



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

SB1519

Introduced 2/18/2009, by Sen. Pamela J. Althoff

#### SYNOPSIS AS INTRODUCED:

605 ILCS 5/6-501	from Ch. 121, par. 6-501
605 ILCS 5/6-701.8	from Ch. 121, par. 6-701.8

Amends the Illinois Highway Code. Provides that for a period of time of up to 20 years after the effective date of this amendatory Act, a road district shall, upon the written request of a majority of the homeowners within a subdivision, accumulate up to 50% of the taxes collected from that subdivision under a provision of the Illinois Highway Code for improvements, maintenance, and snowplowing of nondedicated roads within the subdivision from which the taxes were collected. Provides that the road district and the homeowners may enter into a written contract stating the length of the agreement and the purposes for which the funds may be used, and provides that the total accumulations may not exceed 10% of the total funds held by the district for those road purposes. Provides that a township or road district may use its formula allocation of motor fuel tax funds for maintaining, improving, or snowplowing nondedicated subdivision roads. Provides that the provisions in this Act apply only to townships within McHenry County and only with respect to subdivisions whose plats were filed or recorded before July 23, 1959.

LRB096 09624 AJT 19785 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning road districts.

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

4 Section 5. The Illinois Highway Code is amended by changing  
5 Sections 6-501 and 6-701.8 as follows:

6 (605 ILCS 5/6-501) (from Ch. 121, par. 6-501)

7 Sec. 6-501. (a) Findings and purpose. The General Assembly  
8 finds:

9 (1) That the financial conditions of the Township and  
10 District road systems of the State of Illinois have  
11 suffered adversely as a result of changes in law concerning  
12 assessed valuation of property for tax purposes. That as a  
13 result of the changes beginning in 1945, the rates of  
14 permissible levy were first halved to accommodate full fair  
15 value, but never restored when subsequent law change  
16 established the legal assessed valuation at 50% of fair  
17 market value as equalized by the Department of Revenue.

18 (2) Townships and district road systems, as a result of  
19 the decreased financial support, have suffered a decline in  
20 ability to maintain or improve roads and bridges in a safe  
21 condition to permit the normal and ordinary use of its  
22 highway system. In many instances bridges have been closed  
23 and detours required because of impossible road conditions

1 resulting in hardships for school districts in  
2 transporting pupils and for farms in moving products to  
3 market.

4 (3) Further, cost for maintenance and improvements  
5 have risen faster than the valuations of property, the base  
6 of financial support.

7 (4) To solve these problems, this Act makes changes in  
8 rates of taxation -- returning Townships and District road  
9 systems to their approximate financial viability prior to  
10 1945.

11 (b) The highway commissioner for each road district in each  
12 county not under township organization shall on or before the  
13 third Tuesday in December of each year determine and certify to  
14 the county board the amount necessary to be raised by taxation  
15 for road purposes and for the salaries of elected road district  
16 officials in the road district.

17 Should any highway commissioner during the last year of his  
18 term of office for any reason not file the certificate in the  
19 office of the county clerk, as required by this Section, in  
20 time for presentation to the regular September meeting of the  
21 county board, the clerk shall present in lieu thereof a  
22 certificate equal in amount to that presented for the preceding  
23 year.

24 In every such county the certificate shall be filed in the  
25 office of the county clerk and by that official presented to  
26 the county board at the regular September meeting for the

1 consideration of the board. The amount so certified if approved  
2 by the county board, or the part thereof as the county board  
3 does approve, shall be extended by the county clerk as road  
4 taxes against the taxable property of the district.

5 (c) The highway commissioner in each road district in each  
6 county having adopted township organization shall in  
7 accordance with the Illinois Municipal Budget Law at least 30  
8 days prior to the public meeting required by this paragraph,  
9 each year prepare or cause to be prepared a tentative budget  
10 and appropriation ordinance and file the same with the clerk of  
11 the township or consolidated township road district, as the  
12 case may be, who shall make the tentative budget and  
13 appropriation ordinance conveniently available to the public  
14 inspection for at least 30 days prior to final action. One  
15 public hearing shall be held. This public hearing shall be held  
16 on or before the last day of the first quarter of the fiscal  
17 year before the township board of trustees or the highway board  
18 of trustees, as the case may be. Notice of the hearing shall be  
19 given by publication in a newspaper published in the road  
20 district at least 30 days prior to the time of the hearing. If  
21 there is no newspaper published in the road district, notice of  
22 the public hearing shall be given by posting notices in 5 of  
23 the most public places in the district. It shall be the duty of  
24 the clerk of the road district to arrange for the public  
25 hearing. The township board of trustees or highway board of  
26 trustees, as the case may be, at the public hearing shall adopt

1 the tentative budget and appropriation ordinance, or any part  
2 as the board of trustees deem necessary.

3 On or before the last Tuesday in December the township  
4 board of trustees or highway board of trustees or road district  
5 commissioner, as the case may be, shall levy and certify to the  
6 county clerk the amount necessary to be raised by taxation for  
7 road purposes and the road district commissioner shall levy and  
8 certify to the county clerk the amount necessary to be raised  
9 by taxation for the salaries of elected road district officials  
10 in the road district, as determined by the highway  
11 commissioner.

12 The amount so certified shall be extended by the county  
13 clerk as road taxes against the taxable property of the  
14 district.

15 On or after October 10, 1991, a road district commissioner  
16 whose district is located in a county not under township  
17 organization may not levy separately a tax for salaries of  
18 elected road district officials unless the tax has been first  
19 approved by a majority of the electors voting on the question  
20 at a referendum conducted in accordance with the general  
21 election law. The question submitted to the electors at the  
22 referendum shall be in substantially the following form: "Shall  
23 the road district commissioner be authorized to levy an annual  
24 tax for the salaries of elected road district officials under  
25 Section 6-501 of the Illinois Highway Code?"

26 Except as is otherwise permitted by this Code and when the

1 road district commissioner establishes the tax rate for the  
2 salaries of elected road district officials, the county clerk  
3 shall not extend taxes for road purposes against the taxable  
4 property in any road district at rates in excess of the  
5 following:

6 (1) in a road district comprised of a single township  
7 in a county having township organization, at a rate in  
8 excess of .125% of the value, as equalized or assessed by  
9 the Department of Revenue; unless before the last Tuesday  
10 in December annually the highway commissioner of the  
11 township road district shall have secured the consent in  
12 writing of a majority of the members of the township board  
13 of trustees to the extension of a greater rate, in which  
14 case the rate shall not exceed that approved by a majority  
15 of the members of the township board of trustees, but in no  
16 case shall it exceed .165% of the value, as equalized or  
17 assessed by the Department. Once approved by the township  
18 board of trustees, the rate shall remain in effect until  
19 changed by the township board of trustees;

20 (2) in a consolidated township road district, at a rate  
21 in excess of .175% of the value, as equalized or assessed  
22 by the Department of Revenue;

23 (3) in a road district in a county not having township  
24 organization, at a rate in excess of .165% of the value, as  
25 equalized or assessed by the Department of Revenue.

26 However, road districts that have higher tax rate

1 limitations on a permanent basis for road purposes on July 1,  
2 1967, than the limitations herein provided, may continue to  
3 levy the road taxes at the higher limitations, and the county  
4 clerk shall extend the taxes at not to exceed the higher  
5 limitations.

6 If the amount of taxes levied by the township board of  
7 trustees or the highway board of trustees or approved by the  
8 county board in any case is in excess of the amount that may be  
9 extended the county clerk shall reduce the amount so that the  
10 rate extended shall be no greater than authorized by law.  
11 However, the tax shall not be reduced or scaled in any manner  
12 whatever by reason of the levy and extension by the county  
13 clerk of any tax to pay the principal or interest, or both, of  
14 any bonds issued by a road district.

15 The taxes, when collected, shall be held by the treasurer  
16 of the district as the regular road fund of the district.

17 Notwithstanding any other provision of law, for a period of  
18 time ending 18 years after the effective date of this  
19 amendatory Act of 1994, a road district or consolidated road  
20 district may accumulate up to 50% of the taxes collected from a  
21 subdivision under this Section for improvements of  
22 nondedicated roads within the subdivision from which and for  
23 which the taxes were collected. These nondedicated roads will  
24 become a part of the township and district road system if the  
25 roads meet the criteria established by the counties in which  
26 the roads are located. The total accumulations under this

1 provision may not exceed 10% of the total funds held by the  
2 district for road purposes. This provision applies only to  
3 townships within counties adjacent to a county with a  
4 population of 3,000,000 or more and only with respect to  
5 subdivisions whose plats were filed or recorded before July 23,  
6 1959.

7 Notwithstanding any other provision of law, for a period of  
8 time of up to 20 years after the effective date of this  
9 amendatory Act of 2009, a road district or consolidated road  
10 district shall, upon the written request of a majority of the  
11 homeowners within a subdivision, accumulate up to 50% of the  
12 taxes collected from that subdivision under this Section for  
13 improvements, maintenance, and snowplowing of nondedicated  
14 roads within the subdivision from which and for which the taxes  
15 were collected. There shall be a written contract between the  
16 road district or consolidated road district and the homeowners  
17 stating the length of the agreement and the purposes for which  
18 the funds shall be used. The total accumulations under this  
19 provision may not exceed 10% of the total funds held by the  
20 district for road purposes. This provision applies only to  
21 townships within McHenry County and only with respect to  
22 subdivisions whose plats were filed or recorded before July 23,  
23 1959.

24 Any road district may accumulate funds for the purpose of  
25 acquiring, constructing, repairing and improving buildings and  
26 procuring land in relation to the building and for the purpose



1 of procuring road maintenance apparatus and equipment, and for  
 2 the construction of roads, and may annually levy taxes for the  
 3 purposes in excess of its current requirements for other  
 4 purposes, subject to the tax rate limitations provided in this  
 5 Section, provided a proposition to accumulate funds for the  
 6 purposes is first submitted to and approved by the electors of  
 7 the district. The proposition shall be certified to the proper  
 8 election officials by the district clerk upon the direction of  
 9 the highway commissioner, and the election officials shall  
 10 submit the proposition at a regular election. Notice and  
 11 conduct of the referendum shall be in accordance with the  
 12 general election law. The proposition shall be in substantially  
 13 the following form:

14 -----  
 15 Shall ..... road district  
 16 accumulate funds in the amount  
 17 of \$..... for ..... years YES  
 18 for the purpose of acquiring,  
 19 constructing, repairing and improving -----  
 20 buildings and procuring land  
 21 therefor, and for procuring road NO  
 22 maintenance apparatus and equipment  
 23 and for the construction of roads?  
 24 -----

25 If a majority of the electors voting on the proposition  
 26 vote in favor of it, the road district may use a portion of the

1 funds levied, subject to the tax rate limitations provided in  
2 this Section, for the purposes for which accumulation was  
3 authorized. It shall not be a valid objection to any subsequent  
4 tax levy made under this Section, that there remains unexpended  
5 money arising from the levy of a prior year because of an  
6 accumulation permitted by this Section and provided for in the  
7 budget for that prior year.

8 (d) Any road district may accumulate moneys in a dedicated  
9 fund for a specific capital construction or maintenance project  
10 or a major equipment purchase without submitting a proposition  
11 to the electors of the district if the annual budget and  
12 appropriation ordinance for the road district states the  
13 amount, purpose, and duration of any accumulation of funds  
14 authorized under this Section, with specific reference to each  
15 project to be constructed or equipment to be purchased. Nothing  
16 in this subsection precludes a road district from accumulating  
17 moneys for non-specific purposes as provided in this Section.

18 (Source: P.A. 92-395, eff. 8-16-01; 92-656, eff. 7-16-02.)

19 (605 ILCS 5/6-701.8) (from Ch. 121, par. 6-701.8)

20 Sec. 6-701.8. (a) The formula allocation for township and  
21 road districts for the distribution of motor fuel tax funds,  
22 provided for in Section 8 in the "Motor Fuel Tax Law", may be  
23 used by the highway commissioner, subject to the conditions set  
24 out in Sections 6-301, 6-701.1 and 6-701.2 as respects the  
25 methods, equipment and materials appropriate for such

1 maintenance or improvement, and, in township counties, with the  
2 approval of the board of town trustees, for the maintenance or  
3 improvement of nondedicated subdivision roads established  
4 prior to July 23, 1959. Any such road improved becomes, by  
5 operation of law, a part of the township and district road  
6 system providing such road meets standards as established by  
7 the county. In township counties, the board of town trustees  
8 shall condition its approval, as required by this Section, upon  
9 proportional matching contributions, whether in cash, kind,  
10 services or otherwise, by property owners in the subdivision  
11 where such a road is situated. No more than the amount of the  
12 increase in allocation attributable to this amendatory Act of  
13 1979 and any subsequent amendatory Act plus 50% of such funds  
14 otherwise allocated under the formula as provided in Section 8  
15 in the "Motor Fuel Tax Law" and subsequently approved as  
16 provided in this Section, may be expended on eligible  
17 nondedicated subdivision roads.

18 (b) Notwithstanding any other provision of law, a township  
19 or road district may use its formula allocation of motor fuel  
20 tax funds for maintaining, improving, or snowplowing  
21 nondedicated subdivision roads. Upon the written request of a  
22 majority of the homeowners within a subdivision, a township or  
23 road district shall accumulate up to 50% of the motor fuel tax  
24 funds the township or road district receives which are  
25 attributable to the road mileage within that subdivision. There  
26 shall be a written contract between the township or road

1 district and the homeowners stating the length of the agreement  
2 and the purposes for which the funds shall be used. The  
3 agreement may be for a period of time, up to 20 years. The  
4 total accumulations under this provision may not exceed 10% of  
5 the total funds held by the district for road purposes. This  
6 provision applies only to townships within McHenry County and  
7 only with respect to subdivisions whose plats were filed or  
8 recorded before July 23, 1959.

9  
10 (Source: P.A. 92-800, eff. 8-16-02.)