

AN ACT concerning local government.

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

Section 1. Legislative intent. It is the intent of the General Assembly that this Act further the intent of Section 5 of Article VII of the Illinois Constitution, which states, in relevant part, that townships "may be consolidated or merged, and one or more townships may be dissolved or divided, when approved by referendum in each township affected". Transferring the powers and duties of one or more dissolved McHenry County townships into the county, as the supervising unit of local government within which the township or townships are situated, will reduce the overall number of local governmental units within our State. This reduction is declared to be a strong goal of Illinois public policy.

Section 5. The Election Code is amended by changing Section 28-7 as follows:

(10 ILCS 5/28-7) (from Ch. 46, par. 28-7)

Sec. 28-7. Except as provided in Article 24 of the Township Code, in ~~in~~ any case in which Article VII or paragraph (a) of Section 5 of the Transition Schedule of the Constitution authorizes any action to be taken by or with respect to any

unit of local government, as defined in Section 1 of Article VII of the Constitution, by or subject to approval by referendum, any such public question shall be initiated in accordance with this Section.

Any such public question may be initiated by the governing body of the unit of local government by resolution or by the filing with the clerk or secretary of the governmental unit of a petition signed by a number of qualified electors equal to or greater than at least 8% of the total votes cast for candidates for Governor in the preceding gubernatorial election, requesting the submission of the proposal for such action to the voters of the governmental unit at a regular election.

If the action to be taken requires a referendum involving 2 or more units of local government, the proposal shall be submitted to the voters of such governmental units by the election authorities with jurisdiction over the territory of the governmental units. Such multi-unit proposals may be initiated by appropriate resolutions by the respective governing bodies or by petitions of the voters of the several governmental units filed with the respective clerks or secretaries.

This Section is intended to provide a method of submission to referendum in all cases of proposals for actions which are authorized by Article VII of the Constitution by or subject to approval by referendum and supersedes any conflicting statutory provisions except those contained in Division 2-5 of

the Counties Code or Article 24 of the Township Code.

Referenda provided for in this Section may not be held more than once in any 23-month period on the same proposition, provided that in any municipality a referendum to elect not to be a home rule unit may be held only once within any 47-month period.

(Source: P.A. 100-863, eff. 8-14-18.)

Section 10. The Motor Fuel Tax Law is amended by changing Section 8 as follows:

(35 ILCS 505/8) (from Ch. 120, par. 424)

Sec. 8. Except as provided in Section 8a, subdivision (h) (1) of Section 12a, Section 13a.6, and items 13, 14, 15, and 16 of Section 15, all money received by the Department under this Act, including payments made to the Department by member jurisdictions participating in the International Fuel Tax Agreement, shall be deposited in a special fund in the State treasury, to be known as the "Motor Fuel Tax Fund", and shall be used as follows:

(a) 2 1/2 cents per gallon of the tax collected on special fuel under paragraph (b) of Section 2 and Section 13a of this Act shall be transferred to the State Construction Account Fund in the State Treasury;

(b) \$420,000 shall be transferred each month to the State Boating Act Fund to be used by the Department of Natural

Resources for the purposes specified in Article X of the Boat Registration and Safety Act;

(c) \$3,500,000 shall be transferred each month to the Grade Crossing Protection Fund to be used as follows: not less than \$12,000,000 each fiscal year shall be used for the construction or reconstruction of rail highway grade separation structures; \$2,250,000 in fiscal years 2004 through 2009 and \$3,000,000 in fiscal year 2010 and each fiscal year thereafter shall be transferred to the Transportation Regulatory Fund and shall be accounted for as part of the rail carrier portion of such funds and shall be used to pay the cost of administration of the Illinois Commerce Commission's railroad safety program in connection with its duties under subsection (3) of Section 18c-7401 of the Illinois Vehicle Code, with the remainder to be used by the Department of Transportation upon order of the Illinois Commerce Commission, to pay that part of the cost apportioned by such Commission to the State to cover the interest of the public in the use of highways, roads, streets, or pedestrian walkways in the county highway system, township and district road system, or municipal street system as defined in the Illinois Highway Code, as the same may from time to time be amended, for separation of grades, for installation, construction or reconstruction of crossing protection or reconstruction, alteration, relocation including construction or improvement of any existing highway necessary for access to property or improvement of any grade crossing and grade

crossing surface including the necessary highway approaches thereto of any railroad across the highway or public road, or for the installation, construction, reconstruction, or maintenance of a pedestrian walkway over or under a railroad right-of-way, as provided for in and in accordance with Section 18c-7401 of the Illinois Vehicle Code. The Commission may order up to \$2,000,000 per year in Grade Crossing Protection Fund moneys for the improvement of grade crossing surfaces and up to \$300,000 per year for the maintenance and renewal of 4-quadrant gate vehicle detection systems located at non-high speed rail grade crossings. The Commission shall not order more than \$2,000,000 per year in Grade Crossing Protection Fund moneys for pedestrian walkways. In entering orders for projects for which payments from the Grade Crossing Protection Fund will be made, the Commission shall account for expenditures authorized by the orders on a cash rather than an accrual basis. For purposes of this requirement an "accrual basis" assumes that the total cost of the project is expended in the fiscal year in which the order is entered, while a "cash basis" allocates the cost of the project among fiscal years as expenditures are actually made. To meet the requirements of this subsection, the Illinois Commerce Commission shall develop annual and 5-year project plans of rail crossing capital improvements that will be paid for with moneys from the Grade Crossing Protection Fund. The annual project plan shall identify projects for the succeeding fiscal year and the 5-year project plan shall

identify projects for the 5 directly succeeding fiscal years. The Commission shall submit the annual and 5-year project plans for this Fund to the Governor, the President of the Senate, the Senate Minority Leader, the Speaker of the House of Representatives, and the Minority Leader of the House of Representatives on the first Wednesday in April of each year;

(d) of the amount remaining after allocations provided for in subsections (a), (b) and (c), a sufficient amount shall be reserved to pay all of the following:

(1) the costs of the Department of Revenue in administering this Act;

(2) the costs of the Department of Transportation in performing its duties imposed by the Illinois Highway Code for supervising the use of motor fuel tax funds apportioned to municipalities, counties and road districts;

(3) refunds provided for in Section 13, refunds for overpayment of decal fees paid under Section 13a.4 of this Act, and refunds provided for under the terms of the International Fuel Tax Agreement referenced in Section 14a;

(4) from October 1, 1985 until June 30, 1994, the administration of the Vehicle Emissions Inspection Law, which amount shall be certified monthly by the Environmental Protection Agency to the State Comptroller and shall promptly be transferred by the State Comptroller and Treasurer from the Motor Fuel Tax Fund to the Vehicle

Inspection Fund, and for the period July 1, 1994 through June 30, 2000, one-twelfth of \$25,000,000 each month, for the period July 1, 2000 through June 30, 2003, one-twelfth of \$30,000,000 each month, and \$15,000,000 on July 1, 2003, and \$15,000,000 on January 1, 2004, and \$15,000,000 on each July 1 and October 1, or as soon thereafter as may be practical, during the period July 1, 2004 through June 30, 2012, and \$30,000,000 on June 1, 2013, or as soon thereafter as may be practical, and \$15,000,000 on July 1 and October 1, or as soon thereafter as may be practical, during the period of July 1, 2013 through June 30, 2015, for the administration of the Vehicle Emissions Inspection Law of 2005, to be transferred by the State Comptroller and Treasurer from the Motor Fuel Tax Fund into the Vehicle Inspection Fund;

(5) amounts ordered paid by the Court of Claims; and

(6) payment of motor fuel use taxes due to member jurisdictions under the terms of the International Fuel Tax Agreement. The Department shall certify these amounts to the Comptroller by the 15th day of each month; the Comptroller shall cause orders to be drawn for such amounts, and the Treasurer shall administer those amounts on or before the last day of each month;

(e) after allocations for the purposes set forth in subsections (a), (b), (c) and (d), the remaining amount shall be apportioned as follows:

(1) Until January 1, 2000, 58.4%, and beginning January 1, 2000, 45.6% shall be deposited as follows:

(A) 37% into the State Construction Account Fund,  
and

(B) 63% into the Road Fund, \$1,250,000 of which shall be reserved each month for the Department of Transportation to be used in accordance with the provisions of Sections 6-901 through 6-906 of the Illinois Highway Code;

(2) Until January 1, 2000, 41.6%, and beginning January 1, 2000, 54.4% shall be transferred to the Department of Transportation to be distributed as follows:

(A) 49.10% to the municipalities of the State,

(B) 16.74% to the counties of the State having 1,000,000 or more inhabitants,

(C) 18.27% to the counties of the State having less than 1,000,000 inhabitants,

(D) 15.89% to the road districts of the State.

If a township is dissolved under Article 24 of the Township Code, McHenry County shall receive any moneys that would have been distributed to the township under this subparagraph, except that a municipality that assumes the powers and responsibilities of a road district under paragraph (6) of Section 24-35 of the Township Code shall receive any moneys that would have been distributed to the township in a percent equal to the area of the dissolved



road district or portion of the dissolved road district over which the municipality assumed the powers and responsibilities compared to the total area of the dissolved township. The moneys received under this subparagraph shall be used in the geographic area of the dissolved township. If a township is reconstituted as provided under Section 24-45 of the Township Code, McHenry County or a municipality shall no longer be distributed moneys under this subparagraph.

As soon as may be after the first day of each month the Department of Transportation shall allot to each municipality its share of the amount apportioned to the several municipalities which shall be in proportion to the population of such municipalities as determined by the last preceding municipal census if conducted by the Federal Government or Federal census. If territory is annexed to any municipality subsequent to the time of the last preceding census the corporate authorities of such municipality may cause a census to be taken of such annexed territory and the population so ascertained for such territory shall be added to the population of the municipality as determined by the last preceding census for the purpose of determining the allotment for that municipality. If the population of any municipality was not determined by the last Federal census preceding any apportionment, the apportionment to such municipality shall be in accordance with any census taken by such municipality. Any

municipal census used in accordance with this Section shall be certified to the Department of Transportation by the clerk of such municipality, and the accuracy thereof shall be subject to approval of the Department which may make such corrections as it ascertains to be necessary.

As soon as may be after the first day of each month the Department of Transportation shall allot to each county its share of the amount apportioned to the several counties of the State as herein provided. Each allotment to the several counties having less than 1,000,000 inhabitants shall be in proportion to the amount of motor vehicle license fees received from the residents of such counties, respectively, during the preceding calendar year. The Secretary of State shall, on or before April 15 of each year, transmit to the Department of Transportation a full and complete report showing the amount of motor vehicle license fees received from the residents of each county, respectively, during the preceding calendar year. The Department of Transportation shall, each month, use for allotment purposes the last such report received from the Secretary of State.

As soon as may be after the first day of each month, the Department of Transportation shall allot to the several counties their share of the amount apportioned for the use of road districts. The allotment shall be apportioned among the several counties in the State in the proportion which the total mileage of township or district roads in the respective

counties bears to the total mileage of all township and district roads in the State. Funds allotted to the respective counties for the use of road districts therein shall be allocated to the several road districts in the county in the proportion which the total mileage of such township or district roads in the respective road districts bears to the total mileage of all such township or district roads in the county. After July 1 of any year prior to 2011, no allocation shall be made for any road district unless it levied a tax for road and bridge purposes in an amount which will require the extension of such tax against the taxable property in any such road district at a rate of not less than either .08% of the value thereof, based upon the assessment for the year immediately prior to the year in which such tax was levied and as equalized by the Department of Revenue or, in DuPage County, an amount equal to or greater than \$12,000 per mile of road under the jurisdiction of the road district, whichever is less. Beginning July 1, 2011 and each July 1 thereafter, an allocation shall be made for any road district if it levied a tax for road and bridge purposes. In counties other than DuPage County, if the amount of the tax levy requires the extension of the tax against the taxable property in the road district at a rate that is less than 0.08% of the value thereof, based upon the assessment for the year immediately prior to the year in which the tax was levied and as equalized by the Department of Revenue, then the amount of the allocation for that road

district shall be a percentage of the maximum allocation equal to the percentage obtained by dividing the rate extended by the district by 0.08%. In DuPage County, if the amount of the tax levy requires the extension of the tax against the taxable property in the road district at a rate that is less than the lesser of (i) 0.08% of the value of the taxable property in the road district, based upon the assessment for the year immediately prior to the year in which such tax was levied and as equalized by the Department of Revenue, or (ii) a rate that will yield an amount equal to \$12,000 per mile of road under the jurisdiction of the road district, then the amount of the allocation for the road district shall be a percentage of the maximum allocation equal to the percentage obtained by dividing the rate extended by the district by the lesser of (i) 0.08% or (ii) the rate that will yield an amount equal to \$12,000 per mile of road under the jurisdiction of the road district.

Prior to 2011, if any road district has levied a special tax for road purposes pursuant to Sections 6-601, 6-602 and 6-603 of the Illinois Highway Code, and such tax was levied in an amount which would require extension at a rate of not less than .08% of the value of the taxable property thereof, as equalized or assessed by the Department of Revenue, or, in DuPage County, an amount equal to or greater than \$12,000 per mile of road under the jurisdiction of the road district, whichever is less, such levy shall, however, be deemed a proper compliance with this Section and shall qualify such road

district for an allotment under this Section. Beginning in 2011 and thereafter, if any road district has levied a special tax for road purposes under Sections 6-601, 6-602, and 6-603 of the Illinois Highway Code, and the tax was levied in an amount that would require extension at a rate of not less than 0.08% of the value of the taxable property of that road district, as equalized or assessed by the Department of Revenue or, in DuPage County, an amount equal to or greater than \$12,000 per mile of road under the jurisdiction of the road district, whichever is less, that levy shall be deemed a proper compliance with this Section and shall qualify such road district for a full, rather than proportionate, allotment under this Section. If the levy for the special tax is less than 0.08% of the value of the taxable property, or, in DuPage County if the levy for the special tax is less than the lesser of (i) 0.08% or (ii) \$12,000 per mile of road under the jurisdiction of the road district, and if the levy for the special tax is more than any other levy for road and bridge purposes, then the levy for the special tax qualifies the road district for a proportionate, rather than full, allotment under this Section. If the levy for the special tax is equal to or less than any other levy for road and bridge purposes, then any allotment under this Section shall be determined by the other levy for road and bridge purposes.

Prior to 2011, if a township has transferred to the road and bridge fund money which, when added to the amount of any

tax levy of the road district would be the equivalent of a tax levy requiring extension at a rate of at least .08%, or, in DuPage County, an amount equal to or greater than \$12,000 per mile of road under the jurisdiction of the road district, whichever is less, such transfer, together with any such tax levy, shall be deemed a proper compliance with this Section and shall qualify the road district for an allotment under this Section.

In counties in which a property tax extension limitation is imposed under the Property Tax Extension Limitation Law, road districts may retain their entitlement to a motor fuel tax allotment or, beginning in 2011, their entitlement to a full allotment if, at the time the property tax extension limitation was imposed, the road district was levying a road and bridge tax at a rate sufficient to entitle it to a motor fuel tax allotment and continues to levy the maximum allowable amount after the imposition of the property tax extension limitation. Any road district may in all circumstances retain its entitlement to a motor fuel tax allotment or, beginning in 2011, its entitlement to a full allotment if it levied a road and bridge tax in an amount that will require the extension of the tax against the taxable property in the road district at a rate of not less than 0.08% of the assessed value of the property, based upon the assessment for the year immediately preceding the year in which the tax was levied and as equalized by the Department of Revenue or, in DuPage County, an amount

equal to or greater than \$12,000 per mile of road under the jurisdiction of the road district, whichever is less.

As used in this Section the term "road district" means any road district, including a county unit road district, provided for by the Illinois Highway Code; and the term "township or district road" means any road in the township and district road system as defined in the Illinois Highway Code. For the purposes of this Section, "township or district road" also includes such roads as are maintained by park districts, forest preserve districts and conservation districts. The Department of Transportation shall determine the mileage of all township and district roads for the purposes of making allotments and allocations of motor fuel tax funds for use in road districts.

Payment of motor fuel tax moneys to municipalities and counties shall be made as soon as possible after the allotment is made. The treasurer of the municipality or county may invest these funds until their use is required and the interest earned by these investments shall be limited to the same uses as the principal funds.

(Source: P.A. 97-72, eff. 7-1-11; 97-333, eff. 8-12-11; 98-24, eff. 6-19-13; 98-674, eff. 6-30-14.)

Section 15. The Counties Code is amended by adding Section 5-1184 as follows:

(55 ILCS 5/5-1184 new)

Sec. 5-1184. Dissolution of townships in McHenry County. If a township in McHenry County dissolves as provided in Article 24 of the Township Code, McHenry County shall assume the powers, duties, and obligations of each dissolved township as provided in Article 24 of the Township Code.

Section 20. The Township Code is amended by adding Article 24 as follows:

(60 ILCS 1/Art. 24 heading new)

ARTICLE 24. DISSOLUTION OF  
TOWNSHIPS IN MCHENRY COUNTY

(60 ILCS 1/24-10 new)

Sec. 24-10. Definition. As used in this Article, "electors" means the registered voters of any single township in McHenry County.

(60 ILCS 1/24-15 new)

Sec. 24-15. Dissolving a township in McHenry County. By resolution, the board of trustees of any township located in McHenry County may submit a proposition to dissolve the township to the electors of that township at the election next following in accordance with the general election law. The ballot shall be as provided for in Section 24-30.



(60 ILCS 1/24-20 new)

Sec. 24-20. Petition requirements; notice.

(a) Subject to the petition requirements of Section 28-3 of the Election Code, petitions for a referendum to dissolve a township located in McHenry County must be filed with the governing board of the township, the county board of McHenry County, and the McHenry County Clerk not less than 122 days prior to any election held throughout the township. Petitions must include:

(1) the name of the dissolving township;

(2) the date of dissolution; and

(3) signatures of a number of electors as follows: (A) for any township, the number of signatures shall be the larger of (i) 5% of the total ballots cast in the township in the immediately preceding election that is of an election type comparable to the election for which the petition is being filed, or (ii) 250 signatures. All signatures gathered under this paragraph (3) must be signed within 180 days prior to the filing of a petition.

(b) The proposed date of dissolution shall be at least 90 days after the date of the election at which the referendum is to be voted upon.

(c) If a valid petition is filed under subsection (a), then the McHenry County Clerk shall, by publication in one or more newspapers of general circulation within the county and on the county's website, not less than 90 days prior to the election

at which the referendum is to be voted on, give notice in substantially the following form:

NOTICE OF PETITION TO DISSOLVE (dissolving township).

Residents of (dissolving township) and McHenry County are notified that a petition has been filed with (dissolving township) and McHenry County requesting a referendum to dissolve (dissolving township) on (date of dissolution) with all real and personal property, and any other assets, together with all personnel, contractual obligations, and liabilities being transferred to McHenry County.

(60 ILCS 1/24-25 new)

Sec. 24-25. Ballot placement. A petition that meets the requirements of Section 24-20 shall be placed on the ballot in the form provided for in Section 24-30 at the election next following.

(60 ILCS 1/24-30 new)

Sec. 24-30. Referendum; voting.

(a) Subject to the requirements of Section 16-7 of the Election Code, the referendum described in Section 24-25 shall be in substantially the following form on the ballot:

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Shall the (dissolving township), together with any road

districts wholly within the YES  
boundaries of (dissolving  
township), be dissolved on (date -----  
of dissolution) with all of  
the township and road district  
property, assets, personnel, NO  
obligations, and liabilities being  
transferred to McHenry County?

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(b) The referendum is approved when a majority of those  
voting in the election from the dissolving township approve the  
referendum.

(60 ILCS 1/24-35 new)

Sec. 24-35. Dissolution; transfer of rights and duties.  
When the dissolution of a township has been approved under  
Section 24-30:

(1) On or before the date of dissolution, all real and  
personal property, and any other assets, together with all  
personnel, contractual obligations, and liabilities of the  
dissolving township and road districts wholly within the  
boundaries of the dissolving township shall be transferred  
to McHenry County. All funds of the dissolved township and  
dissolved road districts shall be used solely on behalf of  
the residents of the geographic area within the boundaries  
of the dissolved township.

After the transfer of property to the county under this paragraph, all park land, cemetery land, buildings, and facilities within the geographic area of the dissolving township must be utilized for the primary benefit of the geographic area of the dissolving township. Proceeds from the sale of the park land, cemetery land, buildings, or facilities after transfer to the county must be utilized for the sole benefit of the geographic area of the dissolved township.

(2) On the date of dissolution, the dissolving township is dissolved.

(3) On and after the date of dissolution, all rights and duties of the dissolved township may be exercised by the McHenry County Board solely on behalf of the residents of the geographic area within the boundaries of the dissolved township. The duties that may be exercised by the county include, but are not limited to, the administration of a dissolved township's general assistance program, maintenance and operation of a dissolved township's cemeteries, and the Chief County Assessment officer of McHenry County exercising the duties of the township assessor.

(4) The McHenry County Board shall not extend a property tax levy that is greater than 90% of the property tax levy extended by the dissolved township or road districts for the duties taken on by McHenry County. This

property tax levy may not be extended outside the boundaries of the dissolved township. In all subsequent years, this levy shall be bound by the provisions of the Property Tax Extension Limitation Law.

A tax levy extended under this paragraph may be used for the purposes allowed by the statute authorizing the tax levy or to pay liabilities of the dissolved township or dissolved road districts that were transferred to the county under paragraph (1). The taxpayers within the boundaries of the dissolved township are responsible to pay any liabilities transferred to the county: the county shall reduce spending within the boundaries of the former township in the amount necessary to pay off any liabilities transferred to the county under paragraph (1) that are not covered by the assets enumerated in paragraph (1) or taxes under this paragraph.

(5) All road districts wholly within the boundaries of the dissolving township are dissolved on the date of dissolution of the dissolving township, and all powers and responsibilities of each road district are transferred to McHenry County except as provided in paragraph (6).

(6) The county board of McHenry County shall give written notice to each municipality whose governing board meets within the boundaries of a dissolving township that the municipality may make an offer, on or before 60 days after the date of dissolution of the dissolving township,

that the municipality will assume all of the powers and responsibilities of a road district or road districts wholly inside the dissolving township. The notice shall be sent to each municipality on or before 30 days after the date of dissolution of the township. Any eligible municipality may, with consent of its governing board, make an offer to assume all of the powers and responsibilities of the dissolving township's road district or road districts. A municipality may offer to assume the powers and responsibilities only for a limited period of time. If one or more offers are received by McHenry County on or before 60 days after the date of dissolution of the dissolving township, the county board of McHenry County shall select the best offer or offers that the board determines would be in the best interest and welfare of the affected resident population. If no municipality makes an offer or if no satisfactory offer is made, the powers and duties of the dissolving township's road district or road districts are retained by McHenry County. The municipality that assumes the powers and duties of the dissolving township's road district or road districts shall not extend a road district property tax levy under Division 5 of Article 6 of the Illinois Highway Code that is greater than 90% of the road district property tax levy that was extended by the county on behalf of the dissolving township's road district or road districts for the duties

taken on by the municipality.

(7) On the date of dissolution of the township or road district, elected and appointed township officers and road commissioners shall cease to hold office. An elected or appointed township official or township road commissioner shall not be compensated for any other duties performed after the dissolution of the township or road district that they represented. An elected township official or township road commissioner shall not have legal recourse relating to the ceasing of their elected or appointed positions upon the ceasing of their position.

Section 25. The Illinois Highway Code is amended by adding Section 6-140 as follows:

(605 ILCS 5/6-140 new)

Sec. 6-140. Abolishing a road district within Lake County or McHenry County with less than 15 miles of roads. Any township in Lake County or McHenry County shall abolish a road district of that township if the roads of the road district are less than 15 centerline miles in length, as determined by the county engineer or county superintendent of highways. A road district is abolished on the expiration of the term of office of the highway commissioner of the road district facing abolition following the determination by the county engineer or county superintendent of highways of the length, in centerline

mileage, of the roads within the road district to be abolished.

On the date of abolition: all the rights, powers, duties, assets, property, liabilities, obligations, and responsibilities of the road district shall by operation of law vest in and be assumed by the township; the township board of trustees shall assume all taxing authority of a road district abolished under this Section and shall exercise all duties and responsibilities of the highway commissioner as provided in this Code; and for purposes of distribution of revenue, the township shall assume the powers, duties, and obligations of the road district. The township board of trustees may enter into a contract with the county, a municipality, or a private contractor to administer the roads added to its jurisdiction under this Section.

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