



TRANSIT REFORM AMENDMENT COMPARISONS

May 29, 2025

HB 3438 (SA2) and SB 2111 (HFA1) appear mostly similar, particularly concerning the proposed restructuring of the regional transit agencies and other significant operational and oversight provisions. A significant difference involves the provision of new revenues in HB 3438 (SA 2).

ISACO's prior analysis of SB 2111 (HA 1) is [available via this link](#).

The following is an examination of the identified similarities and differences between the two amendments.

Agencies and Appointments

1. **Proposed Name Changes:** Both amendments propose changing the name of the "Regional Transportation Authority" to the "Northern Illinois Transit Authority" (NITA). They also both propose changing the name of the "Metropolitan Transit Authority Act" to the "Chicago Transit Authority Act".
2. **Authority (NITA) Board Structure References:** Although the full text of Section 3.01, which would detail the appointment structure of the main Authority Board, is not included in these specific excerpts, both amendments make identical references to the new board's appointment structure when specifying voting thresholds for key actions (like adopting the Strategic Plan, Capital Program, or Budget). These references consistently mention Directors appointed under subsections (a), (a-5), (b), and (b-5) of Section 3.01. This strongly suggests the underlying appointment structure for the Authority's main governing board is the same in both proposals. SB 2111 (HA 1) explicitly states that the terms of current directors expire upon the effective date and that a new Board is appointed within 120 days. HB 3438 (SFA 2) mentions the expiration of current terms related to the February 1, 2026, date and the seating of the new Board.
3. **Appointments**
The county appointments to the Northern Illinois Transit Authority (NITA) Board, Suburban Bus Board, and Commuter Rail Board are mostly similar in terms of the *number* of appointments designated to Cook County and the collar counties, but there are differences in the *specific appointing authority* designated for Will County and notable inconsistencies within both amendments regarding which Service Board appointees also serve on the NITA Board.

A more detailed breakdown of the county appointments to various boards is below:

Similarities:

- **Number of NITA County Appointees:** Both amendments propose that the NITA Board (formerly the Regional Transportation Authority Board) will include 5 directors appointed by the President of the Cook County Board and 5 directors appointed by the chairs or county executives of the collar counties (DuPage, Kane, Lake, McHenry, and Will). The total number of county appointees (10 out of 20 total NITA directors) is the same in both versions.
- **Number of Service Board County Appointees:** Both amendments propose that the new Suburban Bus Board and Commuter Rail Board, effective February 1, 2026, will each consist of 11 directors.
 - For the **Suburban Bus Board**, both propose 3 directors appointed by the President of the Cook County Board and 5 directors appointed by the county chairs or executives of the collar counties (one from each). The total number of county appointees (3 Cook + 5 Collar = 8) is the same.
 - For the **Commuter Rail Board**, both propose 3 directors appointed by the President of the Cook County Board and 5 directors appointed by the county chairs or executives of the collar counties (one from each). The total number of county appointees (3 Cook + 5 Collar = 8) is the same.

Differences:

- **Will County Appointing Authority:**
 - In HB 3438 (SA 2), the NITA board section states that one director is appointed by the Will County Executive with the advice and consent of the Will County Board, and this director shall serve as a director of the Commuter Rail Board. However, the Commuter Rail Board section states that one director is appointed by the Will County Board Chair. The Suburban Bus Board section also states one director is appointed by the Will County Executive. HB 3438 (SA 2) appears inconsistent regarding who has the appointing authority for Will County's representatives.
 - In SB 2111 (HA 1), the NITA board section states that one director is appointed by the chair of the Will County board with the advice and consent of the Will County Board. The Suburban Bus Board section states one director is appointed by the Chairman of the Will County Board. The Commuter Rail Board section states one director is appointed by the Chairman of the Will County Board. SB 2111 (HA 1) is consistent in designating the Will County *Chair* as the appointing authority for county appointees to all three boards.
 - This difference in specifying "Executive" vs. "Chair" for Will County's appointment is a discrepancy between the versions, though SB 2111 (HA 1) is internally consistent whereas HB 3438 (SA 2) is not.
- **Description of Overlapping Appointments (Internal Inconsistency in Both Amendments):** Both amendments contain an inconsistency regarding how many of the Cook County President's appointees to the Suburban Bus and Commuter Rail Boards are *also* designated as members of the main NITA Board.

- The NITA Board section in both HB 3438 (SA 2) and SB 2111 (HA 1) states that of the 5 directors appointed by the Cook County President, 1 shall serve on the Suburban Bus Board and 2 shall serve on the Commuter Rail Board.
- However, the specific Suburban Bus Board section in both amendments state that *all 3* directors appointed by the Cook County President to the Suburban Bus Board shall *also* serve as Directors on the NITA Board.
- Similarly, the specific Commuter Rail Board section in both amendments state that *all 3* directors appointed by the Cook County President to the Commuter Rail Board shall *also* serve as Directors on the NITA Board.
- This internal contradiction exists in both versions of the amendment. The number of Cook County President appointees to the Service Boards designated as also serving on the NITA Board appears to differ.

In summary, while the overall structure and number of county appointments are the same, there are specific details about the Will County appointing authority (Executive vs. Chair) and an internal inconsistency within *both* amendments regarding the overlapping appointments from the Cook County President to the Service Boards and the main NITA Board. Therefore, the county appointments are **mostly similar but not exactly the same**, primarily due to these specific differences in detail and internal consistency.

Revenues

HB 3438 (SA 2) includes \$1.2 billion in new revenues. SB 2111 (HA 1) does not include new revenues.

- The amendment requires RTA sales tax revenue to be allocated for transit. The Collar Counties would no longer be permitted to use some of this revenue for roads and public safety.
- The amendment authorizes the new transit board to levy a 50 percent surcharge on Illinois Highway Authority tolls to fund mass transit.
- The amendment authorizes a new \$1.50 real estate transfer tax within the service area for each \$500 in value.
- Transit capital projects would receive a boost from any interest earnings from Road Fund revenue.
- The amendment imposes a 10 percent tax on rideshare fares within the transit region.

The RTA contends that the proposed new revenues within HB 3438 (SA 2) would provide less than half of the necessary revenue to support transit operations. The remainder of the funds would be earmarked for a transit-supportive development incentive fund and for capital improvements.

According to the RTA's estimates, the combination of a rideshare tax, the redirection of 0.25% of sales tax revenues from collar counties, and the expansion of the real estate transfer tax to Cook County would generate approximately \$372 million—covering only part of the \$771 million projected operating deficit. Without additional operational support, transit agencies would likely face staff reductions and service cuts.

Consistency in Other Provisions

Numerous other sections across both amendments address similar themes and appear to propose the same changes, including but not limited to:

- Transit-supportive development.
- The Authority's Strategic Plan, 5-Year Capital Program, and Annual Budget and 2-Year Financial Plan requirements and approval processes. The *new* voting thresholds for approval of these plans are identical in both amendments where they appear.
- Requirements for performance audits by the Auditor General every 5 years.
- System-Generated Revenue Recovery Ratios and budget review processes.
- Safety standards and relation to Illinois Commerce Commission rules.
- Establishment and reporting requirements for the Coordinated Safety Response Council.
- Inventory of suitable parcels for transit-supportive development.
- Commuter Rail Board powers, including honoring existing debt and restrictions on issuing new bond debt (with slight wording variations noted below).
- Tax imposition and collection authority, including renaming of RTA tax funds and establishing new taxes.
- Distribution of tax revenues to Service Boards.
- Issuance of bonds and notes for capital purposes.
- Public bidding requirements and exceptions.
- Contract limitations on "lame duck" boards.
- Service standards adoption.
- Chief Internal Auditor powers and duties.
- Commuter Rail Division being subject to ICC safety requirements.
- Provisions related to the Public Labor Relations Act, State Employees Group Insurance Act, State Officials and Employees Ethics Act, Illinois Finance Authority Act, Illinois State Auditing Act, State Finance Act, Use Tax Act, Retailers' Occupation Tax Act, etc., consistently update references from "Regional Transportation Authority" to "Northern Illinois Transit Authority" and often include similar substantive provisions.

Differences/Variations:

1. **Specificity of Commuter Rail Borrowing Power:** The description of the Commuter Rail Board's borrowing power in HB 3438 (SA 2) refers generally to "acquiring, constructing, reconstructing, extending, or improving any Public Transportation Facilities.". SB 2111 (HA 1) lists specific potential projects (e.g., "constructing a new garage," "converting the South Cook garage," "purchasing new transit buses") as examples of purposes for which the Suburban Bus Board *may* issue revenue bonds, while also stating the Commuter Rail Board may borrow for acquiring/constructing facilities. Both amendments, however, maintain the crucial restriction that the Commuter Rail Board cannot issue new bond debt other than working cash notes or debt to refinance or retire existing debt outstanding on the effective date. This difference in detail regarding the *purpose* of allowed borrowing appears minor in the context of the larger restriction.
2. **Tax Reference in County Termination Section:** HB 3438 (SA 2) refers to taxes imposed under Sections 4.03, 4.03.1, and 4.03.5 in the context of revenue distribution after a county terminates its participation. SB 2111 (HA 1) refers only to Sections 4.03

and 4.03.1 in the same context. This is a small discrepancy in referencing the specific tax sections.

3. **Sections Present in One Source but Not the Other:** Certain sections present in HB 3438 (SA 2) (like those detailing the Transit Coordination Oversight Officer, Safety Subcommittee, Security Barriers, Executive Director appointment, ADA paratransit funding plan, administrative suspension hearing process) are not included in the provided excerpts for SB 2111 (HA 1). Conversely, some sections like specific Illinois Jobs Plan reporting requirements appear in SB 2111 (HA 1) but not the provided HB 3438 (SA 2) excerpts. This doesn't necessarily mean they differ, just that the provided excerpts are not exhaustive or identical in scope.

Conclusion

These two amendments are substantially, but not exactly, the same. The core proposals for restructuring governance, finances, operations, and oversight appear consistent across both. A significant difference lies with the inclusion of new revenues in HB 3438 (SA 2).