



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2414

Introduced 2/26/2021, 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.

LRB102 12596 HLH 17934 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,
9 Section 13a.6, and items 13, 14, 15, and 16 of Section 15, all
10 money received by the Department under this Act, including
11 payments made to the Department by member jurisdictions
12 participating in the International Fuel Tax Agreement, shall
13 be deposited in a special fund in the State treasury, to be
14 known as the "Motor Fuel Tax Fund", and shall be used as
15 follows:

16 (a) 2 1/2 cents per gallon of the tax collected on special
17 fuel under paragraph (b) of Section 2 and Section 13a of this
18 Act shall be transferred to the State Construction Account
19 Fund in the State Treasury; the remainder of the tax collected
20 on special fuel under paragraph (b) of Section 2 and Section
21 13a of this Act shall be deposited into the Road Fund;

22 (a-1) Beginning on July 1, 2019, an amount equal to the
23 amount of tax collected under subsection (a) of Section 2 as a

1 result of the increase in the tax rate under Public Act 101-32
2 ~~this amendatory Act of the 101st General Assembly~~ shall be
3 transferred each month into the Transportation Renewal Fund;~~;~~

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

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

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

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

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

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

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

24 (3) refunds provided for in Section 13, refunds for
25 overpayment of decal fees paid under Section 13a.4 of this
26 Act, and refunds provided for under the terms of the

1 International Fuel Tax Agreement referenced in Section
2 14a;

3 (4) from October 1, 1985 until June 30, 1994, the
4 administration of the Vehicle Emissions Inspection Law,
5 which amount shall be certified monthly by the
6 Environmental Protection Agency to the State Comptroller
7 and shall promptly be transferred by the State Comptroller
8 and Treasurer from the Motor Fuel Tax Fund to the Vehicle
9 Inspection Fund, and for the period July 1, 1994 through
10 June 30, 2000, one-twelfth of \$25,000,000 each month, for
11 the period July 1, 2000 through June 30, 2003, one-twelfth
12 of \$30,000,000 each month, and \$15,000,000 on July 1,
13 2003, and \$15,000,000 on January 1, 2004, and \$15,000,000
14 on each July 1 and October 1, or as soon thereafter as may
15 be practical, during the period July 1, 2004 through June
16 30, 2012, and \$30,000,000 on June 1, 2013, or as soon
17 thereafter as may be practical, and \$15,000,000 on July 1
18 and October 1, or as soon thereafter as may be practical,
19 during the period of July 1, 2013 through June 30, 2015,
20 for the administration of the Vehicle Emissions Inspection
21 Law of 2005, to be transferred by the State Comptroller
22 and Treasurer from the Motor Fuel Tax Fund into the
23 Vehicle Inspection Fund;

24 (4.5) beginning on July 1, 2019, the costs of the
25 Environmental Protection Agency for the administration of
26 the Vehicle Emissions Inspection Law of 2005 shall be

1 paid, subject to appropriation, from the Motor Fuel Tax
2 Fund into the Vehicle Inspection Fund; beginning in 2019,
3 no later than December 31 of each year, or as soon
4 thereafter as practical, the State Comptroller shall
5 direct and the State Treasurer shall transfer from the
6 Vehicle Inspection Fund to the Motor Fuel Tax Fund any
7 balance remaining in the Vehicle Inspection Fund in excess
8 of \$2,000,000;

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

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

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

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

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

24 (B) 63% into the Road Fund, \$1,250,000 of which
25 shall be reserved each month for the Department of
26 Transportation to be used in accordance with the

1 provisions of Sections 6-901 through 6-906 of the
2 Illinois Highway Code;

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

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

7 (B) 16.74% to the counties of the State having
8 1,000,000 or more inhabitants,

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

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

12 If a township is dissolved under Article 24 of the
13 Township Code, McHenry County shall receive any moneys
14 that would have been distributed to the township under
15 this subparagraph, except that a municipality that assumes
16 the powers and responsibilities of a road district under
17 paragraph (6) of Section 24-35 of the Township Code shall
18 receive any moneys that would have been distributed to the
19 township in a percent equal to the area of the dissolved
20 road district or portion of the dissolved road district
21 over which the municipality assumed the powers and
22 responsibilities compared to the total area of the
23 dissolved township. The moneys received under this
24 subparagraph shall be used in the geographic area of the
25 dissolved township. If a township is reconstituted as
26 provided under Section 24-45 of the Township Code, McHenry

1 County or a municipality shall no longer be distributed
2 moneys under this subparagraph.

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

25 As soon as may be after the first day of each month, the
26 Department of Transportation shall allot to each county its

1 share of the amount apportioned to the several counties of the
2 State as herein provided. Each allotment to the several
3 counties having less than 1,000,000 inhabitants shall be in
4 proportion to the amount of motor vehicle license fees
5 received from the residents of such counties, respectively,
6 during the preceding calendar year. The Secretary of State
7 shall, on or before April 15 of each year, transmit to the
8 Department of Transportation a full and complete report
9 showing the amount of motor vehicle license fees received from
10 the residents of each county, respectively, during the
11 preceding calendar year. The Department of Transportation
12 shall, each month, use for allotment purposes the last such
13 report received from the Secretary of State.

14 As soon as may be after the first day of each month, the
15 Department of Transportation shall allot to the several
16 counties their share of the amount apportioned for the use of
17 road districts. The allotment shall be apportioned among the
18 several counties in the State in the proportion which the
19 total mileage of township or district roads in the respective
20 counties bears to the total mileage of all township and
21 district roads in the State. Funds allotted to the respective
22 counties for the use of road districts therein shall be
23 allocated to the several road districts in the county in the
24 proportion which the total mileage of such township or
25 district roads in the respective road districts bears to the
26 total mileage of all such township or district roads in the

1 county. After July 1 of any year prior to 2011, no allocation
2 shall be made for any road district unless it levied a tax for
3 road and bridge purposes in an amount which will require the
4 extension of such tax against the taxable property in any such
5 road district at a rate of not less than either .08% of the
6 value thereof, based upon the assessment for the year
7 immediately prior to the year in which such tax was levied and
8 as equalized by the Department of Revenue or, in DuPage
9 County, an amount equal to or greater than \$12,000 per mile of
10 road under the jurisdiction of the road district, whichever is
11 less. Beginning July 1, 2011 and each July 1 thereafter, an
12 allocation shall be made for any road district if it levied a
13 tax for road and bridge purposes. In counties other than
14 DuPage County, if the amount of the tax levy requires the
15 extension of the tax against the taxable property in the road
16 district at a rate that is less than 0.08% of the value
17 thereof, based upon the assessment for the year immediately
18 prior to the year in which the tax was levied and as equalized
19 by the Department of Revenue, then the amount of the
20 allocation for that road district shall be a percentage of the
21 maximum allocation equal to the percentage obtained by
22 dividing the rate extended by the district by 0.08%. In DuPage
23 County, if the amount of the tax levy requires the extension of
24 the tax against the taxable property in the road district at a
25 rate that is less than the lesser of (i) 0.08% of the value of
26 the taxable property in the road district, based upon the

1 assessment for the year immediately prior to the year in which
2 such tax was levied and as equalized by the Department of
3 Revenue, or (ii) a rate that will yield an amount equal to
4 \$12,000 per mile of road under the jurisdiction of the road
5 district, then the amount of the allocation for the road
6 district shall be a percentage of the maximum allocation equal
7 to the percentage obtained by dividing the rate extended by
8 the district by the lesser of (i) 0.08% or (ii) the rate that
9 will yield an amount equal to \$12,000 per mile of road under
10 the jurisdiction of the road district.

11 The Department of Central Management Services shall
12 establish a model business enterprise program for the
13 procurement of contracts by municipalities, counties, and road
14 districts. The program shall take into account the size,
15 geographic location, and general procurement needs of the
16 various municipalities, counties, and road districts of the
17 State. Notwithstanding any other provision of law, for each
18 fiscal year beginning on or after July 1, 2022, if a
19 municipality, county, or road district received a distribution
20 under this Section totaling more than \$1,000,000 in the
21 previous fiscal year, then, in order to receive a distribution
22 for the current fiscal year, that municipality, county, or
23 road district must certify to the Department of Transportation
24 that it has established a minority-owned, women-owned, and
25 veteran-owned business enterprise program that meets or
26 exceeds the requirements of the model program established by

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

26 Prior to 2011, if any road district has levied a special

1 tax for road purposes pursuant to Sections 6-601, 6-602, and
2 6-603 of the Illinois Highway Code, and such tax was levied in
3 an amount which would require extension at a rate of not less
4 than .08% of the value of the taxable property thereof, as
5 equalized or assessed by the Department of Revenue, 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 levy shall, however, be deemed a
9 proper compliance with this Section and shall qualify such
10 road district for an allotment under this Section. Beginning
11 in 2011 and thereafter, if any road district has levied a
12 special tax for road purposes under Sections 6-601, 6-602, and
13 6-603 of the Illinois Highway Code, and the tax was levied in
14 an amount that would require extension at a rate of not less
15 than 0.08% of the value of the taxable property of that road
16 district, as equalized or assessed by the Department of
17 Revenue or, in DuPage County, an amount equal to or greater
18 than \$12,000 per mile of road under the jurisdiction of the
19 road district, whichever is less, that levy shall be deemed a
20 proper compliance with this Section and shall qualify such
21 road district for a full, rather than proportionate, allotment
22 under this Section. If the levy for the special tax is less
23 than 0.08% of the value of the taxable property, or, in DuPage
24 County if the levy for the special tax is less than the lesser
25 of (i) 0.08% or (ii) \$12,000 per mile of road under the
26 jurisdiction of the road district, and if the levy for the

1 special tax is more than any other levy for road and bridge
2 purposes, then the levy for the special tax qualifies the road
3 district for a proportionate, rather than full, allotment
4 under this Section. If the levy for the special tax is equal to
5 or less than any other levy for road and bridge purposes, then
6 any allotment under this Section shall be determined by the
7 other levy for road and bridge purposes.

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

18 In counties in which a property tax extension limitation
19 is imposed under the Property Tax Extension Limitation Law,
20 road districts may retain their entitlement to a motor fuel
21 tax allotment or, beginning in 2011, their entitlement to a
22 full allotment if, at the time the property tax extension
23 limitation was imposed, the road district was levying a road
24 and bridge tax at a rate sufficient to entitle it to a motor
25 fuel tax allotment and continues to levy the maximum allowable
26 amount after the imposition of the property tax extension

1 limitation. Any road district may in all circumstances retain
2 its entitlement to a motor fuel tax allotment or, beginning in
3 2011, its entitlement to a full allotment if it levied a road
4 and bridge tax in an amount that will require the extension of
5 the tax against the taxable property in the road district at a
6 rate of not less than 0.08% of the assessed value of the
7 property, based upon the assessment for the year immediately
8 preceding the year in which the tax was levied and as equalized
9 by the Department of Revenue or, in DuPage County, an amount
10 equal to or greater than \$12,000 per mile of road under the
11 jurisdiction of the road district, whichever is less.

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

24 Payment of motor fuel tax moneys to municipalities and
25 counties shall be made as soon as possible after the allotment
26 is made. The treasurer of the municipality or county may

1 invest these funds until their use is required and the
2 interest earned by these investments shall be limited to the
3 same uses as the principal funds.

4 (Source: P.A. 101-32, eff. 6-28-19; 101-230, eff. 8-9-19;
5 101-493, eff. 8-23-19; revised 9-24-19.)

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