



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB3535

Introduced 2/18/2025, by Rep. Ryan Spain

#### SYNOPSIS AS INTRODUCED:

35 ILCS 505/8b

Amends the Motor Fuel Tax Law. Provides that, of the moneys in the Transportation Renewal Fund that are used for highway maintenance, highway construction, bridge repair, congestion relief, and construction of aviation facilities, 40% (instead of 60%) shall be transferred to the State Construction Account Fund and 60% (instead of 40%) shall be distributed by the Department of Transportation to municipalities, counties, and road districts of the State. Effective immediately.

LRB104 08055 HLH 18101 b

1 AN ACT concerning revenue.

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

4 Section 5. The Motor Fuel Tax Law is amended by changing  
5 Section 8b as follows:

6 (35 ILCS 505/8b)

7 Sec. 8b. Transportation Renewal Fund; creation;  
8 distribution of proceeds.

9 (a) The Transportation Renewal Fund is hereby created as a  
10 special fund in the State treasury. Moneys in the Fund shall be  
11 used as provided in this Section:

12 (1) 80% of the moneys in the Fund shall be used for  
13 highway maintenance, highway construction, bridge repair,  
14 congestion relief, and construction of aviation  
15 facilities; of that 80%:

16 (A) before Fiscal Year 2026 and for Fiscal Year  
17 2031 and thereafter, the ~~the~~ State Comptroller shall  
18 order transferred and the State Treasurer shall  
19 transfer 60% to the State Construction Account Fund;  
20 those moneys shall be used solely for construction,  
21 reconstruction, improvement, repair, maintenance,  
22 operation, and administration of highways and are  
23 limited to payments made pursuant to design and

1 construction contracts awarded by the Department of  
2 Transportation; and

3 (B) before Fiscal Year 2026 and for Fiscal Year  
4 2031 and thereafter, 40% ~~40%~~ shall be distributed by  
5 the Department of Transportation to municipalities,  
6 counties, and road districts of the State using the  
7 percentages set forth in subdivisions (A), (B), (C),  
8 and (D) of paragraph (2) of subsection (e) of Section  
9 8; distributions to particular municipalities,  
10 counties, and road districts under this subdivision  
11 (B) shall be made according to the allocation  
12 procedures described for municipalities, counties, and  
13 road districts in subsection (e) of Section 8 and  
14 shall be subject to the same requirements and  
15 limitations described in that subsection; and

16 (C) beginning with Fiscal Year 2026 and continuing  
17 through Fiscal Year 2030, the State Comptroller shall  
18 order transferred and the State Treasurer shall  
19 transfer 40% to the State Construction Account Fund;  
20 those moneys shall be used solely for construction,  
21 reconstruction, improvement, repair, maintenance,  
22 operation, and administration of highways and are  
23 limited to payments made pursuant to design and  
24 construction contracts awarded by the Department of  
25 Transportation; and

26 (D) beginning with Fiscal Year 2026 and continuing

1       through Fiscal Year 2030, 60% shall be distributed by  
2       the Department of Transportation to municipalities,  
3       counties, and road districts of the State using the  
4       percentages set forth in subdivisions (A), (B), (C),  
5       and (D) of paragraph (2) of subsection (e) of Section  
6       8; distributions to particular municipalities,  
7       counties, and road districts under this subdivision  
8       (B) shall be made according to the allocation  
9       procedures described for municipalities, counties, and  
10       road districts in subsection (e) of Section 8 and  
11       shall be subject to the same requirements and  
12       limitations described in that subsection; and

13       (2) 20% of the moneys in the Fund shall be used for  
14       projects related to rail facilities and mass transit  
15       facilities, as defined in Section 2705-305 of the  
16       Department of Transportation Law of the Civil  
17       Administrative Code of Illinois, including rapid transit,  
18       rail, high-speed rail, bus and other equipment in  
19       connection with the State or a unit of local government,  
20       special district, municipal corporation, or other public  
21       agency authorized to provide and promote public  
22       transportation within the State; of that 20%:

23               (A) 90% shall be deposited into the Regional  
24       Transportation Authority Capital Improvement Fund, a  
25       special fund created in the State Treasury; moneys in  
26       the Regional Transportation Authority Capital

1 Improvement Fund shall be used by the Regional  
2 Transportation Authority for construction,  
3 improvements, and deferred maintenance on mass transit  
4 facilities and acquisition of buses and other  
5 equipment; and

6 (B) 10% shall be deposited into the Downstate Mass  
7 Transportation Capital Improvement Fund, a special  
8 fund created in the State Treasury; moneys in the  
9 Downstate Mass Transportation Capital Improvement Fund  
10 shall be used by local mass transit districts other  
11 than the Regional Transportation Authority for  
12 construction, improvements, and deferred maintenance  
13 on mass transit facilities and acquisition of buses  
14 and other equipment.

15 (b) (Blank).

16 (Source: P.A. 103-866, eff. 8-9-24.)

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