



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB2305

Introduced 11/12/2019, by Sen. Napoleon Harris, III

#### SYNOPSIS AS INTRODUCED:

35 ILCS 505/8

from Ch. 120, par. 424

Amends the Motor Fuel Tax Law. Provides that the Department of Central Management Services shall establish a model business enterprise program for the procurement of contracts by municipalities, counties, and road districts. Provides that, if a municipality, county, or road district received a motor fuel tax distribution totaling more than \$1,000,000 in the previous fiscal year, then, in order to receive a distribution for the current fiscal year, that municipality, county, or road district must certify to the Department of Transportation that it has established a minority-owned, women-owned, and veteran-owned business enterprise program that meets or exceeds the requirements of the model program established by the Department of Central Management Services. Effective immediately.

LRB101 15171 HLH 64325 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 5. The Motor Fuel Tax Law is amended by changing  
5 Section 8 as follows:

6 (35 ILCS 505/8) (from Ch. 120, par. 424)

7 Sec. 8. Except as provided in subsection (a-1) of this  
8 Section, Section 8a, subdivision (h) (1) of Section 12a, Section  
9 13a.6, and items 13, 14, 15, and 16 of Section 15, all money  
10 received by the Department under this Act, including payments  
11 made to the Department by member jurisdictions participating in  
12 the International Fuel Tax Agreement, shall be deposited in a  
13 special fund in the State treasury, to be known as the "Motor  
14 Fuel Tax Fund", and shall be used as follows:

15 (a) 2 1/2 cents per gallon of the tax collected on special  
16 fuel under paragraph (b) of Section 2 and Section 13a of this  
17 Act shall be transferred to the State Construction Account Fund  
18 in the State Treasury; the remainder of the tax collected on  
19 special fuel under paragraph (b) of Section 2 and Section 13a  
20 of this Act shall be deposited into the Road Fund;

21 (a-1) Beginning on July 1, 2019, an amount equal to the  
22 amount of tax collected under subsection (a) of Section 2 as a  
23 result of the increase in the tax rate under Public Act 101-32

1 ~~this amendatory Act of the 101st General Assembly~~ shall be  
2 transferred each month into the Transportation Renewal Fund;:-

3 (b) \$420,000 shall be transferred each month to the State  
4 Boating Act Fund to be used by the Department of Natural  
5 Resources for the purposes specified in Article X of the Boat  
6 Registration and Safety Act;

7 (c) \$3,500,000 shall be transferred each month to the Grade  
8 Crossing Protection Fund to be used as follows: not less than  
9 \$12,000,000 each fiscal year shall be used for the construction  
10 or reconstruction of rail highway grade separation structures;  
11 \$2,250,000 in fiscal years 2004 through 2009 and \$3,000,000 in  
12 fiscal year 2010 and each fiscal year thereafter shall be  
13 transferred to the Transportation Regulatory Fund and shall be  
14 accounted for as part of the rail carrier portion of such funds  
15 and shall be used to pay the cost of administration of the  
16 Illinois Commerce Commission's railroad safety program in  
17 connection with its duties under subsection (3) of Section  
18 18c-7401 of the Illinois Vehicle Code, with the remainder to be  
19 used by the Department of Transportation upon order of the  
20 Illinois Commerce Commission, to pay that part of the cost  
21 apportioned by such Commission to the State to cover the  
22 interest of the public in the use of highways, roads, streets,  
23 or pedestrian walkways in the county highway system, township  
24 and district road system, or municipal street system as defined  
25 in the Illinois Highway Code, as the same may from time to time  
26 be amended, for separation of grades, for installation,

1 construction or reconstruction of crossing protection or  
2 reconstruction, alteration, relocation including construction  
3 or improvement of any existing highway necessary for access to  
4 property or improvement of any grade crossing and grade  
5 crossing surface including the necessary highway approaches  
6 thereto of any railroad across the highway or public road, or  
7 for the installation, construction, reconstruction, or  
8 maintenance of a pedestrian walkway over or under a railroad  
9 right-of-way, as provided for in and in accordance with Section  
10 18c-7401 of the Illinois Vehicle Code. The Commission may order  
11 up to \$2,000,000 per year in Grade Crossing Protection Fund  
12 moneys for the improvement of grade crossing surfaces and up to  
13 \$300,000 per year for the maintenance and renewal of 4-quadrant  
14 gate vehicle detection systems located at non-high speed rail  
15 grade crossings. The Commission shall not order more than  
16 \$2,000,000 per year in Grade Crossing Protection Fund moneys  
17 for pedestrian walkways. In entering orders for projects for  
18 which payments from the Grade Crossing Protection Fund will be  
19 made, the Commission shall account for expenditures authorized  
20 by the orders on a cash rather than an accrual basis. For  
21 purposes of this requirement an "accrual basis" assumes that  
22 the total cost of the project is expended in the fiscal year in  
23 which the order is entered, while a "cash basis" allocates the  
24 cost of the project among fiscal years as expenditures are  
25 actually made. To meet the requirements of this subsection, the  
26 Illinois Commerce Commission shall develop annual and 5-year

1 project plans of rail crossing capital improvements that will  
2 be paid for with moneys from the Grade Crossing Protection  
3 Fund. The annual project plan shall identify projects for the  
4 succeeding fiscal year and the 5-year project plan shall  
5 identify projects for the 5 directly succeeding fiscal years.  
6 The Commission shall submit the annual and 5-year project plans  
7 for this Fund to the Governor, the President of the Senate, the  
8 Senate Minority Leader, the Speaker of the House of  
9 Representatives, and the Minority Leader of the House of  
10 Representatives on the first Wednesday in April of each year;

11 (d) of the amount remaining after allocations provided for  
12 in subsections (a), (a-1), (b)1 and (c), a sufficient amount  
13 shall be reserved to pay all of the following:

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

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

20 (3) refunds provided for in Section 13, refunds for  
21 overpayment of decal fees paid under Section 13a.4 of this  
22 Act, and refunds provided for under the terms of the  
23 International Fuel Tax Agreement referenced in Section  
24 14a;

25 (4) from October 1, 1985 until June 30, 1994, the  
26 administration of the Vehicle Emissions Inspection Law,

1           which amount shall be certified monthly by the  
2           Environmental Protection Agency to the State Comptroller  
3           and shall promptly be transferred by the State Comptroller  
4           and Treasurer from the Motor Fuel Tax Fund to the Vehicle  
5           Inspection Fund, and for the period July 1, 1994 through  
6           June 30, 2000, one-twelfth of \$25,000,000 each month, for  
7           the period July 1, 2000 through June 30, 2003, one-twelfth  
8           of \$30,000,000 each month, and \$15,000,000 on July 1, 2003,  
9           and \$15,000,000 on January 1, 2004, and \$15,000,000 on each  
10          July 1 and October 1, or as soon thereafter as may be  
11          practical, during the period July 1, 2004 through June 30,  
12          2012, and \$30,000,000 on June 1, 2013, or as soon  
13          thereafter as may be practical, and \$15,000,000 on July 1  
14          and October 1, or as soon thereafter as may be practical,  
15          during the period of July 1, 2013 through June 30, 2015,  
16          for the administration of the Vehicle Emissions Inspection  
17          Law of 2005, to be transferred by the State Comptroller and  
18          Treasurer from the Motor Fuel Tax Fund into the Vehicle  
19          Inspection Fund;

20                 (4.5) beginning on July 1, 2019, the costs of the  
21                 Environmental Protection Agency for the administration of  
22                 the Vehicle Emissions Inspection Law of 2005 shall be paid,  
23                 subject to appropriation, from the Motor Fuel Tax Fund into  
24                 the Vehicle Inspection Fund; beginning in 2019, no later  
25                 than December 31 of each year, or as soon thereafter as  
26                 practical, the State Comptroller shall direct and the State

1           Treasurer shall transfer from the Vehicle Inspection Fund  
2           to the Motor Fuel Tax Fund any balance remaining in the  
3           Vehicle Inspection Fund in excess of \$2,000,000;

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

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

12          (e) after allocations for the purposes set forth in  
13          subsections (a), (a-1), (b), (c), and (d), the remaining amount  
14          shall be apportioned as follows:

15                (1) Until January 1, 2000, 58.4%, and beginning January  
16                1, 2000, 45.6% shall be deposited as follows:

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

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

24                (2) Until January 1, 2000, 41.6%, and beginning January  
25                1, 2000, 54.4% shall be transferred to the Department of  
26                Transportation to be distributed as follows:

- 1 (A) 49.10% to the municipalities of the State,  
2 (B) 16.74% to the counties of the State having  
3 1,000,000 or more inhabitants,  
4 (C) 18.27% to the counties of the State having less  
5 than 1,000,000 inhabitants,  
6 (D) 15.89% to the road districts of the State.

7 If a township is dissolved under Article 24 of the  
8 Township Code, McHenry County shall receive any moneys that  
9 would have been distributed to the township under this  
10 subparagraph, except that a municipality that assumes the  
11 powers and responsibilities of a road district under  
12 paragraph (6) of Section 24-35 of the Township Code shall  
13 receive any moneys that would have been distributed to the  
14 township in a percent equal to the area of the dissolved  
15 road district or portion of the dissolved road district  
16 over which the municipality assumed the powers and  
17 responsibilities compared to the total area of the  
18 dissolved township. The moneys received under this  
19 subparagraph shall be used in the geographic area of the  
20 dissolved township. If a township is reconstituted as  
21 provided under Section 24-45 of the Township Code, McHenry  
22 County or a municipality shall no longer be distributed  
23 moneys under this subparagraph.

24 As soon as may be after the first day of each month, the  
25 Department of Transportation shall allot to each municipality  
26 its share of the amount apportioned to the several



1 municipalities which shall be in proportion to the population  
2 of such municipalities as determined by the last preceding  
3 municipal census if conducted by the Federal Government or  
4 Federal census. If territory is annexed to any municipality  
5 subsequent to the time of the last preceding census the  
6 corporate authorities of such municipality may cause a census  
7 to be taken of such annexed territory and the population so  
8 ascertained for such territory shall be added to the population  
9 of the municipality as determined by the last preceding census  
10 for the purpose of determining the allotment for that  
11 municipality. If the population of any municipality was not  
12 determined by the last Federal census preceding any  
13 apportionment, the apportionment to such municipality shall be  
14 in accordance with any census taken by such municipality. Any  
15 municipal census used in accordance with this Section shall be  
16 certified to the Department of Transportation by the clerk of  
17 such municipality, and the accuracy thereof shall be subject to  
18 approval of the Department which may make such corrections as  
19 it ascertains to be necessary.

20 As soon as may be after the first day of each month, the  
21 Department of Transportation shall allot to each county its  
22 share of the amount apportioned to the several counties of the  
23 State as herein provided. Each allotment to the several  
24 counties having less than 1,000,000 inhabitants shall be in  
25 proportion to the amount of motor vehicle license fees received  
26 from the residents of such counties, respectively, during the

1 preceding calendar year. The Secretary of State shall, on or  
2 before April 15 of each year, transmit to the Department of  
3 Transportation a full and complete report showing the amount of  
4 motor vehicle license fees received from the residents of each  
5 county, respectively, during the preceding calendar year. The  
6 Department of Transportation shall, each month, use for  
7 allotment purposes the last such report received from the  
8 Secretary of State.

9 As soon as may be after the first day of each month, the  
10 Department of Transportation shall allot to the several  
11 counties their share of the amount apportioned for the use of  
12 road districts. The allotment shall be apportioned among the  
13 several counties in the State in the proportion which the total  
14 mileage of township or district roads in the respective  
15 counties bears to the total mileage of all township and  
16 district roads in the State. Funds allotted to the respective  
17 counties for the use of road districts therein shall be  
18 allocated to the several road districts in the county in the  
19 proportion which the total mileage of such township or district  
20 roads in the respective road districts bears to the total  
21 mileage of all such township or district roads in the county.  
22 After July 1 of any year prior to 2011, no allocation shall be  
23 made for any road district unless it levied a tax for road and  
24 bridge purposes in an amount which will require the extension  
25 of such tax against the taxable property in any such road  
26 district at a rate of not less than either .08% of the value

1       thereof, based upon the assessment for the year immediately  
2       prior to the year in which such tax was levied and as equalized  
3       by the Department of Revenue or, in DuPage County, an amount  
4       equal to or greater than \$12,000 per mile of road under the  
5       jurisdiction of the road district, whichever is less. Beginning  
6       July 1, 2011 and each July 1 thereafter, an allocation shall be  
7       made for any road district if it levied a tax for road and  
8       bridge purposes. In counties other than DuPage County, if the  
9       amount of the tax levy requires the extension of the tax  
10      against the taxable property in the road district at a rate  
11      that is less than 0.08% of the value thereof, based upon the  
12      assessment for the year immediately prior to the year in which  
13      the tax was levied and as equalized by the Department of  
14      Revenue, then the amount of the allocation for that road  
15      district shall be a percentage of the maximum allocation equal  
16      to the percentage obtained by dividing the rate extended by the  
17      district by 0.08%. In DuPage County, if the amount of the tax  
18      levy requires the extension of the tax against the taxable  
19      property in the road district at a rate that is less than the  
20      lesser of (i) 0.08% of the value of the taxable property in the  
21      road district, based upon the assessment for the year  
22      immediately prior to the year in which such tax was levied and  
23      as equalized by the Department of Revenue, or (ii) a rate that  
24      will yield an amount equal to \$12,000 per mile of road under  
25      the jurisdiction of the road district, then the amount of the  
26      allocation for the road district shall be a percentage of the

1 maximum allocation equal to the percentage obtained by dividing  
2 the rate extended by the district by the lesser of (i) 0.08% or  
3 (ii) the rate that will yield an amount equal to \$12,000 per  
4 mile of road under the jurisdiction of the road district.

5 The Department of Central Management Services shall  
6 establish a model business enterprise program for the  
7 procurement of contracts by municipalities, counties, and road  
8 districts. The program shall take into account the size,  
9 geographic location, and general procurement needs of the  
10 various municipalities, counties, and road districts of the  
11 State. Notwithstanding any other provision of law, for each  
12 fiscal year beginning on or after July 1, 2021, if a  
13 municipality, county, or road district received a distribution  
14 under this Section totaling more than \$1,000,000 in the  
15 previous fiscal year, then, in order to receive a distribution  
16 for the current fiscal year, that municipality, county, or road  
17 district must certify to the Department of Transportation that  
18 it has established a minority-owned, women-owned, and  
19 veteran-owned business enterprise program that meets or  
20 exceeds the requirements of the model program established by  
21 the Department of Central Management Services under this  
22 Section. The municipality, county, or road district shall  
23 accept vendor certification from the State of Illinois, the  
24 County of Cook, and the City of Chicago for minority-owned,  
25 women-owned or veteran-owned businesses. The Department of  
26 Transportation shall prepare a list of all affected

1 municipalities, counties, and road districts that received a  
2 distribution of more than \$1,000,000 in the last fiscal year  
3 and shall publish the list on its website. The Department of  
4 Central Management Services shall prepare and conduct all  
5 necessary studies, including an availability analysis and a  
6 disparity study for all affected municipalities, counties, and  
7 road districts, and shall use all existing studies as much as  
8 possible. The Department of Central Management Services shall  
9 maximize economies of scale in these studies where local  
10 governments draw from the same pool of vendors. If the study  
11 does not support the establishment of a business enterprise  
12 program for any local municipality, county, or road district,  
13 the requirements of this Section shall not apply to that local  
14 municipality, county, or road district. The Department of  
15 Transportation and the Illinois Toll Highway Authority shall  
16 provide all data on their studies related to their business  
17 enterprise programs to the Department of Central Management  
18 Services to assist the Department of Central Management  
19 Services in the completion of the study.

20 Prior to 2011, if any road district has levied a special  
21 tax for road purposes pursuant to Sections 6-601, 6-602, and  
22 6-603 of the Illinois Highway Code, and such tax was levied in  
23 an amount which would require extension at a rate of not less  
24 than .08% of the value of the taxable property thereof, as  
25 equalized or assessed by the Department of Revenue, or, in  
26 DuPage County, an amount equal to or greater than \$12,000 per

1 mile of road under the jurisdiction of the road district,  
2 whichever is less, such levy shall, however, be deemed a proper  
3 compliance with this Section and shall qualify such road  
4 district for an allotment under this Section. Beginning in 2011  
5 and thereafter, if any road district has levied a special tax  
6 for road purposes under Sections 6-601, 6-602, and 6-603 of the  
7 Illinois Highway Code, and the tax was levied in an amount that  
8 would require extension at a rate of not less than 0.08% of the  
9 value of the taxable property of that road district, as  
10 equalized or assessed by the Department of Revenue or, in  
11 DuPage County, an amount equal to or greater than \$12,000 per  
12 mile of road under the jurisdiction of the road district,  
13 whichever is less, that levy shall be deemed a proper  
14 compliance with this Section and shall qualify such road  
15 district for a full, rather than proportionate, allotment under  
16 this Section. If the levy for the special tax is less than  
17 0.08% of the value of the taxable property, or, in DuPage  
18 County if the levy for the special tax is less than the lesser  
19 of (i) 0.08% or (ii) \$12,000 per mile of road under the  
20 jurisdiction of the road district, and if the levy for the  
21 special tax is more than any other levy for road and bridge  
22 purposes, then the levy for the special tax qualifies the road  
23 district for a proportionate, rather than full, allotment under  
24 this Section. If the levy for the special tax is equal to or  
25 less than any other levy for road and bridge purposes, then any  
26 allotment under this Section shall be determined by the other

1 levy for road and bridge purposes.

2 Prior to 2011, if a township has transferred to the road  
3 and bridge fund money which, when added to the amount of any  
4 tax levy of the road district would be the equivalent of a tax  
5 levy requiring extension at a rate of at least .08%, or, in  
6 DuPage County, an amount equal to or greater than \$12,000 per  
7 mile of road under the jurisdiction of the road district,  
8 whichever is less, such transfer, together with any such tax  
9 levy, shall be deemed a proper compliance with this Section and  
10 shall qualify the road district for an allotment under this  
11 Section.

12 In counties in which a property tax extension limitation is  
13 imposed under the Property Tax Extension Limitation Law, road  
14 districts may retain their entitlement to a motor fuel tax  
15 allotment or, beginning in 2011, their entitlement to a full  
16 allotment if, at the time the property tax extension limitation  
17 was imposed, the road district was levying a road and bridge  
18 tax at a rate sufficient to entitle it to a motor fuel tax  
19 allotment and continues to levy the maximum allowable amount  
20 after the imposition of the property tax extension limitation.  
21 Any road district may in all circumstances retain its  
22 entitlement to a motor fuel tax allotment or, beginning in  
23 2011, its entitlement to a full allotment if it levied a road  
24 and bridge tax in an amount that will require the extension of  
25 the tax against the taxable property in the road district at a  
26 rate of not less than 0.08% of the assessed value of the

1 property, based upon the assessment for the year immediately  
2 preceding the year in which the tax was levied and as equalized  
3 by the Department of Revenue or, in DuPage County, an amount  
4 equal to or greater than \$12,000 per mile of road under the  
5 jurisdiction of the road district, whichever is less.

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

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

23 (Source: P.A. 101-32, eff. 6-28-19; 101-230, eff. 8-9-19;  
24 101-493, eff. 8-23-19; revised 9-24-19.)

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