

1 AN ACT concerning renewable fuels.

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

4 Section 1. Short title. This Act may be cited as the
5 Illinois Renewable Fuels Development Program Act.

6 Section 5. Findings and State policy. The General
7 Assembly recognizes that agriculture is a vital sector of the
8 Illinois economy and that an important growth industry for
9 the Illinois agricultural sector is renewable fuels
10 production. Renewable fuels produced from Illinois
11 agricultural products hold great potential for growing the
12 State's economy, reducing our dependence on foreign oil
13 supplies, and improving the environment by reducing harmful
14 emissions from vehicles. Illinois is the nation's leading
15 producer of ethanol, a clean, renewable fuel with significant
16 environmental benefits. The General Assembly finds that
17 reliable supplies of renewable fuels will be integral to the
18 long term energy security of the United States. The General
19 Assembly declares that it is the public policy of the State
20 of Illinois to promote and encourage the production and use
21 of renewable fuels as a means not only to improve air quality
22 in the State and the nation, but also to grow the
23 agricultural sector of the Illinois economy. To achieve these
24 public policy objectives, the General Assembly hereby
25 authorizes the creation and implementation of the Illinois
26 Renewable Fuels Development Program within the Department.

27 Section 10. Definitions. As used in this Act:

28 "Biodiesel" means a renewable diesel fuel derived from
29 biomass that is intended for use in diesel engines.

30 "Biodiesel blend" means a blend of biodiesel with

1 petroleum-based diesel fuel in which the resultant product
2 contains no less than 1% and no more than 99% biodiesel.

3 "Biomass" means non-fossil organic materials that have an
4 intrinsic chemical energy content. "Biomass" includes, but is
5 not limited to, soybean oil, other vegetable oils, and
6 ethanol.

7 "Department" means the Department of Commerce and
8 Community Affairs.

9 "Diesel fuel" means any product intended for use or
10 offered for sale as a fuel for engines in which the fuel is
11 injected into the combustion chamber and ignited by pressure
12 without electric spark.

13 "Director" means the Director of Commerce and Community
14 Affairs.

15 "Ethanol" means a product produced from agricultural
16 commodities or by-products used as a fuel or to be blended
17 with other fuels for use in motor vehicles.

18 "Fuel" means fuel as defined in Section 1.19 of the Motor
19 Fuel Tax Law.

20 "Gasohol" means motor fuel that is no more than 90%
21 gasoline and at least 10% denatured ethanol that contains no
22 more than 1.25% water by weight.

23 "Gasoline" means all products commonly or commercially
24 known or sold as gasoline (including casing head and
25 absorption or natural gasoline).

26 "Illinois agricultural product" means any agricultural
27 commodity grown in Illinois that is used by a production
28 facility to produce renewable fuel in Illinois, including,
29 but not limited to, corn, barley, and soy beans.

30 "Labor Organization" means any organization:

31 (1) in which construction trades, crafts, or labor
32 employees, or all or any of these participate; and

33 (2) that represents construction trades, crafts, or
34 labor employees, or any or all of these; and

1 (3) that exists for the purpose, in whole or in
2 part, of negotiating with the employers of construction
3 trades, crafts, or labor employees, or any or all of
4 these, terms and conditions of employment, including but
5 not limited to: wages, hours of work, overtime
6 provisions, fringe benefits, and the settlement of
7 grievances; and

8 (4) that participates in apprenticeship and
9 training approved and registered with the United States
10 Department of Labor's Bureau of Apprenticeship and
11 Training, in the State of Illinois.

12 "Majority blended ethanol fuel" means motor fuel that
13 contains no less than 70% and no more than 90% denatured
14 ethanol and no less than 10% and no more than 30% gasoline.

15 "Motor vehicles" means motor vehicles as defined in the
16 Illinois Vehicle Code and watercraft propelled by an internal
17 combustion engine.

18 "Owner" means any individual, sole proprietorship,
19 limited partnership, co-partnership, joint venture,
20 corporation, cooperative, or other legal entity that operates
21 or will operate a plant located within the State of Illinois.

22 "Plant" means a production facility that produces a
23 renewable fuel. "Plant" includes land, any building or other
24 improvement on or to land, and any personal properties deemed
25 necessary or suitable for use, whether or not now in
26 existence, in the processing of fuel from agricultural
27 commodities or by-products.

28 "Renewable fuel" means ethanol, gasohol, majority blended
29 ethanol fuel, biodiesel blend fuel, and biodiesel.

30 Section 15. Illinois Renewable Fuels Development Program.

31 (a) The Department must develop and administer the
32 Illinois Renewable Fuels Development Program to assist in the
33 construction, modification, alteration, or retrofitting of

1 renewable fuel plants in Illinois. The recipient of a grant
2 under this Section must:

3 (1) be constructing, modifying, altering, or
4 retrofitting a plant in the State of Illinois;

5 (2) be constructing, modifying, altering, or
6 retrofitting a plant that has annual production capacity
7 of no less than 30,000,000 gallons of renewable fuel per
8 year; and

9 (3) enter into a project labor agreement as
10 prescribed by Section 25 of this Act.

11 (b) Grant applications must be made on forms provided by
12 and in accordance with procedures established by the
13 Department.

14 (c) The Department must give preference to applicants
15 that use Illinois agricultural products in the production of
16 renewable fuel at the plant for which the grant is being
17 requested.

18 Section 20. Grants. Subject to appropriation from the
19 General Revenue Fund, the Director is authorized to award
20 grants to eligible applicants. The annual aggregate amount of
21 grants awarded shall not exceed \$15,000,000.

22 Section 25. Project labor agreements.

23 (a) The project labor agreement must include the
24 following:

25 (1) provisions establishing the minimum hourly wage
26 for each class of labor organization employee;

27 (2) provisions establishing the benefits and other
28 compensation for each class of labor organization
29 employee; and

30 (3) provisions establishing that no strike or
31 disputes will be engaged in by the labor organization
32 employees.

1 The owner of the plant and the labor organizations shall have
2 the authority to include other terms and conditions as they
3 deem necessary.

4 (b) The project labor agreement shall be filed with the
5 Director in accordance with procedures established by the
6 Department. At a minimum, the project labor agreement must
7 provide the names, addresses, and occupations of the owner of
8 the plant and the individuals representing the labor
9 organization employees participating in the project labor
10 agreement. The agreement must also specify the terms and
11 conditions required in subsection (a).

12 Section 30. Administration of the Act; rules. The
13 Department shall administer this Act and shall adopt any
14 rules necessary for that purpose.

15 Section 905. The Prevailing Wage Act is amended by
16 changing Sections 2, 3, and 4 as follows:

17 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)

18 Sec. 2. This Act applies to the wages of laborers,
19 mechanics and other workers employed in any public works, as
20 hereinafter defined, by any public body and to anyone under
21 contracts for public works.

22 As used in this Act, unless the context indicates
23 otherwise:

24 "Public works" means all fixed works constructed ~~for~~
25 ~~public~~-use by any public body, other than work done directly
26 by any public utility company, whether or not done under
27 public supervision or direction, or paid for wholly or in
28 part out of public funds. "Public works" as defined herein
29 includes all projects financed in whole or in part with bonds
30 issued under the Industrial Project Revenue Bond Act (Article
31 11, Division 74 of the Illinois Municipal Code), the

1 Industrial Building Revenue Bond Act, the Illinois
2 Development Finance Authority Act, the Illinois Sports
3 Facilities Authority Act, or the Build Illinois Bond Act, and
4 all projects financed in whole or in part with loans or other
5 funds made available pursuant to the Build Illinois Act.
6 "Public works" also includes all projects financed in whole
7 or in part with funds from the Department of Commerce and
8 Community Affairs under the Illinois Renewable Fuels
9 Development Program Act for which there is no project labor
10 agreement.

11 "Construction" means all work on public works involving
12 laborers, workers or mechanics.

13 "Locality" means the county where the physical work upon
14 public works is performed, except (1) that if there is not
15 available in the county a sufficient number of competent
16 skilled laborers, workers and mechanics to construct the
17 public works efficiently and properly, "locality" includes
18 any other county nearest the one in which the work or
19 construction is to be performed and from which such persons
20 may be obtained in sufficient numbers to perform the work and
21 (2) that, with respect to contracts for highway work with the
22 Department of Transportation of this State, "locality" may at
23 the discretion of the Secretary of the Department of
24 Transportation be construed to include two or more adjacent
25 counties from which workers may be accessible for work on
26 such construction.

27 "Public body" means the State or any officer, board or
28 commission of the State or any political subdivision or
29 department thereof, or any institution supported in whole or
30 in part by public funds, ~~authorized--by--law--to--construct~~
31 ~~public---works---or--to--enter--into--any--contract--for--the~~
32 ~~construction-of-public--works,~~ and includes every county,
33 city, town, village, township, school district, irrigation,
34 utility, reclamation improvement or other district and every

1 other political subdivision, district or municipality of the
2 state whether such political subdivision, municipality or
3 district operates under a special charter or not.

4 The terms "general prevailing rate of hourly wages",
5 "general prevailing rate of wages" or "prevailing rate of
6 wages" when used in this Act mean the hourly cash wages plus
7 fringe benefits for training and apprenticeship programs
8 approved by the U.S. Department of Labor, Bureau of
9 Apprenticeship and Training, health and welfare, insurance,
10 vacations and pensions paid generally, in the locality in
11 which the work is being performed, to employees engaged in
12 work of a similar character on public works.

13 (Source: P.A. 91-105, eff. 1-1-00; 91-935, eff. 6-1-01;
14 92-16, eff. 6-28-01.)

15 (820 ILCS 130/3) (from Ch. 48, par. 39s-3)

16 Sec. 3. Not less than the general prevailing rate of
17 hourly wages for work of a similar character on public works
18 in the locality in which the work is performed, and not less
19 than the general prevailing rate of hourly wages for legal
20 holiday and overtime work, shall be paid to all laborers,
21 workers and mechanics employed by or on behalf of any public
22 body engaged in the construction of public works. Only such
23 laborers, workers and mechanics as are directly employed by
24 contractors or subcontractors in actual construction work on
25 the site of the building or construction job, and laborers,
26 workers and mechanics engaged in the transportation of
27 materials and equipment to or from the site, but not
28 including the transportation by the sellers and suppliers or
29 the manufacture or processing of materials or equipment, in
30 the execution of any contract or contracts for public works
31 with any public body shall be deemed to be employed upon
32 public works. The wage for a tradesman performing maintenance
33 is equivalent to that of a tradesman engaged in construction.

1 (Source: P.A. 83-443.)

2 (820 ILCS 130/4) (from Ch. 48, par. 39s-4)

3 Sec. 4. The public body awarding any contract for public
4 work or otherwise undertaking any public works, shall
5 ascertain the general prevailing rate of hourly wages in the
6 locality in which the work is to be performed, for each craft
7 or type of worker or mechanic needed to execute the contract,
8 and where the public body performs the work without letting a
9 contract therefor, shall ascertain the prevailing rate of
10 wages on a per hour basis in the locality, and such public
11 body shall specify in the resolution or ordinance and in the
12 call for bids for the contract, that the general prevailing
13 rate of wages in the locality for each craft or type of
14 worker or mechanic needed to execute the contract or perform
15 such work, also the general prevailing rate for legal holiday
16 and overtime work, as ascertained by the public body or by
17 the Department of Labor shall be paid for each craft or type
18 of worker needed to execute the contract or to perform such
19 work, and it shall be mandatory upon the contractor to whom
20 the contract is awarded and upon any subcontractor under him,
21 and where the public body performs the work, upon the public
22 body, to pay not less than the specified rates to all
23 laborers, workers and mechanics employed by them in the
24 execution of the contract or such work; provided, however,
25 that if the public body desires that the Department of Labor
26 ascertain the prevailing rate of wages, it shall notify the
27 Department of Labor to ascertain the general prevailing rate
28 of hourly wages for work under contract, or for work
29 performed by a public body without letting a contract as
30 required in the locality in which the work is to be
31 performed, for each craft or type of worker or mechanic
32 needed to execute the contract or project or work to be
33 performed. Upon such notification the Department of Labor

1 shall ascertain such general prevailing rate of wages, and
2 certify the prevailing wage to such public body. The public
3 body awarding the contract shall cause to be inserted in the
4 contract a stipulation to the effect that not less than the
5 prevailing rate of wages as found by the public body or
6 Department of Labor or determined by the court on review
7 shall be paid to all laborers, workers and mechanics
8 performing work under the contract. It shall also require in
9 all such contractor's bonds that the contractor include such
10 provision as will guarantee the faithful performance of such
11 prevailing wage clause as provided by contract. All bid
12 specifications shall list the specified rates to all
13 laborers, workers and mechanics in the locality for each
14 craft or type of worker or mechanic needed to execute the
15 contract. If the Department of Labor revises the prevailing
16 rate of hourly wages to be paid by the public body, the
17 revised rate shall apply to such contract, and the public
18 body shall be responsible to notify the contractor and each
19 subcontractor, of the revised rate. Two or more investigatory
20 hearings under this Section on the issue of establishing a
21 new prevailing wage classification for a particular craft or
22 type of worker shall be consolidated in a single hearing
23 before the Department. Such consolidation shall occur
24 whether each separate investigatory hearing is conducted by a
25 public body or the Department. The party requesting a
26 consolidated investigatory hearing shall have the burden of
27 establishing that there is no existing prevailing wage
28 classification for the particular craft or type of worker in
29 any of the localities under consideration.

30 It shall be mandatory upon the contractor or construction
31 manager to whom a contract for public works is awarded to
32 post, at a location on the project site of the public works
33 that is easily accessible to the workers engaged on the
34 project, the prevailing wage rates for each craft or type of

1 worker or mechanic needed to execute the contract or project
2 or work to be performed. A failure to post a prevailing wage
3 rate as required by this Section is a violation of this Act.

4 (Source: P.A. 92-783, eff. 8-6-02.)

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