

AN ACT concerning renewable fuels.

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

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

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

Section 10. Definitions. As used in this Act:

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

"Biodiesel blend" means a blend of biodiesel with

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

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

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

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

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

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

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

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

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

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

"Labor Organization" means any organization:

- (1) in which construction trades, crafts, or labor employees, or all or any of these participate; and
- (2) that represents construction trades, crafts, or labor employees, or any or all of these; and

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

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

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

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

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

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

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

Section 15. Illinois Renewable Fuels Development Program.

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

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

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

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

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

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

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

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

Section 25. Project labor agreements.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 4. The public body awarding any contract for public work or otherwise undertaking any public works, shall ascertain the general prevailing rate of hourly wages in the locality in which the work is to be performed, for each craft or type of worker or mechanic needed to execute the contract, and where the public body performs the work without letting a contract therefor, shall ascertain the prevailing rate of wages on a per hour basis in the locality, and such public body shall specify in the resolution or ordinance and in the call for bids for the contract, that the general prevailing rate of wages in the locality for each craft or type of worker or mechanic needed to execute the contract or perform such work, also the general prevailing rate for legal holiday and overtime work, as ascertained by the public body or by the Department of Labor shall be paid for each craft or type of worker needed to execute the contract or to perform such work, and it shall be mandatory upon the contractor to whom the contract is awarded and upon any subcontractor under him, and where the public body performs the work, upon the public body, to pay not less than the specified rates to all laborers, workers and mechanics employed by them in the execution of the contract or such work; provided, however, that if the public body desires that the Department of Labor ascertain the prevailing rate of wages, it shall notify the Department of Labor to ascertain the general prevailing rate of hourly wages for work under contract, or for work performed by a public body without letting a contract as required in the locality in which the work is to be performed, for each craft or type of worker or mechanic needed to execute the contract or project or work to be performed. Upon such notification the Department of Labor

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

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

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

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

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