .25% on the assessed value of such property in the manner provided in "The Illinois Municipal Budget Law", approved July 12, 1937, as amended;

(11) to issue tax anticipation warrants;

(12) to contract with any school district in this State to provide for the transportation of pupils to and from school within such district pursuant to the provisions of Section 29-15 of the School Code;

(13) to provide for the insurance of any property, directors, officers, employees or operations of the District 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;

(14) to use its established funds, personnel, and other resources to acquire, construct, operate, and maintain bikeways and trails. Districts may cooperate with other governmental and private agencies in bikeway and trail programs; and

(15) to acquire, own, maintain, construct, reconstruct, improve, repair, operate or lease any light-rail public transportation system, terminal, terminal facility, public airport, or bridge or toll bridge across waters with any city, state, or both.

With respect to instruments for the payment of money issued under this Section either before, on, or after the effective date of this amendatory Act of 1989, it is and always has been the intention of the General Assembly (i)

that the Omnibus Bond Acts are and always have been supplementary grants of power to issue instruments in accordance with the Omnibus Bond Acts, regardless of any provision of this Act that may appear to be or to have been more restrictive than those Acts, (ii) that the provisions of this Section are not a limitation on the supplementary authority granted by the Omnibus Bond Acts, and (iii) that instruments issued under this Section within the supplementary authority granted by the Omnibus Bond Acts are not invalid because of any provision of this Act that may appear to be or to have been more restrictive than those Acts.

This Section shall be liberally construed to give effect to its purposes.

(Source: P.A. 87-985; 88-115.)

(70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

Sec. 5.01. Metro East Mass Transit District; use and occupation taxes.

(a) The Board of Trustees of any Metro East Mass Transit District may, by ordinance adopted with the concurrence of two-thirds of the then trustees, impose throughout the District any or all of the taxes and fees provided in this Section. All taxes and fees imposed under this Section shall be used only for public mass transportation systems, and the amount used to provide mass transit service to unserved areas of the District shall be in the same proportion to the total proceeds as the number of persons residing in the unserved areas is to the total population of the District. 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.

(b) The Board may impose a Metro East Mass Transit District Retailers' Occupation Tax upon all persons engaged in the business of selling tangible personal property at retail in the district at a rate of 1/4 of 1%, or as authorized under subsection (d-5) of this Section, of the gross receipts from the sales made in the course of such business within the district. 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, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 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 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, in accordance with such bracket schedules as 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 Metro East Mass Transit District tax fund established under paragraph (g) of this Section.

If a tax is imposed under this subsection (b), a tax shall also be imposed under subsections (c) and (d) 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.

Nothing in this Section shall be construed to authorize the Metro East Mass Transit District 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.

(c) If a tax has been imposed under subsection (b), a Metro East Mass Transit District Service Occupation Tax shall also be imposed upon all persons engaged, in the district, in the business of making sales of service, who, as an incident



to making those sales of service, transfer tangible personal property within the District, either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. The tax rate shall be 1/4%, or as authorized under subsection (d-5) of this Section, of the selling price of tangible personal property so transferred within the district. 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 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, exclusions, exemptions and definitions of terms and employ the same modes of procedure as are prescribed in Sections 1a-1, 2 (except that the reference to State in the definition of supplier maintaining a place of business in this State shall mean the Authority), 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 District), 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 District), 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, which 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, in accordance with such bracket schedules as 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 Metro East Mass Transit District tax fund established under paragraph (g) of this Section.

Nothing in this paragraph shall be construed to authorize the District 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 the State.

(d) If a tax has been imposed under subsection (b), a Metro East Mass Transit District Use Tax shall also be imposed upon the privilege of using, in the district, any item of tangible personal property that is purchased outside the district at retail from a retailer, and that is titled or registered with an agency of this State's government, at a rate of 1/4%, or as authorized under subsection (d-5) of this Section, of the selling price of the tangible personal property within the District, 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 District. The tax shall be collected by the Department of Revenue for the Metro East Mass Transit District. 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 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, 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 Section 3-7 of the Uniform Penalty and Interest Act, that 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 Metro East Mass Transit District tax fund established under paragraph (g) of this Section.

(d-5) (A) The county board of any county participating in the Metro East Mass Transit District may authorize, by ordinance, a referendum on the question of whether the tax rates for the Metro East Mass Transit District Retailers' Occupation Tax, the Metro East Mass Transit District Service Occupation Tax, and the Metro East Mass Transit District Use Tax for the District should be increased from 0.25% to 0.75%. Upon adopting the ordinance, the county board shall certify the proposition to the proper election officials who shall submit the proposition to the voters of the District at the next election, in accordance with the general election law.

The proposition shall be in substantially the following form:

Shall the tax rates for the Metro East Mass Transit District Retailers' Occupation Tax, the Metro East Mass Transit District Service Occupation Tax, and the Metro East Mass Transit District Use Tax be increased from 0.25% to 0.75%?

(B) Two thousand five hundred electors of any Metro East Mass Transit District may petition the Chief Judge of the Circuit Court, or any judge of that Circuit designated by the Chief Judge, in which that District is located to cause to be

submitted to a vote of the electors the question whether the tax rates for the Metro East Mass Transit District Retailers' Occupation Tax, the Metro East Mass Transit District Service Occupation Tax, and the Metro East Mass Transit District Use Tax for the District should be increased from 0.25% to 0.75%.

Upon submission of such petition the court shall set a date not less than 10 nor more than 30 days thereafter for a hearing on the sufficiency thereof. Notice of the filing of such petition and of such date shall be given in writing to the District and the County Clerk at least 7 days before the date of such hearing.

If such petition is found sufficient, the court shall enter an order to submit that proposition at the next election, in accordance with general election law.

The form of the petition shall be in substantially the following form: To the Circuit Court of the County of (name of county):

We, the undersigned electors of the (name of transit district), respectfully petition your honor to submit to a vote of the electors of (name of transit district) the following proposition:

Shall the tax rates for the Metro East Mass Transit District Retailers' Occupation Tax, the Metro East Mass Transit District Service Occupation Tax, and the Metro East Mass Transit District Use Tax be increased from 0.25% to 0.75%?

<u>Name</u>	<u>Address, with Street and Number.</u>
.....	.....
.....	.....

(C) The votes shall be recorded as "YES" or "NO". If a majority of all votes cast on the proposition are for the increase in the tax rates, the Metro East Mass Transit District shall begin imposing the increased rates in the District, and the Department of Revenue shall begin

collecting the increased amounts, as provided under this Section. An ordinance imposing or discontinuing a tax hereunder or effecting a change in the rate thereof shall be adopted and a certified copy thereof filed with the Department on or before the first day of October, whereupon the Department shall proceed to administer and enforce this Section as of the first day of January next following the adoption and filing.

(D) If the voters have approved a referendum under this subsection, before November 1, 1994, to increase the tax rate under this subsection, the Metro East Mass Transit District Board of Trustees may adopt by a majority vote an ordinance at any time before January 1, 1995 that excludes from the rate increase tangible personal property that is titled or registered with an agency of this State's government. The ordinance excluding titled or registered tangible personal property from the rate increase must be filed with the Department at least 15 days before its effective date. At any time after adopting an ordinance excluding from the rate increase tangible personal property that is titled or registered with an agency of this State's government, the Metro East Mass Transit District Board of Trustees may adopt an ordinance applying the rate increase to that tangible personal property. The ordinance shall be adopted, and a certified copy of that ordinance shall be filed with the Department, on or before October 1, whereupon the Department shall proceed to administer and enforce the rate increase against tangible personal property titled or registered with an agency of this State's government as of the following January 1. After December 31, 1995, any reimposed rate increase in effect under this subsection shall no longer apply to tangible personal property titled or registered with an agency of this State's government. Beginning January 1, 1996, the Board of Trustees of any Metro East Mass Transit

District may never reimpose a previously excluded tax rate increase on tangible personal property titled or registered with an agency of this State's government.

(d-6) If the Board of Trustees of any Metro East Mass Transit District has imposed a rate increase under subsection (d-5) and filed an ordinance with the Department of Revenue excluding titled property from the higher rate, then that Board may, by ordinance adopted with the concurrence of two-thirds of the then trustees, impose throughout the District a fee. The fee on the excluded property shall not exceed \$20 per retail transaction or an amount equal to the amount of tax excluded, whichever is less, on tangible personal property that is titled or registered with an agency of this State's government. ~~The Board of Trustees of any Metro East Mass Transit District shall have full power to administer and enforce this subsection and to determine all rights to credit memoranda or refunds arising on account of the erroneous payment of the fee hereunder. The Board shall proceed to administer and enforce this subsection as of the first day of the second month following the adoption of the ordinance.~~

(d-7) If a fee has been imposed under subsection (d-6), a fee shall also be imposed upon the privilege of using, in the district, any item of tangible personal property that is titled or registered with any agency of this State's government, in an amount equal to the amount of the fee imposed under subsection (d-6). ~~The Board of Trustees of any Metro East Mass Transit District shall have full power to administer and enforce this subsection and to determine all rights to credit memoranda or refunds arising on account of the erroneous payment of the fee hereunder. The Board shall proceed to administer and enforce this subsection concurrently with the administration of the fee imposed under subsection (d-6).~~

(d-8) No item of titled property shall be subject to both the higher rate approved by referendum, as authorized under subsection (d-5), and any fee imposed under subsection (d-6) or (d-7).

(d-9) If fees have been imposed under subsections (d-6) and (d-7), the Board shall forward a copy of the ordinance adopting such fees, which shall include all zip codes in whole or in part within the boundaries of the district, to the Secretary of State within thirty days. By the 25th of each month, the Secretary of State shall subsequently provide the Illinois Department of Revenue Board with a list of identifiable retail transactions subject to the .25% rate occurring within the zip codes which are in whole or in part within the boundaries of the district and a list of title applications for addresses within the boundaries of the district for the previous month.

(d-10) In the event that a retailer fails to pay applicable fees within 30 days of the date of the transaction, a penalty shall be assessed at the rate of 25% of the amount of fees. Interest on both late fees and penalties shall be assessed at the rate of 1% per month. All fees, penalties, and attorney fees shall constitute a lien on the personal and real property of the retailer. ~~The Board of Trustees of any Metro-East Transit District shall have full power to administer and enforce this subsection.~~

(e) 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), (c) or (d) 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.

(f) The Board 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 district area 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 district 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. 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 named districts, the districts to be those from which retailers have paid taxes or penalties hereunder to the Department during the second preceding calendar month. The amount to be paid to each district 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. Within 10 days after receipt by the Comptroller of the disbursement certification to the districts, provided for in this Section to be given to the Comptroller by the Department, the Comptroller shall cause the orders to be drawn for the respective amounts in accordance with the directions contained in the certification.

(g) 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 Metro East Mass Transit District 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, except as provided in subsection (d-5) of this Section, 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 October, whereupon the Department shall proceed to administer and enforce this Section as of the first day of January next following such adoption and filing.

(h) 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 District. 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 the amount to be paid to the District, which shall be the then balance in the fund, less any amount determined by the Department to be necessary for the payment of refunds. Within 10 days after receipt by the Comptroller of the certification of the amount to be paid to the District, the Comptroller shall cause an order to be drawn for payment for the amount in accordance with the direction in the certification.

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

(70 ILCS 3610/8.1) (from Ch. 111 2/3, par. 358.1)

Sec. 8.1.

Any territory which is contiguous to a local mass transit district organized under Section 3.1 of this Act and which is not included in any local mass transit district may be annexed to such contiguous local mass transit district in the manner provided by this Section.

(a) If there are no legal voters residing in the territory to be annexed, then upon written petition under oath signed by all owners of record of the territory sought to be annexed filed with the secretary of the Board of Trustees requesting annexation, if the Board of Trustees deems it to be in the best interests of the District, such territory may be annexed to the District by an ordinance duly enacted by the Board.

(b) A petition, signed by 2/3 of the legal voters residing in the territory sought to be annexed and addressed to the circuit court of the county in which the local mass transit district to which annexation is sought was organized requesting that the territory described in the petition be annexed to such local mass transit district, may be filed with the clerk of that court. The clerk of the court shall thereupon present such petition to the court which shall be not less than 20 nor more than 45 days after the date the petition was filed. The court shall give notice of the time, place and date of the hearing, by publication in one or more newspapers having a general circulation within the local mass transit district and within the territory sought to be annexed thereto, which publication shall be made at least 15 days before the date set for the hearing.

(Source: P.A. 76-1292.)

(70 ILCS 3610/8.4 rep.)

Section 10. The Local Mass Transit District Act is amended by repealing Section 8.4.