



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB3382

Introduced 3/8/2016, by Sen. Martin A. Sandoval

SYNOPSIS AS INTRODUCED:

20 ILCS 2705/2705-615 new
35 ILCS 505/8

from Ch. 120, par. 424

Amends the Motor Fuel Tax Law. Provides that each municipality, county, or road district that receives a distribution of motor fuel tax moneys must implement a disadvantaged business enterprise program setting goals for the inclusion of minority, disadvantaged, and female-owned businesses in the procurement of contracts using those moneys. Provides that those programs must be certified by the Department of Transportation and shall (i) cover both professional services and construction procurement and (ii) be substantially similar to the Department of Transportation's disadvantaged business enterprise program for the region in which the municipality, county, or road district is located. Amends the Department of Transportation Law of the Civil Administrative Code of Illinois. Provides that the Department shall assist municipalities, counties, and road districts in implementing those programs and shall submit certain information to those municipalities, counties, and road districts.

LRB099 17743 HLH 42105 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 10. The Department of Transportation Law of the
5 Civil Administrative Code of Illinois is amended by adding
6 Section 2705-615 as follows:

7 (20 ILCS 2705/2705-615 new)

8 Sec. 2705-615. Local government disadvantaged business
9 enterprise programs. The Department shall assist
10 municipalities, counties, and road districts in implementing
11 disadvantaged business enterprise programs as provided in
12 Section 8 of the Motor Fuel Tax Law and shall designate a point
13 of contact person for those purposes. In addition, the
14 Department shall submit to each such municipality, county, and
15 road district an estimate of appropriate subcontracting goals
16 for available contractors based on the Department's data for
17 existing State and federal programs.

18 Section 15. The Motor Fuel Tax Law is amended by changing
19 Section 8 as follows:

20 (35 ILCS 505/8) (from Ch. 120, par. 424)

21 Sec. 8. Except as provided in Section 8a, subdivision

1 (h) (1) of Section 12a, Section 13a.6, and items 13, 14, 15, and
2 16 of Section 15, all money received by the Department under
3 this Act, including payments made to the Department by member
4 jurisdictions participating in the International Fuel Tax
5 Agreement, shall be deposited in a special fund in the State
6 treasury, to be known as the "Motor Fuel Tax Fund", and shall
7 be used as follows:

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

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

16 (c) \$3,500,000 shall be transferred each month to the Grade
17 Crossing Protection Fund to be used as follows: not less than
18 \$12,000,000 each fiscal year shall be used for the construction
19 or reconstruction of rail highway grade separation structures;
20 \$2,250,000 in fiscal years 2004 through 2009 and \$3,000,000 in
21 fiscal year 2010 and each fiscal year thereafter shall be
22 transferred to the Transportation Regulatory Fund and shall be
23 accounted for as part of the rail carrier portion of such funds
24 and shall be used to pay the cost of administration of the
25 Illinois Commerce Commission's railroad safety program in
26 connection with its duties under subsection (3) of Section

1 18c-7401 of the Illinois Vehicle Code, with the remainder to be
2 used by the Department of Transportation upon order of the
3 Illinois Commerce Commission, to pay that part of the cost
4 apportioned by such Commission to the State to cover the
5 interest of the public in the use of highways, roads, streets,
6 or pedestrian walkways in the county highway system, township
7 and district road system, or municipal street system as defined
8 in the Illinois Highway Code, as the same may from time to time
9 be amended, for separation of grades, for installation,
10 construction or reconstruction of crossing protection or
11 reconstruction, alteration, relocation including construction
12 or improvement of any existing highway necessary for access to
13 property or improvement of any grade crossing and grade
14 crossing surface including the necessary highway approaches
15 thereto of any railroad across the highway or public road, or
16 for the installation, construction, reconstruction, or
17 maintenance of a pedestrian walkway over or under a railroad
18 right-of-way, as provided for in and in accordance with Section
19 18c-7401 of the Illinois Vehicle Code. The Commission may order
20 up to \$2,000,000 per year in Grade Crossing Protection Fund
21 moneys for the improvement of grade crossing surfaces and up to
22 \$300,000 per year for the maintenance and renewal of 4-quadrant
23 gate vehicle detection systems located at non-high speed rail
24 grade crossings. The Commission shall not order more than
25 \$2,000,000 per year in Grade Crossing Protection Fund moneys
26 for pedestrian walkways. In entering orders for projects for

1 which payments from the Grade Crossing Protection Fund will be
2 made, the Commission shall account for expenditures authorized
3 by the orders on a cash rather than an accrual basis. For
4 purposes of this requirement an "accrual basis" assumes that
5 the total cost of the project is expended in the fiscal year in
6 which the order is entered, while a "cash basis" allocates the
7 cost of the project among fiscal years as expenditures are
8 actually made. To meet the requirements of this subsection, the
9 Illinois Commerce Commission shall develop annual and 5-year
10 project plans of rail crossing capital improvements that will
11 be paid for with moneys from the Grade Crossing Protection
12 Fund. The annual project plan shall identify projects for the
13 succeeding fiscal year and the 5-year project plan shall
14 identify projects for the 5 directly succeeding fiscal years.
15 The Commission shall submit the annual and 5-year project plans
16 for this Fund to the Governor, the President of the Senate, the
17 Senate Minority Leader, the Speaker of the House of
18 Representatives, and the Minority Leader of the House of
19 Representatives on the first Wednesday in April of each year;

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

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

25 (2) the costs of the Department of Transportation in
26 performing its duties imposed by the Illinois Highway Code

1 for supervising the use of motor fuel tax funds apportioned
2 to municipalities, counties and road districts;

3 (3) refunds provided for in Section 13, refunds for
4 overpayment of decal fees paid under Section 13a.4 of this
5 Act, and refunds provided for under the terms of the
6 International Fuel Tax Agreement referenced in Section
7 14a;

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

1 Treasurer from the Motor Fuel Tax Fund into the Vehicle
2 Inspection Fund;

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

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

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

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

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

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

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

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

1 (B) 16.74% to the counties of the State having
2 1,000,000 or more inhabitants,

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

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

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

1 it ascertains to be necessary.

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

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

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

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

13 Notwithstanding any other provision of law, beginning on
14 July 1, 2017, no municipality, county, or road district shall
15 receive any funds under subsection (e) of this Section unless
16 that municipality, county, or road district implements a
17 disadvantaged business enterprise program setting goals for
18 the inclusion of minority, disadvantaged, and female-owned
19 businesses in the procurement of contracts using Motor Fuel Tax
20 Fund moneys. Those programs must be certified by the Department
21 of Transportation and shall (i) cover both professional
22 services and construction procurement and (ii) be
23 substantially similar to the Department of Transportation's
24 disadvantaged business enterprise program for the region in
25 which the municipality, county, or road district is located. By
26 April 1, 2017, and by April 1 of each year thereafter, each

1 such municipality, county, or road district shall submit a copy
2 of its disadvantaged business enterprise program to the
3 Department of Transportation for certification. The Department
4 of Transportation's certification shall remain in effect from
5 July 1 of that calendar year through June 30 of the next
6 calendar year. The Department of Transportation may adopt rules
7 concerning the certification of disadvantaged business
8 enterprise programs.

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

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

1 In counties in which a property tax extension limitation is
2 imposed under the Property Tax Extension Limitation Law, road
3 districts may retain their entitlement to a motor fuel tax
4 allotment or, beginning in 2011, their entitlement to a full
5 allotment if, at the time the property tax extension limitation
6 was imposed, the road district was levying a road and bridge
7 tax at a rate sufficient to entitle it to a motor fuel tax
8 allotment and continues to levy the maximum allowable amount
9 after the imposition of the property tax extension limitation.
10 Any road district may in all circumstances retain its
11 entitlement to a motor fuel tax allotment or, beginning in
12 2011, its entitlement to a full allotment if it levied a road
13 and bridge tax in an amount that will require the extension of
14 the tax against the taxable property in the road district at a
15 rate of not less than 0.08% of the assessed value of the
16 property, based upon the assessment for the year immediately
17 preceding the year in which the tax was levied and as equalized
18 by the Department of Revenue or, in DuPage County, an amount
19 equal to or greater than \$12,000 per mile of road under the
20 jurisdiction of the road district, whichever is less.

21 As used in this Section the term "road district" means any
22 road district, including a county unit road district, provided
23 for by the Illinois Highway Code; and the term "township or
24 district road" means any road in the township and district road
25 system as defined in the Illinois Highway Code. For the
26 purposes of this Section, "township or district road" also

1 includes such roads as are maintained by park districts, forest
2 preserve districts and conservation districts. The Department
3 of Transportation shall determine the mileage of all township
4 and district roads for the purposes of making allotments and
5 allocations of motor fuel tax funds for use in road districts.

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

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