

1 AMENDMENT TO HOUSE BILL 46

2 AMENDMENT NO. _____. Amend House Bill 46, AS AMENDED, by
3 replacing the title with the following:

4 "AN ACT concerning renewable fuels."; and

5 by replacing everything after the enacting clause with the
6 following:

7 "Section 1. Short title. This Act may be cited as the
8 Illinois Renewable Fuels Development Program Act.

9 Section 5. Findings and State policy. The General
10 Assembly recognizes that agriculture is a vital sector of the
11 Illinois economy and that an important growth industry for
12 the Illinois agricultural sector is renewable fuels
13 production. Renewable fuels produced from Illinois
14 agricultural products hold great potential for growing the
15 State's economy, reducing our dependence on foreign oil
16 supplies, and improving the environment by reducing harmful
17 emissions from vehicles. Illinois is the nation's leading
18 producer of ethanol, a clean, renewable fuel with significant
19 environmental benefits. The General Assembly finds that
20 reliable supplies of renewable fuels will be integral to the
21 long term energy security of the United States. The General

1 Assembly declares that it is the public policy of the State
2 of Illinois to promote and encourage the production and use
3 of renewable fuels as a means not only to improve air quality
4 in the State and the nation, but also to grow the
5 agricultural sector of the Illinois economy. To achieve these
6 public policy objectives, the General Assembly hereby
7 authorizes the creation and implementation of the Illinois
8 Renewable Fuels Development Program within the Department.

9 Section 10. Definitions. As used in this Act:

10 "Biodiesel" means a renewable diesel fuel derived from
11 biomass that is intended for use in diesel engines.

12 "Biodiesel blend" means a blend of biodiesel with
13 petroleum-based diesel fuel in which the resultant product
14 contains no less than 1% and no more than 99% biodiesel.

15 "Biomass" means non-fossil organic materials that have an
16 intrinsic chemical energy content. "Biomass" includes, but is
17 not limited to, soybean oil, other vegetable oils, and
18 ethanol.

19 "Department" means the Department of Commerce and
20 Community Affairs.

21 "Diesel fuel" means any product intended for use or
22 offered for sale as a fuel for engines in which the fuel is
23 injected into the combustion chamber and ignited by pressure
24 without electric spark.

25 "Director" means the Director of Commerce and Community
26 Affairs.

27 "Ethanol" means a product produced from agricultural
28 commodities or by-products used as a fuel or to be blended
29 with other fuels for use in motor vehicles.

30 "Fuel" means fuel as defined in Section 1.19 of the Motor
31 Fuel Tax Law.

32 "Gasohol" means motor fuel that is no more than 90%
33 gasoline and at least 10% denatured ethanol that contains no

1 more than 1.25% water by weight.

2 "Gasoline" means all products commonly or commercially
3 known or sold as gasoline (including casing head and
4 absorption or natural gasoline).

5 "Illinois agricultural product" means any agricultural
6 commodity grown in Illinois that is used by a production
7 facility to produce renewable fuel in Illinois, including,
8 but not limited to, corn, barley, and soy beans.

9 "Labor Organization" means any organization:

10 (1) in which construction trades, crafts, or labor
11 employees, or all or any of these participate; and

12 (2) that represents construction trades, crafts, or
13 labor employees, or any or all of these; and

14 (3) that exists for the purpose, in whole or in
15 part, of negotiating with the employers of construction
16 trades, crafts, or labor employees, or any or all of
17 these, terms and conditions of employment, including but
18 not limited to: wages, hours of work, overtime
19 provisions, fringe benefits, and the settlement of
20 grievances; and

21 (4) that participates in apprenticeship and
22 training approved and registered with the United States
23 Department of Labor's Bureau of Apprenticeship and
24 Training, in the State of Illinois.

25 "Majority blended ethanol fuel" means motor fuel that
26 contains no less than 70% and no more than 90% denatured
27 ethanol and no less than 10% and no more than 30% gasoline.

28 "Motor vehicles" means motor vehicles as defined in the
29 Illinois Vehicle Code and watercraft propelled by an internal
30 combustion engine.

31 "Owner" means any individual, sole proprietorship,
32 limited partnership, co-partnership, joint venture,
33 corporation, cooperative, or other legal entity that operates
34 or will operate a plant located within the State of Illinois.

1 "Plant" means a production facility that produces a
2 renewable fuel. "Plant" includes land, any building or other
3 improvement on or to land, and any personal properties deemed
4 necessary or suitable for use, whether or not now in
5 existence, in the processing of fuel from agricultural
6 commodities or by-products.

7 "Renewable fuel" means ethanol, gasohol, majority blended
8 ethanol fuel, biodiesel blend fuel, and biodiesel.

9 Section 15. Illinois Renewable Fuels Development Program.

10 (a) The Department must develop and administer the
11 Illinois Renewable Fuels Development Program to assist in the
12 construction, modification, alteration, or retrofitting of
13 renewable fuel plants in Illinois. The recipient of a grant
14 under this Section must:

15 (1) be constructing, modifying, altering, or
16 retrofitting a plant in the State of Illinois;

17 (2) be constructing, modifying, altering, or
18 retrofitting a plant that has annual production capacity
19 of no less than 30,000,000 gallons of renewable fuel per
20 year; and

21 (3) enter into a project labor agreement as
22 prescribed by Section 25 of this Act.

23 (b) Grant applications must be made on forms provided by
24 and in accordance with procedures established by the
25 Department.

26 (c) The Department must give preference to (i) applicants
27 that use Illinois agricultural products in the production of
28 renewable fuel at the plant for which the grant is being
29 requested and (ii) farmer-owned cooperatives.

30 Section 20. Grants.

31 (a) Subject to appropriation from the General Revenue
32 Fund, the Director is authorized to award grants to eligible

1 applicants. The annual aggregate amount of grants awarded
2 shall not exceed \$15,000,000.

3 (b) Subject to appropriation from the General Revenue
4 Fund, an additional \$1,000,000 in grants shall be awarded
5 annually as an incentive for the production of renewable
6 fuels in Illinois and to conduct research and development
7 activities related to renewable fuels production in Illinois.
8 These incentive grants shall be awarded pursuant to criteria
9 established by the Department by rule.

10 Section 25. Project labor agreements.

11 (a) The project labor agreement must include the
12 following:

13 (1) provisions establishing the minimum hourly wage
14 for each class of labor organization employee;

15 (2) provisions establishing the benefits and other
16 compensation for each class of labor organization
17 employee; and

18 (3) provisions establishing that no strike or
19 disputes will be engaged in by the labor organization
20 employees.

21 The owner of the plant and the labor organizations shall have
22 the authority to include other terms and conditions as they
23 deem necessary.

24 (b) The project labor agreement shall be filed with the
25 Director in accordance with procedures established by the
26 Department. At a minimum, the project labor agreement must
27 provide the names, addresses, and occupations of the owner of
28 the plant and the individuals representing the labor
29 organization employees participating in the project labor
30 agreement. The agreement must also specify the terms and
31 conditions required in subsection (a).

32 Section 30. Administration of the Act; rules. The

1 Department shall administer this Act and shall adopt any
2 rules necessary for that purpose.

3 Section 905. The Prevailing Wage Act is amended by
4 changing Sections 2, 3, and 4 as follows:

5 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)

6 Sec. 2. This Act applies to the wages of laborers,
7 mechanics and other workers employed in any public works, as
8 hereinafter defined, by any public body and to anyone under
9 contracts for public works.

10 As used in this Act, unless the context indicates
11 otherwise:

12 "Public works" means all fixed works constructed for
13 public--use by any public body, other than work done directly
14 by any public utility company, whether or not done under
15 public supervision or direction, or paid for wholly or in
16 part out of public funds. "Public works" as defined herein
17 includes all projects financed in whole or in part with bonds
18 issued under the Industrial Project Revenue Bond Act (Article
19 11, Division 74 of the Illinois Municipal Code), the
20 Industrial Building Revenue Bond Act, the Illinois
21 Development Finance Authority Act, the Illinois Sports
22 Facilities Authority Act, or the Build Illinois Bond Act, and
23 all projects financed in whole or in part with loans or other
24 funds made available pursuant to the Build Illinois Act.
25 "Public works" also includes all projects financed in whole
26 or in part with funds from the Department of Commerce and
27 Community Affairs under the Illinois Renewable Fuels
28 Development Program Act for which there is no project labor
29 agreement.

30 "Construction" means all work on public works involving
31 laborers, workers or mechanics.

32 "Locality" means the county where the physical work upon

1 public works is performed, except (1) that if there is not
2 available in the county a sufficient number of competent
3 skilled laborers, workers and mechanics to construct the
4 public works efficiently and properly, "locality" includes
5 any other county nearest the one in which the work or
6 construction is to be performed and from which such persons
7 may be obtained in sufficient numbers to perform the work and
8 (2) that, with respect to contracts for highway work with the
9 Department of Transportation of this State, "locality" may at
10 the discretion of the Secretary of the Department of
11 Transportation be construed to include two or more adjacent
12 counties from which workers may be accessible for work on
13 such construction.

14 "Public body" means the State or any officer, board or
15 commission of the State or any political subdivision or
16 department thereof, or any institution supported in whole or
17 in part by public funds, ~~authorized--by-law-to-construct~~
18 ~~public--works--or--to--enter--into--any--contract---for---the~~
19 ~~construction--of--public--works,~~ and includes every county,
20 city, town, village, township, school district, irrigation,
21 utility, reclamation improvement or other district and every
22 other political subdivision, district or municipality of the
23 state whether such political subdivision, municipality or
24 district operates under a special charter or not.

25 The terms "general prevailing rate of hourly wages",
26 "general prevailing rate of wages" or "prevailing rate of
27 wages" when used in this Act mean the hourly cash wages plus
28 fringe benefits for training and apprenticeship programs
29 approved by the U.S. Department of Labor, Bureau of
30 Apprenticeship and Training, health and welfare, insurance,
31 vacations and pensions paid generally, in the locality in
32 which the work is being performed, to employees engaged in
33 work of a similar character on public works.

34 (Source: P.A. 91-105, eff. 1-1-00; 91-935, eff. 6-1-01;

1 92-16, eff. 6-28-01.)

2 (820 ILCS 130/3) (from Ch. 48, par. 39s-3)

3 Sec. 3. Not less than the general prevailing rate of
4 hourly wages for work of a similar character on public works
5 in the locality in which the work is performed, and not less
6 than the general prevailing rate of hourly wages for legal
7 holiday and overtime work, shall be paid to all laborers,
8 workers and mechanics employed by or on behalf of any public
9 body engaged in the construction of public works. Only such
10 laborers, workers and mechanics as are directly employed by
11 contractors or subcontractors in actual construction work on
12 the site of the building or construction job, and laborers,
13 workers and mechanics engaged in the transportation of
14 materials and equipment to or from the site, but not
15 including the transportation by the sellers and suppliers or
16 the manufacture or processing of materials or equipment, in
17 the execution of any contract or contracts for public works
18 with any public body shall be deemed to be employed upon
19 public works. The wage for a tradesman performing maintenance
20 is equivalent to that of a tradesman engaged in construction.
21 (Source: P.A. 83-443.)

22 (820 ILCS 130/4) (from Ch. 48, par. 39s-4)

23 Sec. 4. The public body awarding any contract for public
24 work or otherwise undertaking any public works, shall
25 ascertain the general prevailing rate of hourly wages in the
26 locality in which the work is to be performed, for each craft
27 or type of worker or mechanic needed to execute the contract,
28 and where the public body performs the work without letting a
29 contract therefor, shall ascertain the prevailing rate of
30 wages on a per hour basis in the locality, and such public
31 body shall specify in the resolution or ordinance and in the
32 call for bids for the contract, that the general prevailing

1 rate of wages in the locality for each craft or type of
2 worker or mechanic needed to execute the contract or perform
3 such work, also the general prevailing rate for legal holiday
4 and overtime work, as ascertained by the public body or by
5 the Department of Labor shall be paid for each craft or type
6 of worker needed to execute the contract or to perform such
7 work, and it shall be mandatory upon the contractor to whom
8 the contract is awarded and upon any subcontractor under him,
9 and where the public body performs the work, upon the public
10 body, to pay not less than the specified rates to all
11 laborers, workers and mechanics employed by them in the
12 execution of the contract or such work; provided, however,
13 that if the public body desires that the Department of Labor
14 ascertain the prevailing rate of wages, it shall notify the
15 Department of Labor to ascertain the general prevailing rate
16 of hourly wages for work under contract, or for work
17 performed by a public body without letting a contract as
18 required in the locality in which the work is to be
19 performed, for each craft or type of worker or mechanic
20 needed to execute the contract or project or work to be
21 performed. Upon such notification the Department of Labor
22 shall ascertain such general prevailing rate of wages, and
23 certify the prevailing wage to such public body. The public
24 body awarding the contract shall cause to be inserted in the
25 contract a stipulation to the effect that not less than the
26 prevailing rate of wages as found by the public body or
27 Department of Labor or determined by the court on review
28 shall be paid to all laborers, workers and mechanics
29 performing work under the contract. It shall also require in
30 all such contractor's bonds that the contractor include such
31 provision as will guarantee the faithful performance of such
32 prevailing wage clause as provided by contract. All bid
33 specifications shall list the specified rates to all
34 laborers, workers and mechanics in the locality for each

1 craft or type of worker or mechanic needed to execute the
2 contract. If the Department of Labor revises the prevailing
3 rate of hourly wages to be paid by the public body, the
4 revised rate shall apply to such contract, and the public
5 body shall be responsible to notify the contractor and each
6 subcontractor, of the revised rate. Two or more investigatory
7 hearings under this Section on the issue of establishing a
8 new prevailing wage classification for a particular craft or
9 type of worker shall be consolidated in a single hearing
10 before the Department. Such consolidation shall occur
11 whether each separate investigatory hearing is conducted by a
12 public body or the Department. The party requesting a
13 consolidated investigatory hearing shall have the burden of
14 establishing that there is no existing prevailing wage
15 classification for the particular craft or type of worker in
16 any of the localities under consideration.

17 It shall be mandatory upon the contractor or construction
18 manager to whom a contract for public works is awarded to
19 post, at a location on the project site of the public works
20 that is easily accessible to the workers engaged on the
21 project, the prevailing wage rates for each craft or type of
22 worker or mechanic needed to execute the contract or project
23 or work to be performed. A failure to post a prevailing wage
24 rate as required by this Section is a violation of this Act.

25 (Source: P.A. 92-783, eff. 8-6-02.)

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