



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4269

Introduced 1/14/2026, by Rep. Daniel Didech

SYNOPSIS AS INTRODUCED:

10 ILCS 5/28-7	from Ch. 46, par. 28-7
35 ILCS 505/8	from Ch. 120, par. 424
55 ILCS 5/5-1185 rep.	
60 ILCS 1/Art. 24 rep.	

Amends the Township Code. Repeals provisions concerning the dissolution of townships in McHenry County. Makes conforming changes in the Election Code, the Motor Fuel Tax Law, and the Counties Code.

LRB104 14117 RTM 27249 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 Election Code is amended by changing
5 Section 28-7 as follows:

6 (10 ILCS 5/28-7) (from Ch. 46, par. 28-7)

7 Sec. 28-7. ~~In~~ ~~Except as provided in Article 24 of the~~
8 ~~Township Code,~~ in any case in which Article VII or paragraph
9 (a) of Section 5 of the Transition Schedule of the
10 Constitution authorizes any action to be taken by or with
11 respect to any unit of local government, as defined in Section
12 1 of Article VII of the Constitution, by or subject to approval
13 by referendum, any such public question shall be initiated in
14 accordance with this Section.

15 Any such public question may be initiated by the governing
16 body of the unit of local government by resolution or by the
17 filing with the clerk or secretary of the governmental unit of
18 a petition signed by a number of qualified electors equal to or
19 greater than at least 8% of the total votes cast for candidates
20 for Governor in the preceding gubernatorial election,
21 requesting the submission of the proposal for such action to
22 the voters of the governmental unit at a regular election.

23 If the action to be taken requires a referendum involving

1 2 or more units of local government, the proposal shall be
2 submitted to the voters of such governmental units by the
3 election authorities with jurisdiction over the territory of
4 the governmental units. Such multi-unit proposals may be
5 initiated by appropriate resolutions by the respective
6 governing bodies or by petitions of the voters of the several
7 governmental units filed with the respective clerks or
8 secretaries.

9 This Section is intended to provide a method of submission
10 to referendum in all cases of proposals for actions which are
11 authorized by Article VII of the Constitution by or subject to
12 approval by referendum and supersedes any conflicting
13 statutory provisions except those contained in Division 2-5 of
14 the Counties Code ~~or Article 24 of the Township Code.~~

15 Referenda provided for in this Section may not be held
16 more than once in any 23-month period on the same proposition,
17 provided that in any municipality a referendum to elect not to
18 be a home rule unit may be held only once within any 47-month
19 period.

20 (Source: P.A. 100-863, eff. 8-14-18; 101-230, eff. 8-9-19.)

21 Section 10. The Motor Fuel Tax Law is amended by changing
22 Section 8 as follows:

23 (35 ILCS 505/8) (from Ch. 120, par. 424)

24 Sec. 8. Distribution of proceeds of tax. Except as

1 provided in subsection (a-1) of this Section, Section 8a,
2 subdivision (h)(1) of Section 12a, Section 13a.6, and items
3 13, 14, 15, and 16 of Section 15, all money received by the
4 Department under this Act, including payments made to the
5 Department by member jurisdictions participating in the
6 International Fuel Tax Agreement, shall be deposited into a
7 special fund in the State treasury, to be known as the Motor
8 Fuel Tax Fund, and shall be used as follows:

9 (a) 2 1/2 cents per gallon of the tax collected on special
10 fuel under paragraph (b) of Section 2 and Section 13a of this
11 Act shall be transferred to the State Construction Account
12 Fund in the State Treasury; the remainder of the tax collected
13 on special fuel under paragraph (b) of Section 2 and Section
14 13a of this Act shall be deposited into the Road Fund;

15 (a-1) Beginning on July 1, 2019, an amount equal to the
16 amount of tax collected under subsection (a) of Section 2 and
17 Section 13a as a result of the increase in the tax rate under
18 subsection (a) of Section 2 authorized by Public Act 101-32
19 shall be deposited each month into the Transportation Renewal
20 Fund; provided, however, that the amount that represents the
21 part (b) portion of the rate under Section 13a shall be
22 deposited each month into the Motor Fuel Tax Fund and the
23 Transportation Renewal Fund in the same proportion as the
24 amount collected under subsection (a) of Section 2;

25 (b) \$420,000 shall be transferred each month to the State
26 Boating Act Fund to be used by the Department of Natural

1 Resources for the purposes specified in Article X of the Boat
2 Registration and Safety Act;

3 (c) \$3,500,000 shall be transferred each month to the
4 Grade Crossing Protection Fund to be used as follows: not less
5 than \$12,000,000 each fiscal year shall be used for the
6 construction or reconstruction of rail highway grade
7 separation structures; \$5,500,000 in fiscal year 2022 and each
8 fiscal year thereafter shall be transferred to the
9 Transportation Regulatory Fund and shall be used to pay the
10 cost of administration of the Illinois Commerce Commission's
11 railroad safety program in connection with its duties under
12 subsection (3) of Section 18c-7401 of the Illinois Vehicle
13 Code, with the remainder to be used by the Department of
14 Transportation upon order of the Illinois Commerce Commission,
15 to pay that part of the cost apportioned by such Commission to
16 the State to cover the interest of the public in the use of
17 highways, roads, streets, or pedestrian walkways in the county
18 highway system, township and district road system, or
19 municipal street system as defined in the Illinois Highway
20 Code, as the same may from time to time be amended, for
21 separation of grades, for installation, construction or
22 reconstruction of crossing protection or reconstruction,
23 alteration, relocation including construction or improvement
24 of any existing highway necessary for access to property or
25 improvement of any grade crossing and grade crossing surface
26 including the necessary highway approaches thereto of any

1 railroad across the highway or public road, or for the
2 installation, construction, reconstruction, or maintenance of
3 safety treatments to deter trespassing or a pedestrian walkway
4 over or under a railroad right-of-way, as provided for in and
5 in accordance with Section 18c-7401 of the Illinois Vehicle
6 Code. The Commission may order up to \$2,000,000 per year in
7 Grade Crossing Protection Fund moneys for the improvement of
8 grade crossing surfaces and up to \$300,000 per year for the
9 maintenance and renewal of 4-quadrant gate vehicle detection
10 systems located at non-high speed rail grade crossings. In
11 entering orders for projects for which payments from the Grade
12 Crossing Protection Fund will be made, the Commission shall
13 account for expenditures authorized by the orders on a cash
14 rather than an accrual basis. For purposes of this requirement
15 an "accrual basis" assumes that the total cost of the project
16 is expended in the fiscal year in which the order is entered,
17 while a "cash basis" allocates the cost of the project among
18 fiscal years as expenditures are actually made. To meet the
19 requirements of this subsection, the Illinois Commerce
20 Commission shall develop annual and 5-year project plans of
21 rail crossing capital improvements that will be paid for with
22 moneys from the Grade Crossing Protection Fund. The annual
23 project plan shall identify projects for the succeeding fiscal
24 year and the 5-year project plan shall identify projects for
25 the 5 directly succeeding fiscal years. The Commission shall
26 submit the annual and 5-year project plans for this Fund to the

1 Governor, the President of the Senate, the Senate Minority
2 Leader, the Speaker of the House of Representatives, and the
3 Minority Leader of the House of Representatives on the first
4 Wednesday in April of each year;

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

8 (1) the costs of the Department of Revenue in
9 administering this Act;

10 (2) the costs of the Department of Transportation in
11 performing its duties imposed by the Illinois Highway Code
12 for supervising the use of motor fuel tax funds
13 apportioned to municipalities, counties and road
14 districts;

15 (3) refunds provided for in Section 13, refunds for
16 overpayment of decal fees paid under Section 13a.4 of this
17 Act, and refunds provided for under the terms of the
18 International Fuel Tax Agreement referenced in Section
19 14a;

20 (4) from October 1, 1985 until June 30, 1994, the
21 administration of the Vehicle Emissions Inspection Law,
22 which amount shall be certified monthly by the
23 Environmental Protection Agency to the State Comptroller
24 and shall promptly be transferred by the State Comptroller
25 and Treasurer from the Motor Fuel Tax Fund to the Vehicle
26 Inspection Fund, and for the period July 1, 1994 through

1 June 30, 2000, one-twelfth of \$25,000,000 each month, for
2 the period July 1, 2000 through June 30, 2003, one-twelfth
3 of \$30,000,000 each month, and \$15,000,000 on July 1,
4 2003, and \$15,000,000 on January 1, 2004, and \$15,000,000
5 on each July 1 and October 1, or as soon thereafter as may
6 be practical, during the period July 1, 2004 through June
7 30, 2012, and \$30,000,000 on June 1, 2013, or as soon
8 thereafter as may be practical, and \$15,000,000 on July 1
9 and October 1, or as soon thereafter as may be practical,
10 during the period of July 1, 2013 through June 30, 2015,
11 for the administration of the Vehicle Emissions Inspection
12 Law of 2005, to be transferred by the State Comptroller
13 and Treasurer from the Motor Fuel Tax Fund into the
14 Vehicle Inspection Fund;

15 (4.5) beginning on July 1, 2019, the costs of the
16 Environmental Protection Agency for the administration of
17 the Vehicle Emissions Inspection Law of 2005 shall be
18 paid, subject to appropriation, from the Motor Fuel Tax
19 Fund into the Vehicle Inspection Fund; beginning in 2019,
20 no later than December 31 of each year, or as soon
21 thereafter as practical, the State Comptroller shall
22 direct and the State Treasurer shall transfer from the
23 Vehicle Inspection Fund to the Motor Fuel Tax Fund any
24 balance remaining in the Vehicle Inspection Fund in excess
25 of \$2,000,000;

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

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

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

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

13 (A) 37% into the State Construction Account Fund,
14 and

15 (B) 63% into the Road Fund, \$1,250,000 of which
16 shall be reserved each month for the Department of
17 Transportation to be used in accordance with the
18 provisions of Sections 6-901 through 6-906 of the
19 Illinois Highway Code;

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

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

24 (B) 16.74% to the counties of the State having
25 1,000,000 or more inhabitants,

26 (C) 18.27% to the counties of the State having

1 less than 1,000,000 inhabitants,

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

3 ~~If a township is dissolved under Article 24 of the~~
4 ~~Township Code, McHenry County shall receive any moneys~~
5 ~~that would have been distributed to the township under~~
6 ~~this subparagraph, except that a municipality that assumes~~
7 ~~the powers and responsibilities of a road district under~~
8 ~~paragraph (6) of Section 24 35 of the Township Code shall~~
9 ~~receive any moneys that would have been distributed to the~~
10 ~~township in a percent equal to the area of the dissolved~~
11 ~~road district or portion of the dissolved road district~~
12 ~~over which the municipality assumed the powers and~~
13 ~~responsibilities compared to the total area of the~~
14 ~~dissolved township. The moneys received under this~~
15 ~~subparagraph shall be used in the geographic area of the~~
16 ~~dissolved township. If a township is reconstituted as~~
17 ~~provided under Section 24 45 of the Township Code, McHenry~~
18 ~~County or a municipality shall no longer be distributed~~
19 ~~moneys under this subparagraph.~~

20 As soon as may be after the first day of each month, the
21 Department of Transportation shall allot to each municipality
22 its share of the amount apportioned to the several
23 municipalities which shall be in proportion to the population
24 of such municipalities as determined by the last preceding
25 municipal census if conducted by the Federal Government or
26 Federal census. If territory is annexed to any municipality

1 subsequent to the time of the last preceding census the
2 corporate authorities of such municipality may cause a census
3 to be taken of such annexed territory and the population so
4 ascertained for such territory shall be added to the
5 population of the municipality as determined by the last
6 preceding census for the purpose of determining the allotment
7 for that municipality. If the population of any municipality
8 was not determined by the last Federal census preceding any
9 apportionment, the apportionment to such municipality shall be
10 in accordance with any census taken by such municipality. Any
11 municipal census used in accordance with this Section shall be
12 certified to the Department of Transportation by the clerk of
13 such municipality, and the accuracy thereof shall be subject
14 to approval of the Department which may make such corrections
15 as it ascertains to be necessary.

16 As soon as may be after the first day of each month, the
17 Department of Transportation shall allot to each county its
18 share of the amount apportioned to the several counties of the
19 State as herein provided. Each allotment to the several
20 counties having less than 1,000,000 inhabitants shall be in
21 proportion to the amount of motor vehicle license fees
22 received from the residents of such counties, respectively,
23 during the preceding calendar year. The Secretary of State
24 shall, on or before April 15 of each year, transmit to the
25 Department of Transportation a full and complete report
26 showing the amount of motor vehicle license fees received from

1 the residents of each county, respectively, during the
2 preceding calendar year. The Department of Transportation
3 shall, each month, use for allotment purposes the last such
4 report received from the Secretary of State.

5 As soon as may be after the first day of each month, the
6 Department of Transportation shall allot to the several
7 counties their share of the amount apportioned for the use of
8 road districts. The allotment shall be apportioned among the
9 several counties in the State in the proportion which the
10 total mileage of township or district roads in the respective
11 counties bears to the total mileage of all township and
12 district roads in the State. Funds allotted to the respective
13 counties for the use of road districts therein shall be
14 allocated to the several road districts in the county in the
15 proportion which the total mileage of such township or
16 district roads in the respective road districts bears to the
17 total mileage of all such township or district roads in the
18 county. After July 1 of any year prior to 2011, no allocation
19 shall be made for any road district unless it levied a tax for
20 road and bridge purposes in an amount which will require the
21 extension of such tax against the taxable property in any such
22 road district at a rate of not less than either .08% of the
23 value thereof, based upon the assessment for the year
24 immediately prior to the year in which such tax was levied and
25 as equalized by the Department of Revenue or, in DuPage
26 County, an amount equal to or greater than \$12,000 per mile of

1 road under the jurisdiction of the road district, whichever is
2 less. Beginning July 1, 2011 and each July 1 thereafter, an
3 allocation shall be made for any road district if it levied a
4 tax for road and bridge purposes. In counties other than
5 DuPage County, if the amount of the tax levy requires the
6 extension of the tax against the taxable property in the road
7 district at a rate that is less than 0.08% of the value
8 thereof, based upon the assessment for the year immediately
9 prior to the year in which the tax was levied and as equalized
10 by the Department of Revenue, then the amount of the
11 allocation for that road district shall be a percentage of the
12 maximum allocation equal to the percentage obtained by
13 dividing the rate extended by the district by 0.08%. In DuPage
14 County, if the amount of the tax levy requires the extension of
15 the tax against the taxable property in the road district at a
16 rate that is less than the lesser of (i) 0.08% of the value of
17 the taxable property in the road district, based upon the
18 assessment for the year immediately prior to the year in which
19 such tax was levied and as equalized by the Department of
20 Revenue, or (ii) a rate that will yield an amount equal to
21 \$12,000 per mile of road under the jurisdiction of the road
22 district, then the amount of the allocation for the road
23 district shall be a percentage of the maximum allocation equal
24 to the percentage obtained by dividing the rate extended by
25 the district by the lesser of (i) 0.08% or (ii) the rate that
26 will yield an amount equal to \$12,000 per mile of road under

1 the jurisdiction of the road district.

2 Prior to 2011, if any road district has levied a special
3 tax for road purposes pursuant to Sections 6-601, 6-602, and
4 6-603 of the Illinois Highway Code, and such tax was levied in
5 an amount which would require extension at a rate of not less
6 than .08% of the value of the taxable property thereof, as
7 equalized or assessed by the Department of Revenue, or, in
8 DuPage County, an amount equal to or greater than \$12,000 per
9 mile of road under the jurisdiction of the road district,
10 whichever is less, such levy shall, however, be deemed a
11 proper compliance with this Section and shall qualify such
12 road district for an allotment under this Section. Beginning
13 in 2011 and thereafter, if any road district has levied a
14 special tax for road purposes under Sections 6-601, 6-602, and
15 6-603 of the Illinois Highway Code, and the tax was levied in
16 an amount that would require extension at a rate of not less
17 than 0.08% of the value of the taxable property of that road
18 district, as equalized or assessed by the Department of
19 Revenue or, in DuPage County, an amount equal to or greater
20 than \$12,000 per mile of road under the jurisdiction of the
21 road district, whichever is less, that levy shall be deemed a
22 proper compliance with this Section and shall qualify such
23 road district for a full, rather than proportionate, allotment
24 under this Section. If the levy for the special tax is less
25 than 0.08% of the value of the taxable property, or, in DuPage
26 County if the levy for the special tax is less than the lesser

1 of (i) 0.08% or (ii) \$12,000 per mile of road under the
2 jurisdiction of the road district, and if the levy for the
3 special tax is more than any other levy for road and bridge
4 purposes, then the levy for the special tax qualifies the road
5 district for a proportionate, rather than full, allotment
6 under this Section. If the levy for the special tax is equal to
7 or less than any other levy for road and bridge purposes, then
8 any allotment under this Section shall be determined by the
9 other levy for road and bridge purposes.

10 Prior to 2011, if a township has transferred to the road
11 and bridge fund money which, when added to the amount of any
12 tax levy of the road district would be the equivalent of a tax
13 levy requiring extension at a rate of at least .08%, or, in
14 DuPage County, an amount equal to or greater than \$12,000 per
15 mile of road under the jurisdiction of the road district,
16 whichever is less, such transfer, together with any such tax
17 levy, shall be deemed a proper compliance with this Section
18 and shall qualify the road district for an allotment under
19 this Section.

20 In counties in which a property tax extension limitation
21 is imposed under the Property Tax Extension Limitation Law,
22 road districts may retain their entitlement to a motor fuel
23 tax allotment or, beginning in 2011, their entitlement to a
24 full allotment if, at the time the property tax extension
25 limitation was imposed, the road district was levying a road
26 and bridge tax at a rate sufficient to entitle it to a motor

1 fuel tax allotment and continues to levy the maximum allowable
2 amount after the imposition of the property tax extension
3 limitation. Any road district may in all circumstances retain
4 its entitlement to a motor fuel tax allotment or, beginning in
5 2011, its entitlement to a full allotment if it levied a road
6 and bridge tax in an amount that will require the extension of
7 the tax against the taxable property in the road district at a
8 rate of not less than 0.08% of the assessed value of the
9 property, based upon the assessment for the year immediately
10 preceding the year in which the tax was levied and as equalized
11 by the Department of Revenue or, in DuPage County, an amount
12 equal to or greater than \$12,000 per mile of road under the
13 jurisdiction of the road district, whichever is less.

14 As used in this Section, the term "road district" means
15 any road district, including a county unit road district,
16 provided for by the Illinois Highway Code; and the term
17 "township or district road" means any road in the township and
18 district road system as defined in the Illinois Highway Code.
19 For the purposes of this Section, "township or district road"
20 also includes such roads as are maintained by park districts,
21 forest preserve districts and conservation districts. The
22 Department of Transportation shall determine the mileage of
23 all township and district roads for the purposes of making
24 allotments and allocations of motor fuel tax funds for use in
25 road districts.

26 Payment of motor fuel tax moneys to municipalities and

1 counties shall be made as soon as possible after the allotment
2 is made. The treasurer of the municipality or county may
3 invest these funds until their use is required and the
4 interest earned by these investments shall be limited to the
5 same uses as the principal funds.

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

8 (55 ILCS 5/5-1185 rep.)

9 Section 15. The Counties Code is amended by repealing
10 Section 5-1185.

11 (60 ILCS 1/Art. 24 rep.)

12 Section 20. The Township Code is amended by repealing
13 Article 24.