



# Illinois State Association of Counties

## POSITION STATEMENT

Date: January 1, 2024

### LOCAL OPTION COUNTY MOTOR FUEL TAX

**HB 4428 - SUPPORT**

The General Assembly and Governor enacted a \$45.6 billion infrastructure package in 2019. This was the state's first major capital bill in almost 10 years. Much of this revenue will fund critical transportation infrastructure projects that will improve the safety and efficiency of Illinois' network of roads and bridges. One of the funding sources for the investment in Illinois' transportation network is an increase in the state Motor Fuel Tax (MFT) from 0.19 cents per gallon to 0.38 cents per gallon.

#### **Current Law:**

Under current law, counties and municipalities with home rule status (and non-home rule municipalities in Cook County at three cents per gallon) have authority to impose a local MFT. A small number of non-home rule counties have special authority from the General Assembly and Governor to impose a county MFT (DuPage, Kane, Lake, McHenry and Will). This local county MFT cannot exceed eight cents per gallon following passage of an ordinance or resolution by the county board.

#### **Proposed Change:**

The General Assembly and Governor should permit all county boards to adopt an MFT not to exceed 8 cents per gallon for the ongoing maintenance and construction of essential infrastructure. Per the Illinois Constitution, these funds must be expended for transportation purposes.

The General Assembly and Governor have recognized the benefit of providing local governments with the means to raise revenues for local infrastructure investments. The problem is a public policy that creates an inequitable patchwork of local funding opportunities, even among the various non-home rule units of government. If locally-funded transportation investments are beneficial for some counties, they are beneficial for ALL counties. The General Assembly and Governor should introduce fairness to this policy in recognition that all counties have transportation funding needs.

**HB 4428 WOULD ALLOW ALL COUNTIES TO RAISE MFT REVENUE TO IMPROVE THEIR ROADS AND BRIDGES.**