

SB3667



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3667

Introduced 2/5/2026, by Sen. Doris Turner

SYNOPSIS AS INTRODUCED:

415 ILCS 5/57.11
415 ILCS 5/58.3
415 ILCS 5/58.13

Amends the Environmental Protection Act. Provides that, on July 1, 2026, and each July 1 thereafter, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$5,000,000 from the Underground Storage Tank Fund to the Brownfields Redevelopment Fund. Provides that, among other things, moneys in the Brownfields Redevelopment Fund may be used for the issuance of grants or providing additional subsidization. Removes provisions limiting the size of grants to municipalities issued under the Municipal Brownfields Redevelopment Grant Program.

LRB104 19366 BDA 32814 b

A BILL FOR

1 AN ACT concerning safety.

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

4 Section 5. The Environmental Protection Act is amended by
5 changing Sections 57.11, 58.3, and 58.13 as follows:

6 (415 ILCS 5/57.11)

7 Sec. 57.11. Underground Storage Tank Fund; creation.

8 (a) There is hereby created in the State Treasury a
9 special fund to be known as the Underground Storage Tank Fund.
10 There shall be deposited into the Underground Storage Tank
11 Fund all moneys received by the Office of the State Fire
12 Marshal as fees for underground storage tanks under Sections 4
13 and 5 of the Gasoline Storage Act, fees pursuant to the Motor
14 Fuel Tax Law, and beginning July 1, 2013, payments pursuant to
15 the Use Tax Act, the Service Use Tax Act, the Service
16 Occupation Tax Act, and the Retailers' Occupation Tax Act. All
17 amounts held in the Underground Storage Tank Fund shall be
18 invested at interest by the State Treasurer. All income earned
19 from the investments shall be deposited into the Underground
20 Storage Tank Fund no less frequently than quarterly. In
21 addition to any other transfers that may be provided for by
22 law, beginning on July 1, 2018 and on the first day of each
23 month thereafter during fiscal years 2019 through 2026 only,

1 the State Comptroller shall direct and the State Treasurer
2 shall transfer an amount equal to 1/12 of \$10,000,000 from the
3 Underground Storage Tank Fund to the General Revenue Fund.
4 Moneys in the Underground Storage Tank Fund, pursuant to
5 appropriation, may be used by the Agency and the Office of the
6 State Fire Marshal for the following purposes:

7 (1) To take action authorized under Section 57.12 to
8 recover costs under Section 57.12.

9 (2) To assist in the reduction and mitigation of
10 damage caused by leaks from underground storage tanks,
11 including, but not limited to, providing alternative water
12 supplies to persons whose drinking water has become
13 contaminated as a result of those leaks.

14 (3) To be used as a matching amount toward federal
15 assistance relative to the release of petroleum from
16 underground storage tanks.

17 (4) For the costs of administering activities of the
18 Agency and the Office of the State Fire Marshal relative
19 to the Underground Storage Tank Fund.

20 (5) For payment of costs of corrective action incurred
21 by and indemnification to operators of underground storage
22 tanks as provided in this Title.

23 (6) For a total of 2 demonstration projects in amounts
24 in excess of a \$10,000 deductible charge designed to
25 assess the viability of corrective action projects at
26 sites which have experienced contamination from petroleum

1 releases. Such demonstration projects shall be conducted
2 in accordance with the provision of this Title.

3 (7) Subject to appropriation, moneys in the
4 Underground Storage Tank Fund may also be used by the
5 Department of Revenue for the costs of administering its
6 activities relative to the Fund and for refunds provided
7 for in Section 13a.8 of the Motor Fuel Tax Law.

8 (b) Moneys in the Underground Storage Tank Fund may,
9 pursuant to appropriation, be used by the Office of the State
10 Fire Marshal or the Agency to take whatever emergency action
11 is necessary or appropriate to assure that the public health
12 or safety is not threatened whenever there is a release or
13 substantial threat of a release of petroleum from an
14 underground storage tank and for the costs of administering
15 its activities relative to the Underground Storage Tank Fund.

16 (c) Beginning July 1, 1993, the Governor shall certify to
17 the State Comptroller and State Treasurer the monthly amount
18 necessary to pay debt service on State obligations issued
19 pursuant to Section 6 of the General Obligation Bond Act. On
20 the last day of each month, the Comptroller shall order
21 transferred and the Treasurer shall transfer from the
22 Underground Storage Tank Fund to the General Obligation Bond
23 Retirement and Interest Fund the amount certified by the
24 Governor, plus any cumulative deficiency in those transfers
25 for prior months.

26 (d) Except as provided in subsection (c) of this Section,

1 the Underground Storage Tank Fund is not subject to
2 administrative charges authorized under Section 8h of the
3 State Finance Act that would in any way transfer any funds from
4 the Underground Storage Tank Fund into any other fund of the
5 State.

6 (e) Each fiscal year, subject to appropriation, the Agency
7 may commit up to \$10,000,000 of the moneys in the Underground
8 Storage Tank Fund to the payment of corrective action costs
9 for legacy sites that meet one or more of the following
10 criteria as a result of the underground storage tank release:

11 (i) the presence of free product, (ii) contamination within a
12 regulated recharge area, a wellhead protection area, or the
13 setback zone of a potable water supply well, (iii)
14 contamination extending beyond the boundaries of the site
15 where the release occurred, or (iv) such other criteria as may
16 be adopted in Agency rules.

17 (1) Fund moneys committed under this subsection (e)
18 shall be held in the Fund for payment of the corrective
19 action costs for which the moneys were committed.

20 (2) The Agency may adopt rules governing the
21 commitment of Fund moneys under this subsection (e).

22 (3) This subsection (e) does not limit the use of Fund
23 moneys at legacy sites as otherwise provided under this
24 Title.

25 (4) For the purposes of this subsection (e), the term
26 "legacy site" means a site for which (i) an underground

1 storage tank release was reported prior to January 1,
2 2005, (ii) the owner or operator has been determined
3 eligible to receive payment from the Fund for corrective
4 action costs, and (iii) the Agency did not receive any
5 applications for payment prior to January 1, 2010.

6 (f) Beginning July 1, 2013, if the amounts deposited into
7 the Fund from moneys received by the Office of the State Fire
8 Marshal as fees for underground storage tanks under Sections 4
9 and 5 of the Gasoline Storage Act and as fees pursuant to the
10 Motor Fuel Tax Law during a State fiscal year are sufficient to
11 pay all claims for payment by the fund received during that
12 State fiscal year, then the amount of any payments into the
13 fund pursuant to the Use Tax Act, the Service Use Tax Act, the
14 Service Occupation Tax Act, and the Retailers' Occupation Tax
15 Act during that State fiscal year shall be deposited as
16 follows: 75% thereof shall be paid into the State treasury and
17 25% shall be reserved in a special account and used only for
18 the transfer to the Common School Fund as part of the monthly
19 transfer from the General Revenue Fund in accordance with
20 Section 8a of the State Finance Act.

21 (g) Beginning July 1, 2026, and each July 1 thereafter,
22 the State Comptroller shall direct and the State Treasurer
23 shall transfer the sum of \$5,000,000 from the Underground
24 Storage Tank Fund to the Brownfields Redevelopment Fund.

25 (Source: P.A. 103-8, eff. 6-7-23; 103-588, eff. 6-5-24; 104-2,
26 eff. 6-16-25.)

1 (415 ILCS 5/58.3)

2 Sec. 58.3. Site Investigation and Remedial Activities
3 Program; Brownfields Redevelopment Fund.

4 (a) The General Assembly hereby establishes by this Title
5 a Site Investigation and Remedial Activities Program for sites
6 subject to this Title. This program shall be administered by
7 the Illinois Environmental Protection Agency under this Title
8 XVII and rules adopted by the Illinois Pollution Control
9 Board.

10 (b) (1) The General Assembly hereby creates within the
11 State Treasury a special fund to be known as the
12 Brownfields Redevelopment Fund, consisting of 2 programs
13 to be known as the "Municipal Brownfields Redevelopment
14 Grant Program" and the "Brownfields Redevelopment Loan
15 Program", which shall be used and administered by the
16 Agency as provided in Sections 58.13 and 58.15 of this Act
17 and the rules adopted under those Sections. The
18 Brownfields Redevelopment Fund ("Fund") shall contain
19 moneys transferred from the Response Contractors
20 Indemnification Fund and other moneys made available for
21 deposit into the Fund.

22 (2) The State Treasurer, ex officio, shall be the
23 custodian of the Fund, and the Comptroller shall direct
24 payments from the Fund upon vouchers properly certified by
25 the Agency. The Treasurer shall credit to the Fund

1 interest earned on moneys contained in the Fund. The
2 Agency shall have the authority to accept, receive, and
3 administer on behalf of the State any grants, gifts,
4 loans, reimbursements or payments for services, or other
5 moneys made available to the State from any source for
6 purposes of the Fund. Those moneys shall be deposited into
7 the Fund, unless otherwise required by the Environmental
8 Protection Act or by federal law.

9 (3) Pursuant to appropriation, all moneys in the Fund
10 shall be used by the Agency for the purposes set forth in
11 subdivision (b) (4) of this Section and Sections 58.13 and
12 58.15 of this Act and to cover the Agency's costs of
13 program development and administration under those
14 Sections.

15 (4) The Agency shall have the power to enter into
16 intergovernmental agreements with the federal government
17 or the State, or any instrumentality thereof, for purposes
18 of capitalizing the Brownfields Redevelopment Fund. Moneys
19 on deposit in the Brownfields Redevelopment Fund may be
20 used for the issuance of grants or providing additional
21 subsidization or for the creation of reserve funds or
22 pledged funds that secure the obligations of repayment of
23 loans made pursuant to Section 58.15 of this Act. For the
24 purpose of obtaining capital for deposit into the
25 Brownfields Redevelopment Fund, the Agency may also enter
26 into agreements with financial institutions and other

1 persons for the purpose of selling loans and developing a
2 secondary market for such loans. The Agency shall have the
3 power to create and establish such reserve funds and
4 accounts as may be necessary or desirable to accomplish
5 its purposes under this subsection and to allocate its
6 available moneys into such funds and accounts. Investment
7 earnings on moneys held in the Brownfields Redevelopment
8 Fund, including any reserve fund or pledged fund, shall be
9 deposited into the Brownfields Redevelopment Fund.

10 (5) The Agency is authorized to administer funds made
11 available to the Agency under federal law, including but
12 not limited to the Small Business Liability Relief and
13 Brownfields Revitalization Act, related to brownfields
14 cleanup and reuse in accordance with that law and this
15 Title.

16 (Source: P.A. 95-331, eff. 8-21-07.)

17 (415 ILCS 5/58.13)

18 Sec. 58.13. Municipal Brownfields Redevelopment Grant
19 Program.

20 (a) (1) The Agency shall establish and administer a
21 program of grants, to be known as the Municipal
22 Brownfields Redevelopment Grant Program, to provide
23 municipalities in Illinois with financial assistance to be
24 used for coordination of activities related to brownfields
25 redevelopment, including but not limited to identification

1 of brownfields sites, including those sites within River
2 Edge Redevelopment Zones, site investigation and
3 determination of remediation objectives and related plans
4 and reports, development of remedial action plans, and
5 implementation of remedial action plans and remedial
6 action completion reports. The plans and reports shall be
7 developed in accordance with Title XVII of this Act.

8 (2) Grants shall be awarded on a competitive basis
9 subject to availability of funding. Criteria for awarding
10 grants shall include, but shall not be limited to the
11 following:

12 (A) problem statement and needs assessment;

13 (B) community-based planning and involvement;

14 (C) implementation planning; and

15 (D) long-term benefits and sustainability.

16 (3) The Agency may give weight to geographic location
17 to enhance geographic distribution of grants across this
18 State.

19 (4) (Blank). ~~Except for grants to municipalities with~~
20 ~~designated River Edge Redevelopment Zones, grants shall be~~
21 ~~limited to a maximum of \$240,000, and no municipality~~
22 ~~shall receive more than this amount under this Section.~~
23 ~~For grants to municipalities with designated River Edge~~
24 ~~Redevelopment Zones and grants to municipalities awarded~~
25 ~~from funds provided under the American Recovery and~~
26 ~~Reinvestment Act of 2009, grants shall be limited to a~~

~~maximum of \$2,000,000 and no municipality shall receive more than this amount under this Section. For grants to municipalities awarded from funds provided under the American Recovery and Reinvestment Act of 2009, grants shall be limited to a maximum of \$1,000,000 and no municipality shall receive more than this amount under this Section.~~

(5) Except as otherwise provided by Agency rule, grant
~~Grant~~ amounts shall not exceed 70% of the project amount, with the remainder to be provided by the municipality as local matching funds.

(b) The Agency shall have the authority to enter into any contracts or agreements that may be necessary to carry out its duties or responsibilities under this Section. The Agency shall have the authority to adopt rules setting forth procedures and criteria for administering the Municipal Brownfields Redevelopment Grant Program. The rules adopted by the Agency may include but shall not be limited to the following:

(1) purposes for which grants are available;

(2) application periods and content of applications;

(3) procedures and criteria for Agency review of grant applications, grant approvals and denials, and grantee acceptance;

(4) grant payment schedules;

(5) grantee responsibilities for work schedules, work

1 plans, reports, and record keeping;

2 (6) evaluation of grantee performance, including but
3 not limited to auditing and access to sites and records;

4 (7) requirements applicable to contracting and
5 subcontracting by the grantee;

6 (8) penalties for noncompliance with grant
7 requirements and conditions, including stop-work orders,
8 termination of grants, and recovery of grant funds;

9 (9) indemnification of this State and the Agency by
10 the grantee; and

11 (10) manner of compliance with the Local Government
12 Professional Services Selection Act.

13 (c) Moneys in the Brownfields Redevelopment Fund may be
14 used by the Agency to take whatever preventive or corrective
15 action, including but not limited to removal or remedial
16 action, is necessary or appropriate in response to a release
17 or substantial threat of a release of:

18 (1) a hazardous substance or pesticide; or

19 (2) petroleum from an underground storage tank.

20 The State, the Director, and any State employee shall be
21 indemnified for any damages or injury arising out of or
22 resulting from any action taken pursuant to this subsection
23 (c) and subsection (d) (2) of Section 4 of this Act. The Agency
24 has the authority to enter into such contracts and agreements
25 as may be necessary, and as expeditiously as necessary, to
26 carry out preventive or corrective action pursuant to this

1 subsection (c) and subsection (d) (2) of Section 4 of this Act.

2 (Source: P.A. 96-45, eff. 7-15-09.)