

HB3538



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB3538

by Rep. Michael Halpin

SYNOPSIS AS INTRODUCED:

New Act

Creates the Keep Illinois Business Act. Provides that any recipient business that chooses to move all or part of its business operations and the jobs created by its business out-of-State shall be deemed to no longer qualify for State economic development assistance, and shall be required to pay to the relevant State granting agency the full amount of any economic development assistance it received. Provides for procedures for the recovery of economic development assistance, including required notice to the recipient business and an opportunity for a hearing. Defines terms.

LRB100 05680 RJF 15698 b

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 1. Short title. This Act may be cited as the Keep
5 Illinois Business Act.

6 Section 5. Purpose. The purpose of this Act is to encourage
7 businesses with primary business operations in the State of
8 Illinois to remain in this State by removing and recouping any
9 economic development assistance or benefit provided to those
10 businesses by the State should those businesses decide to
11 relocate jobs out-of-State.

12 Section 10. Definitions. As used in this Act:

13 "Economic development assistance" means (1) tax credits
14 and tax exemptions given as an incentive to a recipient
15 business organization under an initial certification or an
16 initial designation made by the Department of Commerce and
17 Economic Opportunity under the Economic Development for a
18 Growing Economy Tax Credit Act, River Edge Redevelopment Zone
19 Act, and the Illinois Enterprise Zone Act, including the High
20 Impact Business program; (2) grants or loans given to a
21 recipient as an incentive to a business organization under the
22 River Edge Redevelopment Zone Act, Large Business Development

1 Program, the Business Development Public Infrastructure
2 Program, or the Industrial Training Program; (3) the State
3 Treasurer's Economic Program Loans; (4) the Illinois
4 Department of Transportation Economic Development Program; (5)
5 all successor and subsequent programs and tax credits designed
6 to promote business relocations and expansions; (6) any
7 assistance provided by the Illinois Emergency Employment
8 Program under the Illinois Emergency Development Act; and (7)
9 any other economic incentive, benefit, assistance, credit,
10 loan, or grant provided by a State granting agency to a
11 recipient business with primary business operations in this
12 State.

13 "Recipient business" means any corporation, limited
14 liability company, partnership, joint venture, association,
15 sole proprietorship, or other legally recognized entity with
16 primary business operations in this State that receives
17 economic development assistance.

18 "State agency" has the meaning provided in Section 1-7 of
19 the Illinois State Auditing Act.

20 "State granting agency" means any State department or State
21 agency that provides economic development assistance to a
22 recipient business.

23 Section 15. Recovery of economic development assistance.

24 (a) Subject to the procedures outlined in this Section, any
25 recipient business that chooses to move all or part of its

1 business operations and the jobs created by its business
2 out-of-State shall be deemed to no longer qualify for State
3 economic development assistance, and shall be required to pay
4 to the relevant State granting agency the full amount of any
5 economic development assistance it received.

6 (b) Whenever a State granting agency believes that the
7 economic development assistance it provided to a recipient
8 business is subject to recovery, the State granting agency
9 shall provide the recipient business the opportunity for at
10 least one informal hearing to determine the facts and issues,
11 and to resolve any conflicts as amicably as possible before
12 taking any formal recovery actions.

13 (c) If a State granting agency determines that economic
14 development assistance is to be recovered, then, prior to
15 taking any action to recover, the State granting agency shall
16 provide the recipient business with a written notice of the
17 intended recovery. This notice shall identify the funds and the
18 amount to be recovered and the specific facts which permit
19 recovery.

20 (d) A recipient business shall have 35 days from the
21 receipt of the notice required in subsection (c) of this
22 Section to request a hearing to show why recovery is not
23 justified or proper. If a recipient business requests a hearing
24 under this subsection (d), then:

25 (1) the State granting agency shall hold a hearing
26 before the Director of that agency, or his or her designee,

1 at which a representative of the recipient business may
2 present an argument for why recovery should not be
3 permitted; and

4 (2) after the conclusion of the hearing, the Director
5 of the State granting agency, or his or her designee, shall
6 issue a written final recovery order and send a copy of the
7 order to the recipient business.

8 (e) A recipient business may seek judicial review of any
9 final recovery order under the provisions of the Administrative
10 Review Law.

11 (f) If a recipient business requests a hearing under
12 subsection (d) of this Section, then the State granting agency
13 may not take any action of recovery until at least 35 days
14 after the State granting agency has issued a final recovery
15 order under the requirements of subsection (d) of this Section.
16 If a recipient business does not request a hearing as permitted
17 in subsection (d) of this Section, then the State granting
18 agency may proceed with recovery of the economic development
19 assistance amount specified in the notice issued under the
20 requirements of subsection (c) of this Section, at any time
21 after the expiration of the 35-day request period established
22 in subsection (d) of this Section.

23 (g) Any notice or mailing required or permitted by this
24 Section shall be deemed received 5 days after the notice or
25 mailing is deposited in the United States mail, properly
26 addressed with the current business address of the recipient

1 business and with sufficient U.S. postage affixed.