HB5825

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103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5825

Introduced 4/30/2024, by Rep. Mary Beth Canty

SYNOPSIS AS INTRODUCED:

20 ILCS 2705/2705-204 new
415 ILCS 5/9.15

Amends the Department of Transportation Law of the Civil Administrative Code of Illinois. Provides that the amendatory Act may be referred to as the Transportation Choices Act. Requires, by January 1, 2026, the Environmental Protection Agency, after consultation with the Department of Transportation and Metropolitan Planning Organizations (MPOs), to establish a schedule of greenhouse gas targets for greenhouse gas emissions from the transportation sector in the State. Requires the Department and MPOs to conduct a greenhouse gas emissions analysis and determine if their applicable planning document will result in meeting their greenhouse gas targets. Requires the Department and MPOs to perform a greenhouse gas emissions analysis prior to including a roadway capacity expansion project in an applicable planning document. Requires, by January 1, 2028 and every 3 years thereafter, the Department to prepare a comprehensive report on statewide transportation greenhouse gas reduction accomplishments and challenges and to make recommendations for any legislative action that would assist the Department and MPOs in meeting their greenhouse gas targets. Requires the Department and MPOs to calculate a climate equity accessibility score prior to including any project that has an anticipated cost of $30,000,000 or more in an applicable planning document or as a greenhouse gas mitigation measure. Requires the Department and MPOs to provide early and continuous opportunities for public participation in the transportation planning process. Requires, beginning June 30, 2025, the Department and MPOs to establish a social cost of carbon and use the social cost of carbon in their planning documents and planning activities. Establishes the Greenhouse Gas in Transportation Working Group. Provides that the specified requirements of the provisions shall commence with projects included in applicable planning documents filed on or after January 1, 2027. Makes other changes. Amends the Environmental Protection Act. Directs the Environmental Protection Agency to calculate a social cost of carbon and makes other changes.

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A BILL FOR

AN ACT concerning safety.

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

Section 1. References to Act. This Act may be referred to as the Transportation Choices Act.

Section 5. The Department of Transportation Law of the Civil Administrative Code of Illinois is amended by adding Section 2705-204 as follows:

(20 ILCS 2705/2705-204 new)

Sec. 2705-204. Transportation planning and greenhouse gas reduction.

(a) The General Assembly finds that:

(1) Article XI of the Illinois Constitution provides that the public policy of the State and the duty of each person is to provide and maintain a healthful environment for the benefit of this and future generations.

(2) The transportation sector is now the largest source of greenhouse gas emissions in the State.

(3) The State has previously set a goal to have an electric power sector that is free of greenhouse gas emissions by 2045.

(4) Greenhouse gas pollution resulting from the

production, distribution, and use of motor vehicle fuels produces many social costs, including, but not limited to, adverse public health impacts, increased heat waves, droughts, water supply shortages, flooding, biodiversity loss, and forest health issues, such as forest fires.

(5) The Illinois State Climatologist is projecting that, by the end of the 21st Century, average daily temperatures in the State will increase between 4 and 9 degrees Fahrenheit under a lower emissions scenario and between 8 and 14 degrees Fahrenheit under a higher emissions scenario.

(6) Climate change of such speed and magnitude will result in heat stress on animals, plants, and workers; reduced crop yields from short-term and rapid-onset drought; increased pestilence; and other challenges that will adversely affect the State's agriculture sector.

(7) Increases in flooding, heat, and other factors associated with climate change will stress the State's transportation infrastructure, such as bridges and roadways in low-lying areas, and will require more resources to maintain roadways and other transportation infrastructure.

(8) State investment in a clean transportation economy in the State can expand equitable access to public health, safety, a cleaner environment, quality jobs, and economic opportunity.

(9) It is the public policy of the State to ensure that State residents from communities disproportionately impacted by climate change, communities facing automotive plant closures, economically disadvantaged communities, and individuals experiencing barriers to employment have access to State programs and good jobs and career opportunities in growing sectors of the State economy.

(10) To minimize any adverse environmental and health impacts of planned transportation projects and to address inequitable distribution of the burdens of those projects, it is necessary, appropriate, and in the best interests of the State and its citizens to require the Department and MPOs, which are the State's primary transportation planning entities with responsibility for selecting and funding transportation projects, to engage in an enhanced level of planning, modeling, and other analysis, community engagement, and monitoring with respect to those projects as required by this Section.

(11) Subsection (a) of Section 15 of the Regional Planning Act provides that the Chicago Metropolitan Agency for Planning, whose Policy Committee is the MPO for Northeastern Illinois, shall be responsible for developing and adopting a funding and implementation strategy for an integrated land use and transportation planning process.

(12) Section 48 of the Regional Planning Act provides that the Chicago Metropolitan Agency for Planning shall

establish an incentive program to enable local governments and developers to create more affordable workforce housing options near jobs and transit, create jobs near existing affordable workforce housing, create transit-oriented development, integrate transportation and land use planning, provide a range of viable transportation choices in addition to the car, encourage compact and mixed-use development, and support neighborhood revitalization.

(13) Paragraph (1) of subsection (a) of Section 5303 of Title 49 of the United States Code (49 U.S.C. 5303(a)(1)) provides, in relevant part, that it is in the national interest to better connect housing and employment, while minimizing transportation-related fuel consumption and air pollution through metropolitan and statewide transportation planning processes.

(14) Subparagraph (A) of paragraph (4) of subsection (k) of Section 5303 of Title 49 of the United States Code (49 U.S.C. 5303(k)(4)(A)) provides that MPOs serving transportation management areas may address the integration of housing, transportation, and economic development strategies through a process that provides for effective integration, based on a cooperatively developed and implemented strategy, of new and existing transportation facilities eligible for funding.

(15) Subparagraph (C) of paragraph (4) of subsection (k) of Section 5303 of Title 49 of the United States Code

(49 U.S.C. 5303(k)(4)(C)) provides that MPOs serving transportation management areas may develop a housing coordination plan that includes projects and strategies that may be considered in the metropolitan transportation plan of the MPO to develop regional goals for the integration of housing, transportation, and economic development strategies.

(16) Land use policies and practices that result in shorter distances between where people reside and jobs and other destinations they seek to access and that facilitate multimodal transportation options for the public are one of the most effective tools to reduce greenhouse gas emissions from the transportation sector and provide more affordable transportation options.

(17) Transportation is the second-largest expense category for most households and the cost of owning, operating, and maintaining personal vehicles is a significant burden for many households.

(18) Reducing vehicle miles traveled per person through more efficient land use and transportation systems will help the State achieve its greenhouse gas reduction goals and reduce the transportation cost burden on State households.

(19) To the maximum extent practicable, actions taken to achieve these goals must avoid causing disproportionate adverse impacts to residents of communities that are or

have been disproportionately exposed to pollution affecting human health and environmental quality.

(b) As used in this Section:

"Applicable planning document" means an MPO's Regional Transportation Plan or the Department's Long-Range State Transportation Plan. "Applicable planning document" includes amendments to such plans that add capacity expansion projects or other projects resulting in a net increase in GHG emissions.

"Climate equity accessibility score" means a measurement of the impact of certain transportation projects on (i) GHG emissions, (ii) the accessibility of jobs and other destinations to people residing in the project area, and (iii) the affordability of transportation.

"CO_2e" means the number of metric tons of carbon dioxide emissions with the same global warming potential as one metric ton of another greenhouse gas, is calculated using Equation A-1 in 40 CFR 98.2, and allows for the comparison of emissions of various different greenhouse gases with different global warming potentials and the calculation of the relative impact of the emissions on the environment over a standard time period.

"Disproportionately impacted community" means the residents within a census block group in which, according to the most recent federal decennial census, more than 40% of the households are low-income households, more than 40% of the

households identify as minority households, or more than 40% of the households are housing cost-burdened, as defined by the United States Census Bureau.

"Greenhouse gas emissions" or "GHG emissions" means emissions of carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, nitrogen trifluoride, and sulfur hexafluoride.

"Greenhouse gas emissions analysis" or "GHG emissions analysis" means the analysis of the GHG emissions calculated as being generated by the projects and programs contained in an applicable planning document.

"Greenhouse gas mitigation measure" or "GHG mitigation measure" means a project, program, or policy established by the Environmental Protection Agency by rule under subparagraph (G) of paragraph (3) of subsection (c) that can reasonably be expected to result in a quantifiable reduction in GHG emissions and that would not be undertaken absent the need by the Department or an MPO to reduce GHG emissions to meet their greenhouse gas targets. "Greenhouse gas mitigation measure" or "GHG mitigation measure" does not include a roadway capacity expansion project. "Greenhouse gas mitigation measure" or "GHG mitigation measure" includes:

(1) the addition of transit and other mobility resources, including, but not limited to, shared bicycle and scooter service, in a manner that will reduce VMT;

(2) improving pedestrian and bicycle access,

particularly in areas that allow individuals to reduce multiple daily trips and better access transit;

(3) transportation demand management to reduce VMT per capita, including, but not limited to, vanpool and shared vehicle programs, remote work and other forms of virtual access, and use of pricing and other incentives for employees and other travelers to use less greenhouse gas intensive travel modes;

(4) improving first-and-final mile access to transit stops and stations to make transit safer and more usable;

(5) improving the safety, efficiency, and Americans with Disabilities Act compliance of crosswalks and multiuse paths for pedestrians, bicyclists, and other nonmotorized vehicles;

(6) changing parking and land use policies and adjusting urban design requirements to encourage more walking, bicycling, and transit trips per capita and reduce VMT per capita;

(7) adoption or expansion of school bus, school carpool, or school active transportation programs;

(8) electrifying loading docks to allow transportation refrigeration units and auxiliary power units to be plugged into the electric grid at the loading dock instead of running on fossil fuels;

(9) accelerating the adoption of ebikes, neighborhood electric carshare vehicles, and other forms of vehicles

that emit less greenhouse gas when manufactured and operated; and

(10) other measures established or authorized by the Environmental Protection Agency by rule that reduce GHG emissions.

"Greenhouse gas target" or "GHG target" means the maximum amount of greenhouse gas expressed as CO_2e at each of the various specified times established by subsection (c) that the Department and MPOs must attain through their transportation planning and project prioritization and funding processes.

"Induced demand" means a concept from economics that as supply increases and incurred costs decline, demand will increase. This phenomenon has been widely observed and studied in transportation systems where highways have been expanded to alleviate road congestion problems, resulting in increases in vehicle miles traveled.

"MPO" means a metropolitan planning organization designated by agreement among the units of local government and the Governor, charged with developing transportation plans and programs in a metropolitan planning area under Section 134 of Title 23 of the United States Code.

"Mitigation action plan" means the plan for implementation of GHG mitigation measures prepared by the Department or an MPO.

"Other entities" means the entities referenced in subsection (s).

"Roadway capacity expansion project" means a project that would be included in the Department's State Transportation Improvement Program as an MPO or significant project and that (i) adds physical highway traffic capacity or provides for grade separation at an intersection or (ii) uses intelligent transportation system technology to increase the traffic capacity of an existing highway by 10% or more. "Roadway capacity expansion project" does not include a project whose primary purpose is enhancing public transportation bus infrastructure or services. "Roadway capacity expansion project" includes all project types, including those described as maintenance or rehabilitation projects.

"Social cost of carbon" means the estimates of the social cost of carbon adopted by the United States Environmental Protection Agency, or such higher figure as adopted by the Environmental Protection Agency, Department, or MPO under subsection (o).

"STIP" means a State Transportation Improvement Program.

"TIP" means a Transportation Improvement Program.

"VMT" means vehicle miles traveled.

(c) By January 1, 2026, the Environmental Protection Agency, after consultation with the Department and MPOs, must establish, by rule, a schedule of GHG targets for GHG emissions from the transportation sector in the State that:

(1) do not allow GHG emissions in the transportation sector to exceed the greenhouse gas performance targets

established by the Environmental Protection Agency for the transportation sector under subsection (p) of Section 9.15 of the Environmental Protection Act;

(2) specify GHG targets on a 5-year or more frequent compliance year basis; and

(3) allocate GHG targets across the transportation sector of the State, which:

(A) must provide for an allocation to each MPO for their metropolitan region;

(B) must provide for an allocation to the Department for areas outside the boundaries of the State's MPOs;

(C) must account for the differences in the feasibility and extent of emissions reductions across forms of land use and across regions of the State;

(D) must require that the Department and MPOs factor in the impact of induced demand associated with transportation projects and policies in calculating the GHG emissions generated by their respective transportation systems;

(E) must be based on the best available data and modeling tools accessible to the Environmental Protection Agency, such as the SHIFT calculator, after consultation with other State agencies, universities, the federal government, and other appropriate expert sources;

(F) must include VMT targets necessary for the Department and MPOs to meet their GHG targets;

(G) must set out standards and requirements for acceptable GHG mitigation measures; and

(H) may include additional performance targets based on Department district, metropolitan area, geographic region, a per capita calculation, transportation mode, or a combination thereof.

(d) When adopting or amending an applicable planning document, the Department and an MPO must conduct a GHG emissions analysis that:

(1) includes (i) the existing transportation network, (ii) the anticipated changes to that network as a result of the projects contained in the applicable planning document, and (iii) the projects in their STIP or TIP;

(2) estimates total CO_2e emissions in millions of metric tons for each applicable GHG target date established under subsection (c);

(3) compares estimated total CO_2e emissions against the GHG targets applicable to the Department or MPO;

(4) compares the social cost of carbon for total estimated CO_2e emissions against the social cost of carbon associated with each applicable GHG target;

(5) certifies whether the Department or MPO is in compliance with its applicable GHG targets; and

(6) is published in full on the websites of the

Department or MPO.

(e) The Department, with assistance from the Environmental Protection Agency, shall:

(1) provide technical assistance to MPOs in fulfilling their responsibilities under this Section, including:

(A) assembling and sharing greenhouse gas-related resources and transportation sector best practices in managing GHG emissions;

(B) hosting peer reviews and exchanges of technical data, information, assistance, and related activities;

(C) making Department staff resources accessible to answer questions and provide in-depth assistance to MPOs on specific issues;

(D) providing information about grants and other funding opportunities;

(E) conducting evaluations of GHG emissions analyses against national best practices;

(F) connecting MPOs to resources in public agencies, universities, and elsewhere; and

(H) conducting other similar and related activities to assist MPOs in fulfilling their responsibilities;

(2) encourage use of consistent GHG emissions data, assumptions, and methodology by the Department and MPOs;

(3) ensure that its planning processes under Sections

2705-200, 2705-203, and 2705-205 and its guidance to MPOs under this subsection provide that at least the same level of analytical scrutiny is given to greenhouse gas pollutants as is given to other air pollutants of concern in the State, and include consideration of the impact on GHG emissions of induced demand resulting from roadway capacity expansion projects;

(4) update its Metropolitan Planning Organization Cooperative Operations Manual, as necessary;

(5) review the GHG emissions analysis used by each MPO to determine if the GHG emissions analysis is inclusive of the complete, actual, and planned transportation network in the applicable planning document and uses reasonable GHG emissions forecasting data, assumptions, modeling, and methodology:

(A) if the Department rejects the GHG emissions analysis used by an MPO, the Department shall detail the deficiencies and give the MPO an opportunity to take corrective action;

(B) until the MPO takes appropriate corrective action, the Department shall not approve the MPO's applicable planning document, include the projects in the MPO's applicable planning document in the Department's STIP, or make a finding or otherwise represent to the federal government or other governmental agencies that the MPO is in compliance

with its legal obligations;

(C) if, after given an opportunity for corrective action, an MPO does not submit an acceptable GHG emissions analysis, the Department may substitute its own GHG emissions analysis for planning and programming purposes until the MPO produces an acceptable GHG emissions analysis; and

(D) the Department shall establish an appropriate process, including deadlines for timely completion of its review of MPO GHG emissions analyses and for corrective action by MPOs where such is necessary;

(6) upon request of an MPO, provide the MPO with a GHG emissions analysis that the MPO can use for purposes of this Section in lieu of the MPO conducting its own GHG emissions analysis; and

(7) adopt rules applicable to itself, MPOs, and recipients of Department funding so the State can achieve the transportation sector greenhouse gas emissions reduction goals and targets set forth in subsections (c) and (p) of Section 9.15 of the Environmental Protection Act and administer the various processes and requirements set forth in this Section.

(f) The Department and each MPO must use a GHG emissions analysis to determine if their applicable planning document will result in the Department or MPO meeting its GHG targets. If a GHG emissions analysis determines that the Department or

MPO is more likely than not to fail to meet one or more of its GHG targets, then the Department or MPO shall identify GHG mitigation measures that are needed for the Department or MPO to meet its GHG targets as follows:

(1) The Department or MPO shall submit a mitigation action plan that identifies GHG mitigation measures needed to meet the GHG targets and that includes:

(A) the anticipated start and completion date of each GHG mitigation measure;

(B) an estimate of the annual CO_2e emissions reductions achieved per year by the GHG mitigation measure;

(C) an estimate of the impact of the GHG mitigation measure on VMT;

(D) quantification of the specific co-benefits from each GHG mitigation measure, including reduction of copollutants, such as PM2.5 and NO_x, as well as travel impacts, such as changes to VMT, pedestrian or bike use, and transit ridership;

(E) a description of any benefits to disproportionately impacted communities from the GHG mitigation measure, including an estimate of the total amount spent on GHG mitigation measures in or designed to serve disproportionately impacted communities; and

(F) a status report submitted annually and published on its website for each GHG mitigation

measure that contains the following information concerning each GHG mitigation measure:

(i) availability and timing of funding;

(ii) implementation timeline;

(iii) current status;

(iv) for GHG mitigation measures that are in progress or completed, quantification of the greenhouse gas impact of such GHG mitigation measures and any co-benefits or detriments; and

(v) for GHG mitigation measures that are delayed, canceled, or substituted, an explanation of why that decision was made and how these GHG mitigation measures or the equivalent will be achieved.

(2) GHG mitigation measures are sufficient if the total GHG emissions reduction from the GHG mitigation measures, after accounting for the GHG emissions otherwise resulting from existing and planned projects in the applicable planning document, results in the Department or MPO meeting its GHG targets. Each comparison of GHG emissions reductions and GHG targets under this subsection must be performed over equal comparison periods.

(3) In the annual GHG mitigation measures status report under subparagraph (F) of paragraph (1), the Department or MPO shall certify whether its GHG mitigation measures will be sufficient for the Department or MPO to

meet its GHG targets.

(g) If an applicable planning document does not meet the GHG targets for each compliance year even after consideration of any GHG mitigation measures, the Department may deem the applicable planning document in compliance with this Section and approved only if the noncompliant Department or MPO allocates funding to advance the achievement of the applicable GHG targets as follows:

(1) in non-MPO areas, the Department (i) shall not advance a roadway capacity expansion project from its applicable planning document to a STIP or TIP, (ii) shall not otherwise add a roadway capacity expansion project to a STIP or TIP, (iii) shall reprogram funds allocated or anticipated to be expended on roadway capacity expansion projects awaiting inclusion in a STIP or TIP project to GHG mitigation measures that reduce GHG emissions sufficiently to achieve the GHG targets for each compliance year, and (iv) shall amend its applicable planning documents to reflect these changes;

(2) in MPO areas that are not in receipt of federal suballocations under the Congestion Mitigation and Air Quality Improvement Program or Surface Transportation Board programs, the Department and MPO (i) shall not advance a roadway capacity expansion project from its applicable planning document to a STIP or TIP, (ii) shall not otherwise add a roadway capacity expansion project to

a STIP or TIP, (iii) shall reprogram funds allocated or anticipated to be expended on roadway capacity expansion projects awaiting inclusion in a STIP or TIP project to GHG mitigation measures that reduce GHG emissions sufficiently to achieve the GHG targets for each compliance year, and (iv) shall amend its applicable planning documents to reflect these changes;

(3) in MPO areas that are in receipt of federal suballocations under the Congestion Mitigation and Air Quality Improve Program or Surface Transportation Board programs, the Department and MPO (i) shall not advance a roadway capacity expansion project from its applicable planning document to a STIP or TIP, (ii) shall not otherwise add a roadway capacity expansion project to a STIP or TIP, (iii) shall reprogram funds allocated or anticipated to be expended on roadway capacity expansion projects awaiting inclusion in a STIP or TIP project to GHG mitigation measures that reduce GHG emissions sufficiently to achieve the GHG targets for each compliance year, and (iv) shall amend its applicable planning documents to reflect these changes; and

(4) the Department and MPOs shall administer paragraphs (1) through (3) as a limitation on their authority to advance roadway capacity expansion projects or other projects that will materially increase GHG emissions under paragraph (5) of subsection (k) of Section

5303 of Title 49 of the United States Code (49 U.S.C. 5303(k)(5)).

(h) Before including a roadway capacity expansion project in an applicable planning document, the Department or MPO must perform a GHG emissions analysis of the roadway capacity expansion project. Following the GHG emissions analysis, the Department or MPO must determine if, after consideration of all relevant factors, including VMT and social cost of carbon increases in the transportation network resulting from induced demand, the project conforms with (i) the applicable GHG targets and (ii) VMT targets established under subsection (c).

(1) If the Department or MPO determines that the roadway capacity expansion project is not in conformance with items (i) and (ii), the Department or MPO must:

(A) alter the scope or design of the roadway capacity expansion project and perform a GHG emissions analysis that shows that the roadway capacity expansion project meets the requirements of items (i) and (ii);

(B) incorporate sufficient GHG mitigation measures to bring the Department or MPO into compliance with its GHG targets, however, in order to be effective, such GHG mitigation measures must be implemented no later than contemporaneously with the implementation of the roadway expansion project or, if not implemented contemporaneously, a GHG mitigation

measure must provide a valid GHG emissions reduction after the date it is implemented; or

(C) halt development of the roadway capacity expansion project and remove the roadway capacity expansion project from all applicable planning documents.

(2) The Department and MPOs must establish a process for performing roadway capacity expansion project GHG emissions analysis. A GHG emissions analysis for a roadway capacity expansion project must include, but shall not be limited to, estimates resulting from the project for the following:

(A) GHG emissions over a period of 20 years or the last GHG target year, whichever is later;

(B) a net change in VMT and social cost of carbon for the transportation network after factoring in the effects of induced demand; and

(C) consideration of additional VMT in the transportation network from additional capacity resulting from roadway traffic capacity expansion, intelligent transportation systems, or both.

(3) The Department or MPO must connect any GHG mitigation measures associated with the roadway capacity expansion project as follows:

(A) within or associated with at least one of the communities impacted by the roadway capacity expansion

project;

(B) if there is not a reasonably feasible location under subparagraph (A), in areas of persistent poverty or historically disadvantaged communities, as measured and defined by federal law, guidance and notices of funding opportunity;

(C) if there is not a reasonably feasible location under subparagraphs (A) and (B), in the region of the roadway capacity expansion project; and

(D) if there is not a reasonably feasible location under subparagraphs (A) through (C), on a statewide basis.

(4) The Department or MPO must develop and use a process for community consultation consistent with the requirements of subsection (m) in the development of GHG mitigation measures that the Department or MPO uses to achieve compliance with its GHG targets.

(5) The Department or MPO must publish an explanation regarding the feasibility and rationale for each GHG mitigation measure under subparagraphs (B) through (D) of paragraph (3).

(6) GHG mitigation measures connected to a roadway expansion project are sufficient if the total greenhouse gas reduction from the GHG mitigation measures is at least equal to the total GHG emissions resulting from the roadway capacity expansion project and consistent with the

Department or MPO meeting its GHG targets.

(A) Each comparison under this paragraph must be performed over equal comparison periods.

(B) To avoid double counting, once a GHG mitigation measure is connected to a roadway capacity expansion project, that GHG mitigation measure shall not be used to offset greenhouse gases associated with other roadway capacity expansion projects or other projects included in an applicable planning document.

(7) The Department and MPOs must publish information regarding roadway capacity expansion project GHG emissions analyses on their websites. The information must include:

(A) an identification of each roadway capacity expansion project; and

(B) for each roadway capacity expansion project, a summary that includes an overview of and link to the roadway capacity expansion project GHG emissions analysis, the greenhouse gas impact determination by the Department or MPO, the social cost of carbon added by the roadway capacity expansion project, and project disposition, including a review of any GHG mitigation measures.

(i) The Department and MPOs may use a GHG mitigation measure as an offset against GHG emissions only after the date the GHG mitigation measure has been implemented.

(j) By January 1, 2028, and every 3 years thereafter, the

Department shall prepare a comprehensive, publicly released report on statewide transportation greenhouse gas reduction accomplishments and challenges and make recommendations for any legislative action or State agency rulemaking that would assist the Department and MPOs in meeting their GHG targets. The report, at a minimum, shall include:

(1) a description of whether the Department and MPOs are on track to meet their GHG targets and VMT targets;

(2) an assessment of State and local laws, regulations, rules, and practices and recommendations for modifications that would help ensure that the Department and MPOs meet their GHG targets and VMT targets;

(3) a description of the benefits from reductions in GHG emissions and copollutants in the transportation sector, diversification of energy sources used for transportation, and substitution of other motorized and nonmotorized modes of travel for VMT currently being handled by vehicles powered by internal combustion engines, and other economic, environmental, and public health benefits;

(4) a description of the compliance costs borne by the Department and MPOs in meeting their GHG targets and VMT targets;

(5) a description of the social cost of carbon associated with the transportation systems for which the Department and each MPO is responsible and the social cost

of carbon reductions that result from GHG mitigation measures and other steps being taken by the Department and each MPO to reduce GHG emissions;

(6) a description of whether measures taken by the Department and MPOs to meet GHG targets are equitable, minimize costs, and maximize the total benefits to the State and its citizens; and

(7) a description of whether activities undertaken to meet GHG targets by the Department and MPOs have unduly burdened disproportionately impacted communities.

(k) Before including any project that has an anticipated cost of $30,000,000 or more (i) in an applicable planning document or (ii) as a GHG mitigation measure, the Department or MPO shall calculate a climate equity accessibility score for the project. The climate equity accessibility score shall be based on a GHG emissions analysis of the project and a measurement of (i) the current levels of access to jobs, hospitals, schools, and food by available modes of transportation and (ii) the current level of affordability of transportation in the project area. The Department and MPO shall then calculate a climate equity accessibility score based on the projected change in GHG emissions, accessibility, and affordability from the proposed project. Projects that result in relatively high reductions of GHG emissions while increasing access to jobs and other destinations and providing more affordable transportation options will receive a higher

climate equity accessibility score than projects that fail to deliver such benefits. To advance the goals of this Section and optimize the use of public funds, the Department and MPOs shall give priority to projects with high climate equity accessibility scores, considering which project delivers the most climate equity accessibility score benefit per dollar invested. The Department, with the assistance of the Environmental Protection Agency, shall provide technical assistance to MPOs in fulfilling their responsibilities under this subsection.

(l) To the full extent allowed by paragraph (4) of subsection (k) of Section 5303 of Title 49 of the United States Code and other applicable laws, and to extend the existing authority under State law vested in the Chicago Metropolitan Agency for Planning to MPOs throughout the State, MPOs, with the full support of the Department, shall conduct housing coordination planning to help the Department and MPOs meet their GHG targets.

(1) MPOs shall develop housing coordination plans consistent with subparagraph (C) of paragraph (4) of subsection (k) of Section 5303 of Title 49 of the United States Code (49 U.S.C. 5303(k)(4)(C)) to better integrate housing, transportation, and economic development strategies and to, among other things:

(A) better connect housing and employment while mitigating commuting times;

(B) align transportation improvements with housing needs, such as housing supply shortages, and proposed housing development;

(C) align planning for housing and transportation to address needs in relationship to household incomes within the metropolitan planning area;

(D) expand housing and economic development within the catchment areas of existing transportation facilities and public transportation services when appropriate, including higher-density development, as locally determined;

(E) manage effects of VMT growth in the metropolitan planning area related to housing development and economic development; and

(F) increase the share of households with sufficient and affordable access to the transportation networks of the metropolitan planning area.

(2) MPOs shall identify the location of existing and planned housing and employment and transportation options that connect housing and employment.

(3) MPOs shall include a comparison of State, regional, and local transportation plans in the region to land use management plans, including zoning plans, that may affect road use, public transportation ridership, and housing development.

(4) In their housing coordination planning, MPOs shall

focus on the effect that land use policies and practices, such as minimum parking requirements and exclusionary zoning requirements, contribute to increases in VMT and GHG emissions and consider how such policies affect housing and transportation affordability.

(5) MPOs shall outline recommendations for land use policies and best practices that have the effect of increasing the affordability of housing and transportation and reducing GHG emissions.

(6) The Department shall assist MPOs in their housing coordination planning and make best efforts to align the Department's planning and project programming with MPO efforts to encourage land use policies and best practices that have the effect of increasing the affordability of housing and transportation, improving accessibility to destinations, and reducing GHG emissions.

(7) The Department shall not advance to the STIP a project in a metropolitan planning area that the MPO has determined would conflict with its housing coordination plan prepared under paragraph (1) or would have the effect of decreasing the affordability of transportation or the accessibility of destinations or of increasing GHG emissions.

(8) In furtherance of Section 48 of the Regional Planning Act, the Department and MPOs shall adopt performance-based methods for allocating discretionary

funds that reward jurisdictions that have adopted land use policies and practices associated with increasing the affordability of housing and transportation, improving accessibility to destinations, and reducing GHG emissions.

(A) The Department and MPOs may build on the climate equity accessibility scoring tool developed under subsection (k) or develop a separate tool for identifying jurisdictions that have adopted land use policies and practices associated with increasing the affordability of housing and transportation, improving accessibility to destinations, and reducing GHG emissions.

(B) The Department and MPOs shall publicly describe the methodology they use in allocating discretionary funding under this paragraph.

(C) When allocating discretionary funding, the Department and MPOs shall give at least equal weight to land use policies and practices that facilitate reductions in GHG emissions that they give to existing factors, such as congestion relief, safety, and traffic operations.

(D) The Department and MPOs shall consider land use policies and practices as provided in this subsection when allocating discretionary funding from every source.

(9) When evaluating all projects for possible

inclusion in applicable planning documents or in a STIP or TIP, the Department and MPOs shall adopt performance-based project selection methods that give priority to projects located in jurisdictions that have adopted land use policies and practices associated with increasing the affordability of housing and transportation, improving accessibility to destinations, and reducing GHG emissions.

(10) This subsection shall not diminish or restrict the existing authority of jurisdictions over their land use policies and practices.

(m) The Department and MPOs shall provide early and continuous opportunities for public participation in the transportation planning process. The process shall be proactive and provide timely information, adequate public notice, reasonable public access, and opportunities for public review and comment at key decision points in the process. The objectives of public participation in the transportation planning process include providing a mechanism for public perspectives, needs, and ideas to be considered in the planning process; developing the public's understanding of the problems and opportunities facing the transportation system; demonstrating explicit consideration and response to public input through a variety of tools and techniques; and developing a consensus on plans. The Department shall develop a documented public participation process under 23 CFR 450.

(1) Under 23 CFR 450, Subpart B, the Department is

responsible, in cooperation with the MPOs, for carrying out public participation for developing, amending, and updating the Long-Range State Transportation Plan, the STIP, and other statewide transportation planning activities.

(2) Under 23 CFR 450, Subpart C, the MPOs, in cooperation with the Department, are responsible for carrying out public participation for the development of Regional Transportation Plans, TIPs, and other regional transportation planning activities for their respective metropolitan planning areas.

(3) Public participation activities at both the MPO and Department levels shall include, at a minimum:

(A) establishing and maintaining for the geographic area of responsibility a list of all known parties interested in transportation planning, including, but not limited to: elected officials; municipal and county planning staffs; affected public agencies; local, State, and federal agencies eligible for federal and State transportation funds; local representatives of public transportation agency employees and users; freight shippers and providers of freight transportation services; public and private transportation providers; representatives of users of transit, bicycling, pedestrian, aviation, and train facilities; private industry; environmental and other

interest groups; representatives of persons or groups that may be underserved by existing transportation systems, such as minority persons, low-income seniors, persons with disabilities, and persons with limited English proficiency; and members of the general public expressing interest in the transportation planning process;

(B) providing reasonable notice, which for notice to a disproportionately impacted community requires the notice to be translated into the primary language spoken in the disproportionately impacted community, and opportunity to comment through mailing lists and other communication methods on upcoming transportation planning-related activities and meetings;

(C) using reasonably available Internet or traditional media opportunities, including minority media and diverse media, to provide timely notices of planning-related activities and meetings to members of the public, including limited English proficiency individuals and others who may require reasonable accommodations. Methods that shall be used to the maximum extent practicable for public participation may include, but shall not be limited to, use of the Internet, social media, news media, such as newspapers, radio, or television, mailings to disproportionately impacted communities by existing

transportation systems, including, but not limited to, seniors and persons with disabilities, and notices, including electronic mail and online newsletters;

(D) seeking out persons and groups, including minority groups and those with disabilities, low-income, and limited English proficiency, for the purposes of exchanging information, increasing their involvement, and considering their transportation needs in the transportation planning process;

(E) consulting, as appropriate, with federal, State, local, and tribal agencies responsible for land use management, natural resources, environmental protection, conservation, cultural resources, and historic preservation concerning the development of long-range transportation plans;

(F) providing reasonable public access to, and appropriate opportunities for public review and comment on, criteria, standards, and other planning-related information. Reasonable public access includes, but is not limited to, limited English proficiency services and access to ADA-compliant facilities, as well as to the Internet;

(G) where feasible, scheduling the development of regional and statewide plans so that the release of the draft plans may be coordinated to provide for the opportunity for joint public outreach;

(H) responses, in writing, from the Department and MPOs to all significant issues raised during the review and comment period on transportation plans, making the responses available to the public; and

(I) collaborating periodically with all interested parties and the Department and MPOs to review the effectiveness of the Department's and MPOs' public involvement practices to ensure that they provide full and open access to all members of the public. When necessary, the Department or MPO shall revise their public participation practices in the transportation planning process and allow time for public review and comment per 23 CFR 450.

(n) Beginning on January 1, 2025, each applicable planning document from the Department or MPO must include a consolidated and comprehensive list of all project types to be funded using any federal, State, or local funding source, including bicycle, pedestrian, bus, rail, and roadway projects, and shall include a summary of planned expenditures by project type.

(o) Beginning September 30, 2025, the Department and MPOs shall establish a social cost of carbon and use the social cost of carbon in their applicable planning documents and other planning activities.

(1) The social cost of carbon shall serve as a monetary estimate of the value of not emitting a ton of GHG

emissions.

(2) In developing the social cost of carbon applicable to the projects and programs in their applicable planning documents and for other planning and project programming activities, the Department and MPOs shall consider the social cost of carbon established by the Environmental Protection Agency under subsection (q) of Section 9.15 of the Environmental Protection Act and may consider prior or existing estimates of the social cost of carbon issued or adopted by the federal government, appropriate international bodies, or other appropriate and reputable scientific organizations.

(3) The Department may adopt the social cost of carbon established by the Environmental Protection Agency under subsection (q) of Section 9.15 of the Environmental Protection Act or establish its own social cost of carbon through the process set forth in paragraphs (1) and (2), but the Department shall not adopt a social cost of carbon that is lower than that established by the Environmental Protection Agency.

(4) MPOs may adopt the social cost of carbon established by the Environmental Protection Agency under subsection (q) of Section 9.15 of the Environmental Protection Act or by the Department under paragraph (3) or establish their own social cost of carbon through the process set forth in paragraphs (1) and (2), but an MPO

shall not adopt a social cost of carbon that is lower than that established by the Environmental Protection Agency or the Department.

(5) The Department shall incorporate the social cost of carbon into its assessment of projects for possible inclusion in its applicable planning document or for inclusion in a STIP or TIP, giving priority to projects that have a relatively low social cost of carbon:

(A) The Department shall not include any project over $30,000,000 in an applicable planning document or a STIP or TIP unless it has calculated the social cost of carbon resulting from the project over the useful life of the project.

(B) Such calculations shall result in an estimate of the social cost of carbon under a no-build scenario and an estimate of the social cost of carbon if the project is built, factoring in the effects of induced demand and other appropriate factors.

(C) The estimate of the social cost of carbon must include total additional GHG emissions attributable to the proposed project and shall not be limited to GHG emissions from within the physical boundaries of the project.

(D) The Department shall publish in applicable planning documents and STIPs the no-build and build estimates of the social cost of carbon for each

project for which an estimate of the social cost of carbon has been prepared.

(E) For purposes of its planning processes under Sections 2705-200, 2705-203, and 2705-205, and after factoring in the effects of induced demand on VMT attributable to a proposed project, the Department shall offset the social cost of carbon and the social cost of crashes attributable to a project against its projections of the value of the time savings from any reduction in congestion attributable to the project and shall publish its calculations and results.

(F) The Department may rely upon estimates of the social cost of carbon prepared by MPOs for projects included in a STIP that are located inside the MPO's boundaries only if the Department finds that those estimates of the social cost of carbon are based on reasonable assumptions and methodology.

(6) Each MPO shall incorporate the social cost of carbon into its assessment of projects for possible inclusion in its applicable planning document or for inclusion in a TIP, giving priority to projects that have a relatively low social cost of carbon:

(A) An MPO shall not include any project over $30,000,000 in a TIP unless it has calculated the social cost of carbon resulting from the project over the useful life of the project.

(B) Such calculations shall result in an estimate of the social cost of carbon under a no-build scenario and an estimate of the social cost of carbon if the project is built, factoring in the effects of induced demand and other appropriate factors.

(C) The estimate of the social cost of carbon must include total additional GHG emissions attributable to the proposed project and shall not be limited to GHG emissions from within the physical boundaries of the project.

(D) Each MPO shall publish in its applicable planning documents and TIPs the no-build and build estimates of the social cost of carbon for each project for which an estimate of the social cost of carbon has been prepared.

(E) For purposes of its planning processes, and after factoring in the effects of induced demand on VMT attributable to a proposed project, an MPO shall offset the social cost of carbon and the social cost of crashes attributable to a project from its projection of the value of the time savings from any reduction in congestion attributable to the project and shall publish its calculations and results.

(F) An MPO may rely upon the estimate of the social cost of carbon prepared by the Department for projects included in a TIP only if the MPO finds that the

Department's estimates of the social cost of carbon are based on reasonable assumptions and methodologies.

(p) By no later than January 1, 2025, the Department shall convene a Greenhouse Gas in Transportation Working Group.

(1) The Working Group shall assist the Department and MPOs with:

(A) planning and implementing the requirements of this Section;

(B) identifying opportunities to reduce GHG emissions in the transportation sector;

(C) identifying promising GHG mitigation measures;

(D) preparing the Department's triennial report on statewide transportation sector greenhouse gas reduction accomplishments and challenges and make recommendations for any legislative or regulatory action that would assist the Department and MPOs in meeting their GHG targets; and

(E) connecting the Department and MPOs with local, regional, and national experts and best practices relating to planning and programming transportation projects to, among other things, reduce GHG emissions from the transportation sector.

(2) The membership of the Working Group shall include the following:

(A) the Secretary of Transportation or the Secretary's designee;

(B) the Director of the Environmental Protection Agency or the Director's designee;

(C) the Chair of the Chicago Metropolitan Agency for Planning or the Chair's designee;

(D) the chair of another MPO or the chair's designee, appointed by the Governor;

(E) a university representative with expertise in GHG emissions in the transportation sector, appointed by the Governor;

(F) a representative from an environmental justice organization, appointed by the Governor;

(G) a representative from an active transportation organization, appointed by the Governor;

(H) a representative from a transportation planning organization, appointed by the Governor;

(I) a representative from a land use planning organization, appointed by the Governor;

(J) a representative from the freight industry, appointed by the Governor;

(K) a representative from a public transportation agency, appointed by the Governor;

(L) a representative from a labor organization, appointed by the Governor;

(M) a representative from a road building contractor, appointed by the Governor;

(N) a representative from a chamber of commerce,

appointed by the Governor;

(P) a representative from the engineering sector, appointed by the Governor; and

(Q) such other representatives, appointed by the Governor, that will ensure that the Working Group will provide the Department and MPOs with a sufficient range and depth of expertise in GHG emissions reduction in the transportation sector to assist the Department and MPOs in carrying out their responsibilities under this Section.

(3) The members of the Working Group must select a Chair from its membership.

(4) Members of the Working Group shall serve without compensation other than reimbursement for travel and other expenses incurred in the performance of their duties.

(5) The Department shall provide sufficient staff support and other resources for the Working Group to perform its duties effectively, including a website accessible to the public that contains an up-to-date record of the activities, research, reports, recommendations, and other materials assembled by the Working Group.

(6) The Working Group shall first meet within 90 days of the effective date of this amendatory Act of the 103rd General Assembly. The Working Group shall hold public meetings no less than quarterly, shall actively seek

public input, shall publish annual reports, and by June 30, 2027, shall publish a report with recommendations for how the Department and MPOs can most effectively reduce GHG emissions from the transportation sector.

(7) The Department shall consider and incorporate recommendations from the Working Group in its triennial reports under subsection (j), and both the Department and MPOs shall consider and incorporate such recommendations in their preparation of their applicable planning documents.

(8) The Working Group shall operate through January 30, 2028, or 30 days after the Department's filing of its first triennial report, whichever is later. The Working Group shall continue in operation after that date to further assist the Department and MPOs in fulfilling their responsibilities under this Section unless abolished by the Governor after receipt of abolition recommendations from both the Environmental Protection Agency and the Department.

(q) Except as otherwise provided, the requirements of this Section shall commence with projects included in applicable planning documents filed on or after January 1, 2027.

(r) The requirements of this Section are in addition to and shall, to the extent practicable, be executed concurrently with other requirements for transportation planning, project prioritization, public outreach, project implementation, or

transparency and accountability established by law, rule, or policy.

(s) The requirements of this Section shall extend to the Illinois State Toll Highway Authority and any other builder or operator of a public highway under a public-private partnership agreement or other means authorized by State law.

(1) The requirements of this Section that apply to the other entities include, but are not limited to, the following:

(A) the Environmental Protection Agency shall assign GHG targets to other entities under subsection (c);

(B) other entities shall conduct GHG emissions analysis and be subject to the other requirements set forth in subsections (d), (e), (f), (g), and (h) with respect to their applicable planning documents;

(C) other entities shall conduct climate equity accessibility scoring as set forth in subsection (k);

(D) other entities shall follow the public participation requirements set forth in subsection (j); and

(E) other entities shall use the social cost of carbon in their planning and project programming processes as set forth in subsection (o).

(2) Other entities may request assistance in complying with the requirements of this Section from the Department

under subsection (e) and from the Greenhouse Gas in Transportation Working Group under subsection (p).

(3) With respect to other entities, "applicable planning document" means the other entity's capital plan or other document in which the other entity identifies projects that it anticipates advancing for construction.

(4) The Department may adopt rules necessary to extend the requirements of this Section to the other entities.

Section 10. The Environmental Protection Act is amended by changing Section 9.15 as follows:

(415 ILCS 5/9.15)

Sec. 9.15. Greenhouse gases.

(a) An air pollution construction permit shall not be required due to emissions of greenhouse gases if the equipment, site, or source is not subject to regulation, as defined by 40 CFR 52.21, as now or hereafter amended, for greenhouse gases or is otherwise not addressed in this Section or by the Board in regulations for greenhouse gases. These exemptions do not relieve an owner or operator from the obligation to comply with other applicable rules or regulations.

(b) An air pollution operating permit shall not be required due to emissions of greenhouse gases if the equipment, site, or source is not subject to regulation, as

defined by Section 39.5 of this Act, for greenhouse gases or is otherwise not addressed in this Section or by the Board in regulations for greenhouse gases. These exemptions do not relieve an owner or operator from the obligation to comply with other applicable rules or regulations.

(c) (Blank).

(d) (Blank).

(e) (Blank).

(f) As used in this Section:

"Carbon dioxide emission" means the plant annual CO_2 total output emission as measured by the United States Environmental Protection Agency in its Emissions & Generation Resource Integrated Database (eGrid), or its successor.

"Carbon dioxide equivalent emissions" or "CO_2e" means the sum total of the mass amount of emissions in tons per year, calculated by multiplying the mass amount of each of the 6 greenhouse gases specified in Section 3.207, in tons per year, by its associated global warming potential as set forth in 40 CFR 98, subpart A, table A-1 or its successor, and then adding them all together.

"Cogeneration" or "combined heat and power" refers to any system that, either simultaneously or sequentially, produces electricity and useful thermal energy from a single fuel source.

"Copollutants" refers to the 6 criteria pollutants that have been identified by the United States Environmental

Protection Agency pursuant to the Clean Air Act.

"Electric generating unit" or "EGU" means a fossil fuel-fired stationary boiler, combustion turbine, or combined cycle system that serves a generator that has a nameplate capacity greater than 25 MWe and produces electricity for sale.

"Environmental justice community" means the definition of that term based on existing methodologies and findings, used and as may be updated by the Illinois Power Agency and its program administrator in the Illinois Solar for All Program.

"Equity investment eligible community" or "eligible community" means the geographic areas throughout Illinois that would most benefit from equitable investments by the State designed to combat discrimination and foster sustainable economic growth. Specifically, eligible community means the following areas:

(1) areas where residents have been historically excluded from economic opportunities, including opportunities in the energy sector, as defined as R3 areas pursuant to Section 10-40 of the Cannabis Regulation and Tax Act; and

(2) areas where residents have been historically subject to disproportionate burdens of pollution, including pollution from the energy sector, as established by environmental justice communities as defined by the Illinois Power Agency pursuant to the Illinois Power

Agency Act, excluding any racial or ethnic indicators.

"Equity investment eligible person" or "eligible person" means the persons who would most benefit from equitable investments by the State designed to combat discrimination and foster sustainable economic growth. Specifically, eligible person means the following people:

(1) persons whose primary residence is in an equity investment eligible community;

(2) persons whose primary residence is in a municipality, or a county with a population under 100,000, where the closure of an electric generating unit or mine has been publicly announced or the electric generating unit or mine is in the process of closing or closed within the last 5 years;

(3) persons who are graduates of or currently enrolled in the foster care system; or

(4) persons who were formerly incarcerated.

"Existing emissions" means:

(1) for CO_2e, the total average tons-per-year of CO_2e emitted by the EGU or large GHG-emitting unit either in the years 2018 through 2020 or, if the unit was not yet in operation by January 1, 2018, in the first 3 full years of that unit's operation; and

(2) for any copollutant, the total average tons-per-year of that copollutant emitted by the EGU or large GHG-emitting unit either in the years 2018 through

2020 or, if the unit was not yet in operation by January 1, 2018, in the first 3 full years of that unit's operation.

"Green hydrogen" means a power plant technology in which an EGU creates electric power exclusively from electrolytic hydrogen, in a manner that produces zero carbon and copollutant emissions, using hydrogen fuel that is electrolyzed using a 100% renewable zero carbon emission energy source.

"Large greenhouse gas-emitting unit" or "large GHG-emitting unit" means a unit that is an electric generating unit or other fossil fuel-fired unit that itself has a nameplate capacity or serves a generator that has a nameplate capacity greater than 25 MWe and that produces electricity, including, but not limited to, coal-fired, coal-derived, oil-fired, natural gas-fired, and cogeneration units.

"NO_x emission rate" means the plant annual NO_x total output emission rate as measured by the United States Environmental Protection Agency in its Emissions & Generation Resource Integrated Database (eGrid), or its successor, in the most recent year for which data is available.

"Public greenhouse gas-emitting units" or "public GHG-emitting unit" means large greenhouse gas-emitting units, including EGUs, that are wholly owned, directly or indirectly, by one or more municipalities, municipal corporations, joint municipal electric power agencies, electric cooperatives, or other governmental or nonprofit entities, whether organized

and created under the laws of Illinois or another state.

"SO_2 emission rate" means the "plant annual SO_2 total output emission rate" as measured by the United States Environmental Protection Agency in its Emissions & Generation Resource Integrated Database (eGrid), or its successor, in the most recent year for which data is available.

(g) All EGUs and large greenhouse gas-emitting units that use coal or oil as a fuel and are not public GHG-emitting units shall permanently reduce all CO_2e and copollutant emissions to zero no later than January 1, 2030.

(h) All EGUs and large greenhouse gas-emitting units that use coal as a fuel and are public GHG-emitting units shall permanently reduce CO_2e emissions to zero no later than December 31, 2045. Any source or plant with such units must also reduce their CO_2e emissions by 45% from existing emissions by no later than January 1, 2035. If the emissions reduction requirement is not achieved by December 31, 2035, the plant shall retire one or more units or otherwise reduce its CO_2e emissions by 45% from existing emissions by June 30, 2038.

(i) All EGUs and large greenhouse gas-emitting units that use gas as a fuel and are not public GHG-emitting units shall permanently reduce all CO_2e and copollutant emissions to zero, including through unit retirement or the use of 100% green hydrogen or other similar technology that is commercially proven to achieve zero carbon emissions, according to the

following:

(1) No later than January 1, 2030: all EGUs and large greenhouse gas-emitting units that have a NO_x emissions rate of greater than 0.12 lbs/MWh or a SO_2 emission rate of greater than 0.006 lb/MWh, and are located in or within 3 miles of an environmental justice community designated as of January 1, 2021 or an equity investment eligible community.

(2) No later than January 1, 2040: all EGUs and large greenhouse gas-emitting units that have a NO_x emission rate of greater than 0.12 lbs/MWh or a SO_2 emission rate greater than 0.006 lb/MWh, and are not located in or within 3 miles of an environmental justice community designated as of January 1, 2021 or an equity investment eligible community. After January 1, 2035, each such EGU and large greenhouse gas-emitting unit shall reduce its CO_2e emissions by at least 50% from its existing emissions for CO_2e, and shall be limited in operation to, on average, 6 hours or less per day, measured over a calendar year, and shall not run for more than 24 consecutive hours except in emergency conditions, as designated by a Regional Transmission Organization or Independent System Operator.

(3) No later than January 1, 2035: all EGUs and large greenhouse gas-emitting units that began operation prior to the effective date of this amendatory Act of the 102nd General Assembly and have a NO_x emission rate of less than

or equal to 0.12 lb/MWh and a SO_2 emission rate less than or equal to 0.006 lb/MWh, and are located in or within 3 miles of an environmental justice community designated as of January 1, 2021 or an equity investment eligible community. Each such EGU and large greenhouse gas-emitting unit shall reduce its CO_2e emissions by at least 50% from its existing emissions for CO_2e no later than January 1, 2030.

(4) No later than January 1, 2040: All remaining EGUs and large greenhouse gas-emitting units that have a heat rate greater than or equal to 7000 BTU/kWh. Each such EGU and Large greenhouse gas-emitting unit shall reduce its CO_2e emissions by at least 50% from its existing emissions for CO_2e no later than January 1, 2035.

(5) No later than January 1, 2045: all remaining EGUs and large greenhouse gas-emitting units.

(j) All EGUs and large greenhouse gas-emitting units that use gas as a fuel and are public GHG-emitting units shall permanently reduce all CO_2e and copollutant emissions to zero, including through unit retirement or the use of 100% green hydrogen or other similar technology that is commercially proven to achieve zero carbon emissions by January 1, 2045.

(k) All EGUs and large greenhouse gas-emitting units that utilize combined heat and power or cogeneration technology shall permanently reduce all CO_2e and copollutant emissions to zero, including through unit retirement or the use of 100%

green hydrogen or other similar technology that is commercially proven to achieve zero carbon emissions by January 1, 2045.

(k-5) No EGU or large greenhouse gas-emitting unit that uses gas as a fuel and is not a public GHG-emitting unit may emit, in any 12-month period, CO_2e or copollutants in excess of that unit's existing emissions for those pollutants.

(l) Notwithstanding subsections (g) through (k-5), large GHG-emitting units including EGUs may temporarily continue emitting CO_2e and copollutants after any applicable deadline specified in any of subsections (g) through (k-5) if it has been determined, as described in paragraphs (1) and (2) of this subsection, that ongoing operation of the EGU is necessary to maintain power grid supply and reliability or ongoing operation of large GHG-emitting unit that is not an EGU is necessary to serve as an emergency backup to operations. Up to and including the occurrence of an emission reduction deadline under subsection (i), all EGUs and large GHG-emitting units must comply with the following terms:

(1) if an EGU or large GHG-emitting unit that is a participant in a regional transmission organization intends to retire, it must submit documentation to the appropriate regional transmission organization by the appropriate deadline that meets all applicable regulatory requirements necessary to obtain approval to permanently cease operating the large GHG-emitting unit;

(2) if any EGU or large GHG-emitting unit that is a participant in a regional transmission organization receives notice that the regional transmission organization has determined that continued operation of the unit is required, the unit may continue operating until the issue identified by the regional transmission organization is resolved. The owner or operator of the unit must cooperate with the regional transmission organization in resolving the issue and must reduce its emissions to zero, consistent with the requirements under subsection (g), (h), (i), (j), (k), or (k-5), as applicable, as soon as practicable when the issue identified by the regional transmission organization is resolved; and

(3) any large GHG-emitting unit that is not a participant in a regional transmission organization shall be allowed to continue emitting CO_2e and copollutants after the zero-emission date specified in subsection (g), (h), (i), (j), (k), or (k-5), as applicable, in the capacity of an emergency backup unit if approved by the Illinois Commerce Commission.

(m) No variance, adjusted standard, or other regulatory relief otherwise available in this Act may be granted to the emissions reduction and elimination obligations in this Section.

(n) By June 30 of each year, beginning in 2025, the Agency

shall prepare and publish on its website a report setting forth the actual greenhouse gas emissions from individual units and the aggregate statewide emissions from all units for the prior year.

(o) Every 5 years beginning in 2025, the Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission shall jointly prepare, and release publicly, a report to the General Assembly that examines the State's current progress toward its renewable energy resource development goals, the status of CO_2e and copollutant emissions reductions, the current status and progress toward developing and implementing green hydrogen technologies, the current and projected status of electric resource adequacy and reliability throughout the State for the period beginning 5 years ahead, and proposed solutions for any findings. The Environmental Protection Agency, Illinois Power Agency, and Illinois Commerce Commission shall consult PJM Interconnection, LLC and Midcontinent Independent System Operator, Inc., or their respective successor organizations regarding forecasted resource adequacy and reliability needs, anticipated new generation interconnection, new transmission development or upgrades, and any announced large GHG-emitting unit closure dates and include this information in the report. The report shall be released publicly by no later than December 15 of the year it is prepared. If the Environmental Protection Agency, Illinois Power Agency, and Illinois

Commerce Commission jointly conclude in the report that the data from the regional grid operators, the pace of renewable energy development, the pace of development of energy storage and demand response utilization, transmission capacity, and the CO_2e and copollutant emissions reductions required by subsection (i) or (k-5) reasonably demonstrate that a resource adequacy shortfall will occur, including whether there will be sufficient in-state capacity to meet the zonal requirements of MISO Zone 4 or the PJM ComEd Zone, per the requirements of the regional transmission organizations, or that the regional transmission operators determine that a reliability violation will occur during the time frame the study is evaluating, then the Illinois Power Agency, in conjunction with the Environmental Protection Agency shall develop a plan to reduce or delay CO_2e and copollutant emissions reductions requirements only to the extent and for the duration necessary to meet the resource adequacy and reliability needs of the State, including allowing any plants whose emission reduction deadline has been identified in the plan as creating a reliability concern to continue operating, including operating with reduced emissions or as emergency backup where appropriate. The plan shall also consider the use of renewable energy, energy storage, demand response, transmission development, or other strategies to resolve the identified resource adequacy shortfall or reliability violation.

(1) In developing the plan, the Environmental

Protection Agency and the Illinois Power Agency shall hold at least one workshop open to, and accessible at a time and place convenient to, the public and shall consider any comments made by stakeholders or the public. Upon development of the plan, copies of the plan shall be posted and made publicly available on the Environmental Protection Agency's, the Illinois Power Agency's, and the Illinois Commerce Commission's websites. All interested parties shall have 60 days following the date of posting to provide comment to the Environmental Protection Agency and the Illinois Power Agency on the plan. All comments submitted to the Environmental Protection Agency and the Illinois Power Agency shall be encouraged to be specific, supported by data or other detailed analyses, and, if objecting to all or a portion of the plan, accompanied by specific alternative wording or proposals. All comments shall be posted on the Environmental Protection Agency's, the Illinois Power Agency's, and the Illinois Commerce Commission's websites. Within 30 days following the end of the 60-day review period, the Environmental Protection Agency and the Illinois Power Agency shall revise the plan as necessary based on the comments received and file its revised plan with the Illinois Commerce Commission for approval.

(2) Within 60 days after the filing of the revised plan at the Illinois Commerce Commission, any person

objecting to the plan shall file an objection with the Illinois Commerce Commission. Within 30 days after the expiration of the comment period, the Illinois Commerce Commission shall determine whether an evidentiary hearing is necessary. The Illinois Commerce Commission shall also host 3 public hearings within 90 days after the plan is filed. Following the evidentiary and public hearings, the Illinois Commerce Commission shall enter its order approving or approving with modifications the reliability mitigation plan within 180 days.

(3) The Illinois Commerce Commission shall only approve the plan if the Illinois Commerce Commission determines that it will resolve the resource adequacy or reliability deficiency identified in the reliability mitigation plan at the least amount of CO_2e and copollutant emissions, taking into consideration the emissions impacts on environmental justice communities, and that it will ensure adequate, reliable, affordable, efficient, and environmentally sustainable electric service at the lowest total cost over time, taking into account the impact of increases in emissions.

(4) If the resource adequacy or reliability deficiency identified in the reliability mitigation plan is resolved or reduced, the Environmental Protection Agency and the Illinois Power Agency may file an amended plan adjusting the reduction or delay in CO_2e and copollutant emission

reduction requirements identified in the plan.

(p) The goals of the State are to reduce greenhouse gas emissions from the transportation sector in the State by at least 80% from the 2005 level and achieve a net-zero emissions transportation sector, both by 2050.

(1) An incremental goal of at least a 50% reduction in greenhouse gas emissions from the transportation sector below the year 2005 level by the year 2030 is hereby established.

(2) By no later than September 30, 2025, the Agency shall establish greenhouse gas emissions reduction targets for the State transportation sector on a 5-year or more frequent basis that will achieve these goals.

(3) The Agency shall set the first such emissions reduction target for no later than 2030, shall use 2005 emissions as the baseline year, and shall provide that each 5-year target is at least 15 percentage points lower and no more than 25 percentage points lower than the immediately preceding 5-year target.

(4) The emissions reduction targets set by the Agency must be by transportation mode, such as aerial transport and highway transport, as the Agency deems appropriate after consultation with the Department of Transportation.

(5) The Agency, in coordination with the Department of Transportation, shall adopt rules establishing policies and programs necessary for the State to achieve the

transportation sector greenhouse gas emissions reduction goals and targets set forth in this subsection and in subsection (c) of Section 2705-204 of the Department of Transportation Law of the Civil Administrative Code of Illinois. The rules may make changes to how the Department of Transportation and MPOs plan, program, prioritize, and fund transportation projects so that the State can achieve the greenhouse gas emissions reduction goals and targets set forth in this subsection and in subsection (c) of Section 2705-204 of the Department of Transportation Law of the Civil Administrative Code of Illinois.

(6) The Department of Transportation and MPOs in the State shall ensure that their greenhouse gas emissions reporting under Title 23, Part 490, of the Code of Federal Regulations conforms to the greenhouse gas emissions reduction goals and targets set forth in this subsection and in subsection (c) of Section 2705-204 of the Department of Transportation Law of the Civil Administrative Code of Illinois.

(q) No later than June 30, 2025, the Agency, by rule, shall establish a social cost of carbon, expressed in terms of dollars per ton of CO_2e.

(1) The social cost of carbon shall serve as a monetary estimate of the value of not emitting a ton of greenhouse gas emissions.

(2) In developing the social cost of carbon, the

Agency shall consider estimates of the social cost of carbon issued or adopted by the federal government, appropriate international bodies, or other appropriate and reputable scientific organizations, but the social cost of carbon adopted by the Agency must not be less than the social cost of carbon adopted by the United States Environmental Protection Agency.

(3) The Agency shall periodically update its estimate of the social cost of carbon to reflect changes in data, assumptions, and estimates, and it shall do so at least once every 5 years.

(4) Except as otherwise provided by law, State agencies shall use the social cost of carbon figure established by the Agency for purposes of estimating the cost associated with carbon-related emissions.

(Source: P.A. 102-662, eff. 9-15-21; 102-1031, eff. 5-27-22.)