



## 98TH GENERAL ASSEMBLY

### State of Illinois

#### 2013 and 2014

##### SB2139

Introduced 2/15/2013, by Sen. Pamela J. Althoff - William E. Brady - Sue Rezin - Karen McConnaughay

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/8.3

from Ch. 127, par. 144.3

Amends the State Finance Act. Provides that beginning in fiscal year 2014 the Road Fund must spend 40% of its revenue on actual construction and maintenance projects. Allows the Road Fund administrators that fall below this 40% threshold in one year to make additional expenditures in later years so that the three year average equals 40%. Directs the Comptroller to perform an audit of the Road Fund's revenue and expenditures every three years to ensure compliance with this requirement. Provides that if the Comptroller determines the Road Fund has not met its expenditure threshold, it will have its share of the Motor Fuel Sales Tax revenue reduced by 1%, and the State Construction Account Fund will receive the lost funds. Directs the Comptroller to conduct yearly, rather than thrice annual, audits upon determination of a deficiency, and provides that the Road Fund will continue losing shares of the Motor Fuel Sales Tax revenue to the State Construction Account Fund until it makes enough construction and maintenance expenditures to equal previous shortfalls. Provides that if the Road Fund has lost shares of the Motor Fuel Sales Tax revenue, it will regain them at the rate of 1% per year that it meets the 40% expenditure target. Provides that the Comptroller shall return to a three year audit schedule once the Road Fund has reacquired its lost shares of Motor Fuel Sales Tax revenue.

LRB098 10426 MLW 40631 b

1 AN ACT concerning finance.

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

4 Section 5. The State Finance Act is amended by changing  
5 Section 8.3 as follows:

6 (30 ILCS 105/8.3) (from Ch. 127, par. 144.3)

7 Sec. 8.3. Money in the Road Fund shall, if and when the  
8 State of Illinois incurs any bonded indebtedness for the  
9 construction of permanent highways, be set aside and used for  
10 the purpose of paying and discharging annually the principal  
11 and interest on that bonded indebtedness then due and payable,  
12 and for no other purpose. The surplus, if any, in the Road Fund  
13 after the payment of principal and interest on that bonded  
14 indebtedness then annually due shall be used as follows:

15 first -- to pay the cost of administration of Chapters  
16 2 through 10 of the Illinois Vehicle Code, except the cost  
17 of administration of Articles I and II of Chapter 3 of that  
18 Code; and

19 secondly -- for expenses of the Department of  
20 Transportation for construction, reconstruction,  
21 improvement, repair, maintenance, operation, and  
22 administration of highways in accordance with the  
23 provisions of laws relating thereto, or for any purpose

1 related or incident to and connected therewith, including  
2 the separation of grades of those highways with railroads  
3 and with highways and including the payment of awards made  
4 by the Illinois Workers' Compensation Commission under the  
5 terms of the Workers' Compensation Act or Workers'  
6 Occupational Diseases Act for injury or death of an  
7 employee of the Division of Highways in the Department of  
8 Transportation; or for the acquisition of land and the  
9 erection of buildings for highway purposes, including the  
10 acquisition of highway right-of-way or for investigations  
11 to determine the reasonably anticipated future highway  
12 needs; or for making of surveys, plans, specifications and  
13 estimates for and in the construction and maintenance of  
14 flight strips and of highways necessary to provide access  
15 to military and naval reservations, to defense industries  
16 and defense-industry sites, and to the sources of raw  
17 materials and for replacing existing highways and highway  
18 connections shut off from general public use at military  
19 and naval reservations and defense-industry sites, or for  
20 the purchase of right-of-way, except that the State shall  
21 be reimbursed in full for any expense incurred in building  
22 the flight strips; or for the operating and maintaining of  
23 highway garages; or for patrolling and policing the public  
24 highways and conserving the peace; or for the operating  
25 expenses of the Department relating to the administration  
26 of public transportation programs; or, during fiscal year

1           2012 only, for the purposes of a grant not to exceed  
2           \$8,500,000 to the Regional Transportation Authority on  
3           behalf of PACE for the purpose of ADA/Para-transit  
4           expenses; or, during fiscal year 2013 only, for the  
5           purposes of a grant not to exceed \$3,825,000 to the  
6           Regional Transportation Authority on behalf of PACE for the  
7           purpose of ADA/Para-transit expenses; or for any of those  
8           purposes or any other purpose that may be provided by law.

9           Appropriations for any of those purposes are payable from  
10          the Road Fund. Appropriations may also be made from the Road  
11          Fund for the administrative expenses of any State agency that  
12          are related to motor vehicles or arise from the use of motor  
13          vehicles.

14          Beginning with fiscal year 1980 and thereafter, no Road  
15          Fund monies shall be appropriated to the following Departments  
16          or agencies of State government for administration, grants, or  
17          operations; but this limitation is not a restriction upon  
18          appropriating for those purposes any Road Fund monies that are  
19          eligible for federal reimbursement;

20                 1. Department of Public Health;

21                 2. Department of Transportation, only with respect to  
22                 subsidies for one-half fare Student Transportation and  
23                 Reduced Fare for Elderly, except during fiscal year 2012  
24                 only when no more than \$40,000,000 may be expended and  
25                 except during fiscal year 2013 only when no more than  
26                 \$17,570,300 may be expended;

1           3. Department of Central Management Services, except  
2           for expenditures incurred for group insurance premiums of  
3           appropriate personnel;

4           4. Judicial Systems and Agencies.

5           Beginning with fiscal year 1981 and thereafter, no Road  
6           Fund monies shall be appropriated to the following Departments  
7           or agencies of State government for administration, grants, or  
8           operations; but this limitation is not a restriction upon  
9           appropriating for those purposes any Road Fund monies that are  
10          eligible for federal reimbursement:

11          1. Department of State Police, except for expenditures  
12          with respect to the Division of Operations;

13          2. Department of Transportation, only with respect to  
14          Intercity Rail Subsidies, except during fiscal year 2012  
15          only when no more than \$40,000,000 may be expended and  
16          except during fiscal year 2013 only when no more than  
17          \$26,000,000 may be expended, and Rail Freight Services.

18          Beginning with fiscal year 1982 and thereafter, no Road  
19          Fund monies shall be appropriated to the following Departments  
20          or agencies of State government for administration, grants, or  
21          operations; but this limitation is not a restriction upon  
22          appropriating for those purposes any Road Fund monies that are  
23          eligible for federal reimbursement: Department of Central  
24          Management Services, except for awards made by the Illinois  
25          Workers' Compensation Commission under the terms of the  
26          Workers' Compensation Act or Workers' Occupational Diseases

1 Act for injury or death of an employee of the Division of  
2 Highways in the Department of Transportation.

3 Beginning with fiscal year 1984 and thereafter, no Road  
4 Fund monies shall be appropriated to the following Departments  
5 or agencies of State government for administration, grants, or  
6 operations; but this limitation is not a restriction upon  
7 appropriating for those purposes any Road Fund monies that are  
8 eligible for federal reimbursement:

- 9 1. Department of State Police, except not more than 40%  
10 of the funds appropriated for the Division of Operations;
- 11 2. State Officers.

12 Beginning with fiscal year 1984 and thereafter, no Road  
13 Fund monies shall be appropriated to any Department or agency  
14 of State government for administration, grants, or operations  
15 except as provided hereafter; but this limitation is not a  
16 restriction upon appropriating for those purposes any Road Fund  
17 monies that are eligible for federal reimbursement. It shall  
18 not be lawful to circumvent the above appropriation limitations  
19 by governmental reorganization or other methods.  
20 Appropriations shall be made from the Road Fund only in  
21 accordance with the provisions of this Section.

22 Money in the Road Fund shall, if and when the State of  
23 Illinois incurs any bonded indebtedness for the construction of  
24 permanent highways, be set aside and used for the purpose of  
25 paying and discharging during each fiscal year the principal  
26 and interest on that bonded indebtedness as it becomes due and

1 payable as provided in the Transportation Bond Act, and for no  
2 other purpose. The surplus, if any, in the Road Fund after the  
3 payment of principal and interest on that bonded indebtedness  
4 then annually due shall be used as follows:

5 first -- to pay the cost of administration of Chapters  
6 2 through 10 of the Illinois Vehicle Code; and

7 secondly -- no Road Fund monies derived from fees,  
8 excises, or license taxes relating to registration,  
9 operation and use of vehicles on public highways or to  
10 fuels used for the propulsion of those vehicles, shall be  
11 appropriated or expended other than for costs of  
12 administering the laws imposing those fees, excises, and  
13 license taxes, statutory refunds and adjustments allowed  
14 thereunder, administrative costs of the Department of  
15 Transportation, including, but not limited to, the  
16 operating expenses of the Department relating to the  
17 administration of public transportation programs, payment  
18 of debts and liabilities incurred in construction and  
19 reconstruction of public highways and bridges, acquisition  
20 of rights-of-way for and the cost of construction,  
21 reconstruction, maintenance, repair, and operation of  
22 public highways and bridges under the direction and  
23 supervision of the State, political subdivision, or  
24 municipality collecting those monies, or during fiscal  
25 year 2012 only for the purposes of a grant not to exceed  
26 \$8,500,000 to the Regional Transportation Authority on

1       behalf of PACE for the purpose of ADA/Para-transit  
2       expenses, and the costs for patrolling and policing the  
3       public highways (by State, political subdivision, or  
4       municipality collecting that money) for enforcement of  
5       traffic laws. The separation of grades of such highways  
6       with railroads and costs associated with protection of  
7       at-grade highway and railroad crossing shall also be  
8       permissible.

9       Appropriations for any of such purposes are payable from  
10      the Road Fund or the Grade Crossing Protection Fund as provided  
11      in Section 8 of the Motor Fuel Tax Law.

12      Except as provided in this paragraph, beginning with fiscal  
13      year 1991 and thereafter, no Road Fund monies shall be  
14      appropriated to the Department of State Police for the purposes  
15      of this Section in excess of its total fiscal year 1990 Road  
16      Fund appropriations for those purposes unless otherwise  
17      provided in Section 5g of this Act. For fiscal years 2003,  
18      2004, 2005, 2006, and 2007 only, no Road Fund monies shall be  
19      appropriated to the Department of State Police for the purposes  
20      of this Section in excess of \$97,310,000. For fiscal year 2008  
21      only, no Road Fund monies shall be appropriated to the  
22      Department of State Police for the purposes of this Section in  
23      excess of \$106,100,000. For fiscal year 2009 only, no Road Fund  
24      monies shall be appropriated to the Department of State Police  
25      for the purposes of this Section in excess of \$114,700,000.  
26      Beginning in fiscal year 2010, no road fund moneys shall be



1 appropriated to the Department of State Police. It shall not be  
2 lawful to circumvent this limitation on appropriations by  
3 governmental reorganization or other methods unless otherwise  
4 provided in Section 5g of this Act.

5 In fiscal year 1994, no Road Fund monies shall be  
6 appropriated to the Secretary of State for the purposes of this  
7 Section in excess of the total fiscal year 1991 Road Fund  
8 appropriations to the Secretary of State for those purposes,  
9 plus \$9,800,000. It shall not be lawful to circumvent this  
10 limitation on appropriations by governmental reorganization or  
11 other method.

12 Beginning with fiscal year 1995 and thereafter, no Road  
13 Fund monies shall be appropriated to the Secretary of State for  
14 the purposes of this Section in excess of the total fiscal year  
15 1994 Road Fund appropriations to the Secretary of State for  
16 those purposes. It shall not be lawful to circumvent this  
17 limitation on appropriations by governmental reorganization or  
18 other methods.

19 Beginning with fiscal year 2000, total Road Fund  
20 appropriations to the Secretary of State for the purposes of  
21 this Section shall not exceed the amounts specified for the  
22 following fiscal years:

23	Fiscal Year 2000	\$80,500,000;
24	Fiscal Year 2001	\$80,500,000;
25	Fiscal Year 2002	\$80,500,000;
26	Fiscal Year 2003	\$130,500,000;

1	Fiscal Year 2004	\$130,500,000;
2	Fiscal Year 2005	\$130,500,000;
3	Fiscal Year 2006	\$130,500,000;
4	Fiscal Year 2007	\$130,500,000;
5	Fiscal Year 2008	\$130,500,000;
6	Fiscal Year 2009	\$130,500,000.

7 For fiscal year 2010, no road fund moneys shall be  
8 appropriated to the Secretary of State.

9 Beginning in fiscal year 2011, moneys in the Road Fund  
10 shall be appropriated to the Secretary of State for the  
11 exclusive purpose of paying refunds due to overpayment of fees  
12 related to Chapter 3 of the Illinois Vehicle Code unless  
13 otherwise provided for by law.

14 Beginning in fiscal year 2014, at least 40% of all Road  
15 Fund revenue shall be appropriated for construction,  
16 reconstruction, improvement, repair, and maintenance of  
17 highways and bridges in accordance with the laws of this State.  
18 Beginning in fiscal year 2017, and at the conclusion of every  
19 third fiscal year thereafter, the Comptroller shall audit the  
20 Road Fund to determine the amount of total revenue deposited  
21 into the Road Fund during the past three fiscal years. After  
22 determining the total revenue for the past three fiscal years,  
23 the Comptroller shall determine what percentage of this total  
24 revenue was expended for the purpose of construction,  
25 reconstruction, improvement, repair, and maintenance of  
26 highways and bridges in accordance with the laws of this State.

1 The Comptroller shall report his or her findings to the General  
2 Assembly, and in the event that the total expenditure on  
3 construction and maintenance projects over the past three  
4 fiscal years is less than 40% of the total revenue deposited in  
5 the Road Fund during that time, the percentage of revenue  
6 generated by the Motor Fuel Sales Tax that is divided between  
7 the Road Fund and the State Construction Account Fund as  
8 provided in subsection (e) of Section 8 of the Motor Fuel Tax  
9 Law shall be adjusted so that the Road Fund's share shall be  
10 reduced by 1% and the State Construction Account Fund's share  
11 shall be increased by 1%. In the fiscal year subsequent to a  
12 shortfall, the Road Fund shall appropriate additional  
13 expenditures for construction and maintenance projects equal  
14 to the amount by which the Road Fund missed the 40% target over  
15 the past three fiscal years, and the Comptroller shall perform  
16 an additional audit for that year to ensure the shortfall is  
17 remedied. If this expenditure is not made, the percentage of  
18 revenue generated by the Motor Fuel Sales Tax that is divided  
19 between the Road Fund and the State Construction Account Fund  
20 as provided in subsection (e) of Section 8 of the Motor Fuel  
21 Tax Law shall be adjusted so that the Road Fund's share shall  
22 be reduced by 1% and the State Construction Account Fund's  
23 share shall be increased by 1%. This additional expenditure and  
24 audit requirement, with its attendant readjustment of Motor  
25 Fuel Sales Tax revenue deposits, shall continue every fiscal  
26 year until the Road Fund has satisfied all previous shortfalls.

1 Once the Road Fund has satisfied all previous shortfalls, the  
2 percentage of revenue generated by the Motor Fuel Sales Tax  
3 that is divided between the Road Fund and the State  
4 Construction Account Fund as provided in subsection (e) of  
5 Section 8 of the Motor Fuel Tax Law shall be adjusted so that  
6 the Road Fund's share shall be increased by 1% and the State  
7 Construction Account Fund's share shall be reduced by 1%. The  
8 Comptroller shall continue to perform a yearly audit of the  
9 Road Fund to monitor compliance with the 40% construction and  
10 maintenance expenditure requirement. For every year that the  
11 target expenditure is met the percentage of revenue generated  
12 by the Motor Fuel Sales Tax that is divided between the Road  
13 Fund and the State Construction Account Fund as provided in  
14 subsection (e) of Section 8 of the Motor Fuel Tax Law shall be  
15 adjusted so that the Road Fund's share shall be increased by  
16 1%, up to its statutory maximum, and the State Construction  
17 Account Fund's share shall be reduced by 1%, down to its  
18 statutory minimum. Once the Road Fund's share of Motor Fuel  
19 Sales Tax revenue has returned to its statutory maximum, the  
20 Comptroller shall cease performing yearly audits of the Road  
21 Fund and return to performing an audit every three years as  
22 detailed in this paragraph.

23 It shall not be lawful to circumvent this limitation on  
24 appropriations by governmental reorganization or other  
25 methods.

26 No new program may be initiated in fiscal year 1991 and

1 thereafter that is not consistent with the limitations imposed  
2 by this Section for fiscal year 1984 and thereafter, insofar as  
3 appropriation of Road Fund monies is concerned.

4 Nothing in this Section prohibits transfers from the Road  
5 Fund to the State Construction Account Fund under Section 5e of  
6 this Act; nor to the General Revenue Fund, as authorized by  
7 this amendatory Act of the 93rd General Assembly.

8 The additional amounts authorized for expenditure in this  
9 Section by Public Acts 92-0600, 93-0025, 93-0839, and 94-91  
10 shall be repaid to the Road Fund from the General Revenue Fund  
11 in the next succeeding fiscal year that the General Revenue  
12 Fund has a positive budgetary balance, as determined by  
13 generally accepted accounting principles applicable to  
14 government.

15 The additional amounts authorized for expenditure by the  
16 Secretary of State and the Department of State Police in this  
17 Section by this amendatory Act of the 94th General Assembly  
18 shall be repaid to the Road Fund from the General Revenue Fund  
19 in the next succeeding fiscal year that the General Revenue  
20 Fund has a positive budgetary balance, as determined by  
21 generally accepted accounting principles applicable to  
22 government.

23 (Source: P.A. 96-34, eff. 7-13-09; 96-959, eff. 7-1-10; 97-72,  
24 eff. 7-1-11; 97-732, eff. 6-30-12.)