

AN ACT concerning transportation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Except as is otherwise permitted by this Code and when the

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

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

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

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

However, road districts that have higher tax rate

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

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

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

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

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

Notwithstanding any other provision of law, for a period of time ending 10 years after the effective date of this amendatory Act of the 98th General Assembly, a road district or consolidated road district may accumulate up to 50% of the taxes collected from a subdivision under this Section for improvements of nondedicated roads within the subdivision from which and for which the taxes were collected. These nondedicated roads will become a part of the township and district road system if the roads meet the criteria established by the counties in which the roads are located. The total accumulations under this provision may not exceed 10% of the total funds held by the district for road purposes. This provision applies only to townships within counties adjacent to a county with a population of 3,000,000 or more and only with respect to subdivisions whose plats were filed or recorded before July 23, 1959.

Any road district may accumulate funds for the purpose of acquiring, constructing, repairing and improving buildings and procuring land in relation to the building and for the purpose of procuring road maintenance apparatus and equipment, and for

the construction of roads, and may annually levy taxes for the purposes in excess of its current requirements for other purposes, subject to the tax rate limitations provided in this Section, provided a proposition to accumulate funds for the purposes is first submitted to and approved by the electors of the district. The proposition shall be certified to the proper election officials by the district clerk upon the direction of the highway commissioner, and the election officials shall submit the proposition at a regular election. Notice and conduct of the referendum shall be in accordance with the general election law. The proposition shall be in substantially the following form:

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Shall ..... road district  
accumulate funds in the amount  
of \$..... for ..... years YES  
for the purpose of acquiring,  
constructing, repairing and improving -----  
buildings and procuring land  
therefor, and for procuring road NO  
maintenance apparatus and equipment  
and for the construction of roads?

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If a majority of the electors voting on the proposition vote in favor of it, the road district may use a portion of the funds levied, subject to the tax rate limitations provided in



this Section, for the purposes for which accumulation was authorized. It shall not be a valid objection to any subsequent tax levy made under this Section, that there remains unexpended money arising from the levy of a prior year because of an accumulation permitted by this Section and provided for in the budget for that prior year.

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

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

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