



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3581

Introduced 2/18/2025, by Rep. Dan Ugaste

SYNOPSIS AS INTRODUCED:

35 ILCS 505/8	from Ch. 120, par. 424
55 ILCS 5/5-1185	
60 ILCS 1/Art. 24 heading	
60 ILCS 1/24-10	
60 ILCS 1/24-15	
60 ILCS 1/24-20	
60 ILCS 1/24-30	
60 ILCS 1/24-35	
605 ILCS 5/6-140	
605 ILCS 5/6-135 rep.	

Amends the Dissolution of Townships in McHenry County Article of the Township Code. Renames the Article and makes it applicable to all counties under township organization. Amends the Counties Code and the Motor Fuel Tax Law making conforming changes. Amends the Illinois Highway Code. Changes provisions requiring road districts in townships in Lake County and McHenry County to be abolished if the roads of the road district are less than 15 miles in length to require all townships to abolish such road districts. Repeals provisions making abolition permissive for townships with road districts that have roads of less than 15 miles in length. Effective immediately.

LRB104 06161 RTM 16195 b

1 AN ACT concerning local government.

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 8 as follows:

6 (35 ILCS 505/8) (from Ch. 120, par. 424)

7 Sec. 8. Distribution of proceeds of tax. Except as
8 provided in subsection (a-1) of this Section, Section 8a,
9 subdivision (h)(1) of Section 12a, Section 13a.6, and items
10 13, 14, 15, and 16 of Section 15, all money received by the
11 Department under this Act, including payments made to the
12 Department by member jurisdictions participating in the
13 International Fuel Tax Agreement, shall be deposited into a
14 special fund in the State treasury, to be known as the Motor
15 Fuel Tax Fund, and shall be used as follows:

16 (a) 2 1/2 cents per gallon of the tax collected on special
17 fuel under paragraph (b) of Section 2 and Section 13a of this
18 Act shall be transferred to the State Construction Account
19 Fund in the State Treasury; the remainder of the tax collected
20 on special fuel under paragraph (b) of Section 2 and Section
21 13a of this Act shall be deposited into the Road Fund;

22 (a-1) Beginning on July 1, 2019, an amount equal to the
23 amount of tax collected under subsection (a) of Section 2 and

1 Section 13a as a result of the increase in the tax rate under
2 subsection (a) of Section 2 authorized by Public Act 101-32
3 shall be deposited each month into the Transportation Renewal
4 Fund; provided, however, that the amount that represents the
5 part (b) portion of the rate under Section 13a shall be
6 deposited each month into the Motor Fuel Tax Fund and the
7 Transportation Renewal Fund in the same proportion as the
8 amount collected under subsection (a) of Section 2;

9 (b) \$420,000 shall be transferred each month to the State
10 Boating Act Fund to be used by the Department of Natural
11 Resources for the purposes specified in Article X of the Boat
12 Registration and Safety Act;

13 (c) \$3,500,000 shall be transferred each month to the
14 Grade Crossing Protection Fund to be used as follows: not less
15 than \$12,000,000 each fiscal year shall be used for the
16 construction or reconstruction of rail highway grade
17 separation structures; \$5,500,000 in fiscal year 2022 and each
18 fiscal year thereafter shall be transferred to the
19 Transportation Regulatory Fund and shall be used to pay the
20 cost of administration of the Illinois Commerce Commission's
21 railroad safety program in connection with its duties under
22 subsection (3) of Section 18c-7401 of the Illinois Vehicle
23 Code, with the remainder to be used by the Department of
24 Transportation upon order of the Illinois Commerce Commission,
25 to pay that part of the cost apportioned by such Commission to
26 the State to cover the interest of the public in the use of

1 highways, roads, streets, or pedestrian walkways in the county
2 highway system, township and district road system, or
3 municipal street system as defined in the Illinois Highway
4 Code, as the same may from time to time be amended, for
5 separation of grades, for installation, construction or
6 reconstruction of crossing protection or reconstruction,
7 alteration, relocation including construction or improvement
8 of any existing highway necessary for access to property or
9 improvement of any grade crossing and grade crossing surface
10 including the necessary highway approaches thereto of any
11 railroad across the highway or public road, or for the
12 installation, construction, reconstruction, or maintenance of
13 safety treatments to deter trespassing or a pedestrian walkway
14 over or under a railroad right-of-way, as provided for in and
15 in accordance with Section 18c-7401 of the Illinois Vehicle
16 Code. The Commission may order up to \$2,000,000 per year in
17 Grade Crossing Protection Fund moneys for the improvement of
18 grade crossing surfaces and up to \$300,000 per year for the
19 maintenance and renewal of 4-quadrant gate vehicle detection
20 systems located at non-high speed rail grade crossings. In
21 entering orders for projects for which payments from the Grade
22 Crossing Protection Fund will be made, the Commission shall
23 account for expenditures authorized by the orders on a cash
24 rather than an accrual basis. For purposes of this requirement
25 an "accrual basis" assumes that the total cost of the project
26 is expended in the fiscal year in which the order is entered,

1 while a "cash basis" allocates the cost of the project among
2 fiscal years as expenditures are actually made. To meet the
3 requirements of this subsection, the Illinois Commerce
4 Commission shall develop annual and 5-year project plans of
5 rail crossing capital improvements that will be paid for with
6 moneys from the Grade Crossing Protection Fund. The annual
7 project plan shall identify projects for the succeeding fiscal
8 year and the 5-year project plan shall identify projects for
9 the 5 directly succeeding fiscal years. The Commission shall
10 submit the annual and 5-year project plans for this Fund to the
11 Governor, the President of the Senate, the Senate Minority
12 Leader, the Speaker of the House of Representatives, and the
13 Minority Leader of the House of Representatives on the first
14 Wednesday in April of each year;

15 (d) of the amount remaining after allocations provided for
16 in subsections (a), (a-1), (b), and (c), a sufficient amount
17 shall be reserved to pay all of the following:

18 (1) the costs of the Department of Revenue in
19 administering this Act;

20 (2) the costs of the Department of Transportation in
21 performing its duties imposed by the Illinois Highway Code
22 for supervising the use of motor fuel tax funds
23 apportioned to municipalities, counties and road
24 districts;

25 (3) refunds provided for in Section 13, refunds for
26 overpayment of decal fees paid under Section 13a.4 of this

1 Act, and refunds provided for under the terms of the
2 International Fuel Tax Agreement referenced in Section
3 14a;

4 (4) from October 1, 1985 until June 30, 1994, the
5 administration of the Vehicle Emissions Inspection Law,
6 which amount shall be certified monthly by the
7 Environmental Protection Agency to the State Comptroller
8 and shall promptly be transferred by the State Comptroller
9 and Treasurer from the Motor Fuel Tax Fund to the Vehicle
10 Inspection Fund, and for the period July 1, 1994 through
11 June 30, 2000, one-twelfth of \$25,000,000 each month, for
12 the period July 1, 2000 through June 30, 2003, one-twelfth
13 of \$30,000,000 each month, and \$15,000,000 on July 1,
14 2003, and \$15,000,000 on January 1, 2004, and \$15,000,000
15 on each July 1 and October 1, or as soon thereafter as may
16 be practical, during the period July 1, 2004 through June
17 30, 2012, and \$30,000,000 on June 1, 2013, or as soon
18 thereafter as may be practical, and \$15,000,000 on July 1
19 and October 1, or as soon thereafter as may be practical,
20 during the period of July 1, 2013 through June 30, 2015,
21 for the administration of the Vehicle Emissions Inspection
22 Law of 2005, to be transferred by the State Comptroller
23 and Treasurer from the Motor Fuel Tax Fund into the
24 Vehicle Inspection Fund;

25 (4.5) beginning on July 1, 2019, the costs of the
26 Environmental Protection Agency for the administration of

1 the Vehicle Emissions Inspection Law of 2005 shall be
2 paid, subject to appropriation, from the Motor Fuel Tax
3 Fund into the Vehicle Inspection Fund; beginning in 2019,
4 no later than December 31 of each year, or as soon
5 thereafter as practical, the State Comptroller shall
6 direct and the State Treasurer shall transfer from the
7 Vehicle Inspection Fund to the Motor Fuel Tax Fund any
8 balance remaining in the Vehicle Inspection Fund in excess
9 of \$2,000,000;

10 (5) amounts ordered paid by the Court of Claims; and

11 (6) payment of motor fuel use taxes due to member
12 jurisdictions under the terms of the International Fuel
13 Tax Agreement. The Department shall certify these amounts
14 to the Comptroller by the 15th day of each month; the
15 Comptroller shall cause orders to be drawn for such
16 amounts, and the Treasurer shall administer those amounts
17 on or before the last day of each month;

18 (e) after allocations for the purposes set forth in
19 subsections (a), (a-1), (b), (c), and (d), the remaining
20 amount shall be apportioned as follows:

21 (1) Until January 1, 2000, 58.4%, and beginning
22 January 1, 2000, 45.6% shall be deposited as follows:

23 (A) 37% into the State Construction Account Fund,
24 and

25 (B) 63% into the Road Fund, \$1,250,000 of which
26 shall be reserved each month for the Department of

1 Transportation to be used in accordance with the
2 provisions of Sections 6-901 through 6-906 of the
3 Illinois Highway Code;

4 (2) Until January 1, 2000, 41.6%, and beginning
5 January 1, 2000, 54.4% shall be transferred to the
6 Department of Transportation to be distributed as follows:

7 (A) 49.10% to the municipalities of the State,

8 (B) 16.74% to the counties of the State having
9 1,000,000 or more inhabitants,

10 (C) 18.27% to the counties of the State having
11 less than 1,000,000 inhabitants,

12 (D) 15.89% to the road districts of the State.

13 If a township is dissolved under Article 24 of the
14 Township Code, the county in which the township lies
15 ~~McHenry County~~ shall receive any moneys that would have
16 been distributed to the township under this subparagraph,
17 except that a municipality that assumes the powers and
18 responsibilities of a road district under paragraph (6) of
19 Section 24-35 of the Township Code shall receive any
20 moneys that would have been distributed to the township in
21 a percent equal to the area of the dissolved road district
22 or portion of the dissolved road district over which the
23 municipality assumed the powers and responsibilities
24 compared to the total area of the dissolved township. The
25 moneys received under this subparagraph shall be used in
26 the geographic area of the dissolved township. ~~If a~~

~~township is reconstituted as provided under Section 24-45
of the Township Code, McHenry County or a municipality
shall no longer be distributed moneys under this
subparagraph.~~

As soon as may be after the first day of each month, the Department of Transportation shall allot to each municipality its share of the amount apportioned to the several municipalities which shall be in proportion to the population of such municipalities as determined by the last preceding municipal census if conducted by the Federal Government or Federal census. If territory is annexed to any municipality subsequent to the time of the last preceding census the corporate authorities of such municipality may cause a census to be taken of such annexed territory and the population so ascertained for such territory shall be added to the population of the municipality as determined by the last preceding census for the purpose of determining the allotment for that municipality. If the population of any municipality was not determined by the last Federal census preceding any apportionment, the apportionment to such municipality shall be in accordance with any census taken by such municipality. Any municipal census used in accordance with this Section shall be certified to the Department of Transportation by the clerk of such municipality, and the accuracy thereof shall be subject to approval of the Department which may make such corrections as it ascertains to be necessary.

1 As soon as may be after the first day of each month, the
2 Department of Transportation shall allot to each county its
3 share of the amount apportioned to the several counties of the
4 State as herein provided. Each allotment to the several
5 counties having less than 1,000,000 inhabitants shall be in
6 proportion to the amount of motor vehicle license fees
7 received from the residents of such counties, respectively,
8 during the preceding calendar year. The Secretary of State
9 shall, on or before April 15 of each year, transmit to the
10 Department of Transportation a full and complete report
11 showing the amount of motor vehicle license fees received from
12 the residents of each county, respectively, during the
13 preceding calendar year. The Department of Transportation
14 shall, each month, use for allotment purposes the last such
15 report received from the Secretary of State.

16 As soon as may be after the first day of each month, the
17 Department of Transportation shall allot to the several
18 counties their share of the amount apportioned for the use of
19 road districts. The allotment shall be apportioned among the
20 several counties in the State in the proportion which the
21 total mileage of township or district roads in the respective
22 counties bears to the total mileage of all township and
23 district roads in the State. Funds allotted to the respective
24 counties for the use of road districts therein shall be
25 allocated to the several road districts in the county in the
26 proportion which the total mileage of such township or

1 district roads in the respective road districts bears to the
2 total mileage of all such township or district roads in the
3 county. After July 1 of any year prior to 2011, no allocation
4 shall be made for any road district unless it levied a tax for
5 road and bridge purposes in an amount which will require the
6 extension of such tax against the taxable property in any such
7 road district at a rate of not less than either .08% of the
8 value thereof, based upon the assessment for the year
9 immediately prior to the year in which such tax was levied and
10 as equalized by the Department of Revenue or, in DuPage
11 County, an amount equal to or greater than \$12,000 per mile of
12 road under the jurisdiction of the road district, whichever is
13 less. Beginning July 1, 2011 and each July 1 thereafter, an
14 allocation shall be made for any road district if it levied a
15 tax for road and bridge purposes. In counties other than
16 DuPage County, if the amount of the tax levy requires the
17 extension of the tax against the taxable property in the road
18 district at a rate that is less than 0.08% of the value
19 thereof, based upon the assessment for the year immediately
20 prior to the year in which the tax was levied and as equalized
21 by the Department of Revenue, then the amount of the
22 allocation for that road district shall be a percentage of the
23 maximum allocation equal to the percentage obtained by
24 dividing the rate extended by the district by 0.08%. In DuPage
25 County, if the amount of the tax levy requires the extension of
26 the tax against the taxable property in the road district at a

1 rate that is less than the lesser of (i) 0.08% of the value of
2 the taxable property in the road district, based upon the
3 assessment for the year immediately prior to the year in which
4 such tax was levied and as equalized by the Department of
5 Revenue, or (ii) a rate that will yield an amount equal to
6 \$12,000 per mile of road under the jurisdiction of the road
7 district, then the amount of the allocation for the road
8 district shall be a percentage of the maximum allocation equal
9 to the percentage obtained by dividing the rate extended by
10 the district by the lesser of (i) 0.08% or (ii) the rate that
11 will yield an amount equal to \$12,000 per mile of road under
12 the jurisdiction of the road district.

13 Prior to 2011, if any road district has levied a special
14 tax for road purposes pursuant to Sections 6-601, 6-602, and
15 6-603 of the Illinois Highway Code, and such tax was levied in
16 an amount which would require extension at a rate of not less
17 than .08% of the value of the taxable property thereof, as
18 equalized or assessed by the Department of Revenue, or, in
19 DuPage County, an amount equal to or greater than \$12,000 per
20 mile of road under the jurisdiction of the road district,
21 whichever is less, such levy shall, however, be deemed a
22 proper compliance with this Section and shall qualify such
23 road district for an allotment under this Section. Beginning
24 in 2011 and thereafter, if any road district has levied a
25 special tax for road purposes under Sections 6-601, 6-602, and
26 6-603 of the Illinois Highway Code, and the tax was levied in

1 an amount that would require extension at a rate of not less
2 than 0.08% of the value of the taxable property of that road
3 district, as equalized or assessed by the Department of
4 Revenue or, in DuPage County, an amount equal to or greater
5 than \$12,000 per mile of road under the jurisdiction of the
6 road district, whichever is less, that levy shall be deemed a
7 proper compliance with this Section and shall qualify such
8 road district for a full, rather than proportionate, allotment
9 under this Section. If the levy for the special tax is less
10 than 0.08% of the value of the taxable property, or, in DuPage
11 County if the levy for the special tax is less than the lesser
12 of (i) 0.08% or (ii) \$12,000 per mile of road under the
13 jurisdiction of the road district, and if the levy for the
14 special tax is more than any other levy for road and bridge
15 purposes, then the levy for the special tax qualifies the road
16 district for a proportionate, rather than full, allotment
17 under this Section. If the levy for the special tax is equal to
18 or less than any other levy for road and bridge purposes, then
19 any allotment under this Section shall be determined by the
20 other levy for road and bridge purposes.

21 Prior to 2011, if a township has transferred to the road
22 and bridge fund money which, when added to the amount of any
23 tax levy of the road district would be the equivalent of a tax
24 levy requiring extension at a rate of at least .08%, or, in
25 DuPage County, an amount equal to or greater than \$12,000 per
26 mile of road under the jurisdiction of the road district,

1 whichever is less, such transfer, together with any such tax
2 levy, shall be deemed a proper compliance with this Section
3 and shall qualify the road district for an allotment under
4 this Section.

5 In counties in which a property tax extension limitation
6 is imposed under the Property Tax Extension Limitation Law,
7 road districts may retain their entitlement to a motor fuel
8 tax allotment or, beginning in 2011, their entitlement to a
9 full allotment if, at the time the property tax extension
10 limitation was imposed, the road district was levying a road
11 and bridge tax at a rate sufficient to entitle it to a motor
12 fuel tax allotment and continues to levy the maximum allowable
13 amount after the imposition of the property tax extension
14 limitation. Any road district may in all circumstances retain
15 its entitlement to a motor fuel tax allotment or, beginning in
16 2011, its entitlement to a full allotment if it levied a road
17 and bridge tax in an amount that will require the extension of
18 the tax against the taxable property in the road district at a
19 rate of not less than 0.08% of the assessed value of the
20 property, based upon the assessment for the year immediately
21 preceding the year in which the tax was levied and as equalized
22 by the Department of Revenue or, in DuPage County, an amount
23 equal to or greater than \$12,000 per mile of road under the
24 jurisdiction of the road district, whichever is less.

25 As used in this Section, the term "road district" means
26 any road district, including a county unit road district,

1 provided for by the Illinois Highway Code; and the term
2 "township or district road" means any road in the township and
3 district road system as defined in the Illinois Highway Code.
4 For the purposes of this Section, "township or district road"
5 also includes such roads as are maintained by park districts,
6 forest preserve districts and conservation districts. The
7 Department of Transportation shall determine the mileage of
8 all township and district roads for the purposes of making
9 allotments and allocations of motor fuel tax funds for use in
10 road districts.

11 Payment of motor fuel tax moneys to municipalities and
12 counties shall be made as soon as possible after the allotment
13 is made. The treasurer of the municipality or county may
14 invest these funds until their use is required and the
15 interest earned by these investments shall be limited to the
16 same uses as the principal funds.

17 (Source: P.A. 102-16, eff. 6-17-21; 102-558, eff. 8-20-21;
18 102-699, eff. 4-19-22; 103-8, eff. 6-7-23.)

19 Section 10. The Counties Code is amended by changing and
20 renumbering Section 5-1185, as added by Public Act 101-230, as
21 follows:

22 (55 ILCS 5/5-1185)

23 Sec. 5-1185. Dissolution of townships ~~in McHenry County~~.
24 If a township ~~in McHenry County~~ dissolves as provided in

1 Article 24 of the Township Code, the county ~~McHenry County~~
2 shall assume the powers, duties, and obligations of each
3 dissolved township as provided in Article 24 of the Township
4 Code.

5 (Source: P.A. 101-230, eff. 8-9-19; 102-558, eff. 8-20-21.)

6 Section 15. The Township Code is amended by changing the
7 heading of Article 24 and Sections 24-10, 24-15, 24-20, 24-30,
8 and 24-35 as follows:

9 (60 ILCS 1/Art. 24 heading)

10 ARTICLE 24. DISSOLUTION OF

11 TOWNSHIPS ~~IN MCHENRY COUNTY~~

12 (Source: P.A. 101-230, eff. 8-9-19.)

13 (60 ILCS 1/24-10)

14 Sec. 24-10. Definition. As used in this Article,
15 "electors" means the registered voters of any single township
16 in a county under township organization ~~McHenry County~~.

17 (Source: P.A. 101-230, eff. 8-9-19.)

18 (60 ILCS 1/24-15)

19 Sec. 24-15. Dissolving a township ~~in McHenry County~~. By
20 resolution, the board of trustees of a any township ~~located in~~
21 ~~McHenry County~~ may submit a proposition to dissolve the
22 township to the electors of that township at the election next

1 following in accordance with the general election law. The
2 ballot shall be as provided for in Section 24-30.

3 (Source: P.A. 101-230, eff. 8-9-19.)

4 (60 ILCS 1/24-20)

5 Sec. 24-20. Petition requirements; notice.

6 (a) Subject to the petition requirements of Section 28-3
7 of the Election Code, petitions for a referendum to dissolve a
8 township ~~located in McHenry County~~ must be filed with the
9 governing board of the township, the county board ~~of McHenry~~
10 ~~County~~, and the county clerk ~~McHenry County Clerk~~ not less
11 than 122 days prior to any election held throughout the
12 township. Petitions must include:

13 (1) the name of the dissolving township;

14 (2) the date of dissolution; and

15 (3) signatures of a number of electors as follows: (A)
16 for any township, the number of signatures shall be the
17 larger of (i) 5% of the total ballots cast in the township
18 in the immediately preceding election that is of an
19 election type comparable to the election for which the
20 petition is being filed, or (ii) 250 signatures. All
21 signatures gathered under this paragraph (3) must be
22 signed within 180 days prior to the filing of a petition.

23 (b) The proposed date of dissolution shall be at least 90
24 days after the date of the election at which the referendum is
25 to be voted upon.

1 (c) If a valid petition is filed under subsection (a),
2 then the county clerk ~~McHenry County Clerk~~ shall, by
3 publication in one or more newspapers of general circulation
4 within the county and on the county's website, not less than 90
5 days prior to the election at which the referendum is to be
6 voted on, give notice in substantially the following form:

7 NOTICE OF PETITION TO DISSOLVE (dissolving township).
8 Residents of (dissolving township) and (county) ~~McHenry~~
9 ~~County~~ are notified that a petition has been filed with
10 (dissolving township) and (county) ~~McHenry County~~
11 requesting a referendum to dissolve (dissolving township)
12 on (date of dissolution) with all real and personal
13 property, and any other assets, together with all
14 personnel, contractual obligations, and liabilities being
15 transferred to (county) ~~McHenry County~~.
16 (Source: P.A. 101-230, eff. 8-9-19.)

17 (60 ILCS 1/24-30)
18 Sec. 24-30. Referendum; voting.
19 (a) Subject to the requirements of Section 16-7 of the
20 Election Code, the referendum described in Section 24-25 shall
21 be in substantially the following form on the ballot:

22 -----
23 Shall the (dissolving
24 township), together with any road

1 districts wholly within the YES
2 boundaries of (dissolving
3 township), be dissolved on (date -----
4 of dissolution) with all of
5 the township and road district
6 property, assets, personnel, NO
7 obligations, and liabilities being
8 transferred to (county) ~~McHenry County~~?

9 -----
10 (b) The referendum is approved when a majority of those
11 voting in the election from the dissolving township approve
12 the referendum.

13 (Source: P.A. 101-230, eff. 8-9-19.)

14 (60 ILCS 1/24-35)

15 Sec. 24-35. Dissolution; transfer of rights and duties.
16 When the dissolution of a township has been approved under
17 Section 24-30:

18 (1) On or before the date of dissolution, all real and
19 personal property, and any other assets, together with all
20 personnel, contractual obligations, and liabilities of the
21 dissolving township and road districts wholly within the
22 boundaries of the dissolving township shall be transferred
23 to the county ~~McHenry County~~. All funds of the dissolved
24 township and dissolved road districts shall be used solely
25 on behalf of the residents of the geographic area within

1 the boundaries of the dissolved township.

2 After the transfer of property to the county under
3 this paragraph, all park land, cemetery land, buildings,
4 and facilities within the geographic area of the
5 dissolving township must be utilized for the primary
6 benefit of the geographic area of the dissolving township.
7 Proceeds from the sale of the park land, cemetery land,
8 buildings, or facilities after transfer to the county must
9 be utilized for the sole benefit of the geographic area of
10 the dissolved township.

11 (2) On the date of dissolution, the dissolving
12 township is dissolved.

13 (3) On and after the date of dissolution, all rights
14 and duties of the dissolved township may be exercised by
15 the county board ~~McHenry County Board~~ solely on behalf of
16 the residents of the geographic area within the boundaries
17 of the dissolved township. The duties that may be
18 exercised by the county include, but are not limited to,
19 the administration of a dissolved township's general
20 assistance program, maintenance and operation of a
21 dissolved township's cemeteries, and the county assessor
22 or county supervisor of assessments ~~Chief County~~
23 ~~Assessment officer of McHenry County~~ exercising the duties
24 of the township assessor.

25 (4) The county board ~~McHenry County Board~~ shall not
26 extend a property tax levy that is greater than 90% of the

1 property tax levy extended by the dissolved township or
2 road districts for the duties taken on by the county
3 ~~McHenry County~~. This property tax levy may not be extended
4 outside the boundaries of the dissolved township. In all
5 subsequent years, this levy shall be bound by the
6 provisions of the Property Tax Extension Limitation Law.

7 A tax levy extended under this paragraph may be used
8 for the purposes allowed by the statute authorizing the
9 tax levy or to pay liabilities of the dissolved township
10 or dissolved road districts that were transferred to the
11 county under paragraph (1). The taxpayers within the
12 boundaries of the dissolved township are responsible to
13 pay any liabilities transferred to the county: the county
14 shall reduce spending within the boundaries of the former
15 township in the amount necessary to pay off any
16 liabilities transferred to the county under paragraph (1)
17 that are not covered by the assets enumerated in paragraph
18 (1) or taxes under this paragraph.

19 (5) All road districts wholly within the boundaries of
20 the dissolving township are dissolved on the date of
21 dissolution of the dissolving township, and all powers and
22 responsibilities of each road district are transferred to
23 the county ~~McHenry County~~ except as provided in paragraph
24 (6).

25 (6) The county board ~~of McHenry County~~ shall give
26 written notice to each municipality whose governing board

1 meets within the boundaries of a dissolving township that
2 the municipality may make an offer, on or before 60 days
3 after the date of dissolution of the dissolving township,
4 that the municipality will assume all of the powers and
5 responsibilities of a road district or road districts
6 wholly inside the dissolving township. The notice shall be
7 sent to each municipality on or before 30 days after the
8 date of dissolution of the township. Any eligible
9 municipality may, with consent of its governing board,
10 make an offer to assume all of the powers and
11 responsibilities of the dissolving township's road
12 district or road districts. A municipality may offer to
13 assume the powers and responsibilities only for a limited
14 period of time. If one or more offers are received by the
15 county ~~McHenry County~~ on or before 60 days after the date
16 of dissolution of the dissolving township, the county
17 board ~~of McHenry County~~ shall select the best offer or
18 offers that the board determines would be in the best
19 interest and welfare of the affected resident population.
20 If no municipality makes an offer or if no satisfactory
21 offer is made, the powers and duties of the dissolving
22 township's road district or road districts are retained by
23 the county ~~McHenry County~~. The municipality that assumes
24 the powers and duties of the dissolving township's road
25 district or road districts shall not extend a road
26 district property tax levy under Division 5 of Article 6

1 of the Illinois Highway Code that is greater than 90% of
2 the road district property tax levy that was extended by
3 the county on behalf of the dissolving township's road
4 district or road districts for the duties taken on by the
5 municipality.

6 (7) On the date of dissolution of the township or road
7 district, elected and appointed township officers and road
8 commissioners shall cease to hold office. An elected or
9 appointed township official or township road commissioner
10 shall not be compensated for any other duties performed
11 after the dissolution of the township or road district
12 that they represented. An elected township official or
13 township road commissioner shall not have legal recourse
14 relating to the ceasing of their elected or appointed
15 positions upon the ceasing of their position.

16 (Source: P.A. 101-230, eff. 8-9-19.)

17 Section 20. The Illinois Highway Code is amended by
18 changing Section 6-140 as follows:

19 (605 ILCS 5/6-140)

20 Sec. 6-140. Abolishing a township road district ~~within~~
21 ~~Lake County or McHenry County~~ with less than 15 miles of roads.
22 A ~~Any~~ township ~~in Lake County or McHenry County~~ shall abolish a
23 road district of that township if the roads of the road
24 district are less than 15 centerline miles in length, as

1 determined by the county engineer or county superintendent of
2 highways. A road district is abolished on the expiration of
3 the term of office of the highway commissioner of the road
4 district facing abolition following the determination by the
5 county engineer or county superintendent of highways of the
6 length, in centerline mileage, of the roads within the road
7 district to be abolished.

8 On the date of abolition: all the rights, powers, duties,
9 assets, property, liabilities, obligations, and
10 responsibilities of the road district shall by operation of
11 law vest in and be assumed by the township; the township board
12 of trustees shall assume all taxing authority of a road
13 district abolished under this Section and shall exercise all
14 duties and responsibilities of the highway commissioner as
15 provided in this Code; and for purposes of distribution of
16 revenue, the township shall assume the powers, duties, and
17 obligations of the road district. The township board of
18 trustees may enter into a contract with the county, a
19 municipality, or a private contractor to administer the roads
20 added to its jurisdiction under this Section.

21 (Source: P.A. 101-230, eff. 8-9-19.)

22 (605 ILCS 5/6-135 rep.)

23 Section 25. The Illinois Highway Code is amended by
24 repealing Section 6-135.

25 Section 99. Effective date. This Act takes effect upon

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1 becoming law.