



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB1613

Introduced 2/15/2019, by Sen. Elgie R. Sims, Jr.

#### SYNOPSIS AS INTRODUCED:

20 ILCS 655/4.1

20 ILCS 655/5.2.1

20 ILCS 655/5.3

from Ch. 67 1/2, par. 608

Amends the Illinois Enterprise Zone Act. Provides that enterprise zone applicants shall receive a specific score based on whether or not an applicant meets certain criteria (currently, the applicant receives a score based on the extent to which the applicant meets the criteria). Provides that the Enterprise Zone Board shall approve any application that receives at least 200 points, with the exception of a zone that has previously been decertified for cause. Effective immediately.

LRB101 07395 HLH 52435 b

FISCAL NOTE ACT  
MAY APPLY

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 5. The Illinois Enterprise Zone Act is amended by  
5 changing Sections 4.1, 5.2.1, and 5.3 as follows:

6 (20 ILCS 655/4.1)

7 Sec. 4.1. Department recommendations.

8 (a) For all applications that qualify under Section 4 of  
9 this Act, the Department shall issue recommendations by  
10 assigning a score to each applicant. The scores will be  
11 determined by the Department, based on whether ~~the extent to~~  
12 ~~which~~ an applicant meets the criteria points under subsection  
13 (f) of Section 4 of this Act. Scores will be determined using  
14 the following scoring system:

15 (1) Fifty ~~Up to 50~~ points if ~~for the extent to which~~  
16 the applicant meets or exceeds the criteria in item (1) of  
17 subsection (f) of Section 4 of this Act, ~~with points~~  
18 ~~awarded according to the severity of the unemployment.~~

19 (2) Fifty ~~Up to 50~~ points if ~~for the extent to which~~  
20 the applicant meets or exceeds the criteria in item (2) of  
21 subsection (f) of Section 4 of this Act, ~~with points~~  
22 ~~awarded in accordance with the number of jobs created and~~  
23 ~~the aggregate amount of investment promised.~~

1           (3) Forty ~~Up to 40~~ points if ~~for the extent to which~~  
2 the applicant meets or exceeds the criteria in item (3) of  
3 subsection (f) of Section 4 of this Act, ~~with points~~  
4 ~~awarded in accordance with the severity of the unemployment~~  
5 ~~rate according to the latest federal decennial census.~~

6           (4) Thirty ~~Up to 30~~ points if ~~for the extent to which~~  
7 the applicant meets or exceeds the criteria in item (4) of  
8 subsection (f) of Section 4 of this Act, ~~with points~~  
9 ~~awarded in accordance with the severity of the~~  
10 ~~environmental impact of the abandoned coal mine,~~  
11 ~~brownfield, or federal disaster area.~~

12           (5) Fifty ~~Up to 50~~ points if ~~for the extent to which~~  
13 the applicant meets or exceeds the criteria in item (5) of  
14 subsection (f) of Section 4 of this Act, ~~with points~~  
15 ~~awarded in accordance with the severity of the applicable~~  
16 ~~facility closures or downsizing.~~

17           (6) Forty ~~Up to 40~~ points if ~~for the extent to which~~  
18 the applicant meets or exceeds the criteria in item (6) of  
19 subsection (f) of Section 4 of this Act, ~~with points~~  
20 ~~awarded in accordance with the severity and extent of the~~  
21 ~~high floor vacancy or deterioration.~~

22           (7) Thirty ~~Up to 30~~ points if ~~for the extent to which~~  
23 the applicant meets or exceeds the criteria in item (7) of  
24 subsection (f) of Section 4 of this Act, ~~with points~~  
25 ~~awarded in accordance with the extent to which the~~  
26 ~~application addresses a plan to improve the State and local~~

1 ~~government tax base.~~

2 (8) Fifty ~~Up to 50~~ points if ~~for the extent to which~~  
3 the applicant meets or exceeds the criteria in item (8) of  
4 subsection (f) of Section 4 of this Act, ~~with points~~  
5 ~~awarded in accordance with the existence of significant~~  
6 ~~public infrastructure.~~

7 (9) Forty ~~Up to 40~~ points if ~~for the extent to which~~  
8 the applicant meets or exceeds the criteria in item (9) of  
9 subsection (f) of Section 4 of this Act, ~~with points~~  
10 ~~awarded in accordance with the extent to which educational~~  
11 ~~programs exist for career preparation.~~

12 (10) Forty ~~Up to 40~~ points if ~~for the extent to which~~  
13 the applicant meets or exceeds the criteria in item (10) of  
14 subsection (f) of Section 4 of this Act, ~~with points~~  
15 ~~awarded according to the severity of the change in~~  
16 ~~equalized assessed valuation.~~

17 (11) Forty ~~Up to 40~~ points if ~~for the extent to which~~  
18 the applicant meets or exceeds the criteria in item (11) of  
19 subsection (f) of Section 4 of this Act.

20 (12) Fifty points for an applicant that is a current or  
21 former enterprise zone that demonstrates progress in  
22 addressing the criteria of Section 4 of this Act, as  
23 included in the most recent approved application for the  
24 zone.

25 (b) After assigning a score for each of the individual  
26 criteria using the point system as described in subsection (a),

1 the Department shall then take the sum of the scores for each  
2 applicant and assign a final score. The Department shall then  
3 submit this information to the Board, as required in subsection  
4 (c) of Section 5.2, as its recommendation.

5 (c) The changes made to this Section by this amendatory Act  
6 of the 101st General Assembly apply to applications for  
7 Enterprise Zones on file with the Department or the Board on or  
8 after the effective date of this amendatory Act of the 101st  
9 General Assembly.

10 (Source: P.A. 100-838, eff. 8-13-18.)

11 (20 ILCS 655/5.2.1)

12 Sec. 5.2.1. Enterprise Zone Board.

13 (a) An Enterprise Zone Board is hereby created within the  
14 Department.

15 (b) The Board shall consist of the following 5 members:

16 (1) the Director of Commerce and Economic Opportunity,  
17 or his or her designee, who shall serve as chairperson;

18 (2) the Director of Revenue, or his or her designee;  
19 and

20 (3) three members appointed by the Governor, with the  
21 advice and consent of the Senate.

22 Board members shall serve without compensation but may be  
23 reimbursed for necessary expenses incurred in the performance  
24 of their duties.

25 (c) Each member appointed under item (3) of subsection (b)

1 shall have at least 5 years of experience in business, economic  
2 development, or site location. Of the members appointed under  
3 item (3) of subsection (b): one member shall reside in Cook  
4 County; one member shall reside in DuPage, Kane, Lake, McHenry,  
5 or Will County; and one member shall reside in a county other  
6 than Cook, DuPage, Kane, Lake, McHenry, or Will.

7 (d) Of the initial members appointed under item (3) of  
8 subsection (b): one member shall serve for a term of 2 years;  
9 one member shall serve for a term of 3 years; and one member  
10 shall serve for a term of 4 years. Thereafter, all members  
11 appointed under item (3) of subsection (b) shall serve for  
12 terms of 4 years. Members appointed under item (3) of  
13 subsection (b) may be reappointed. The Governor may remove a  
14 member appointed under item (3) of subsection (b) for  
15 incompetence, neglect of duty, or malfeasance in office.

16 (e) By September 30, 2015, and September 30 of each year  
17 thereafter, all applications filed by December 31 of the  
18 preceding calendar year and deemed qualified by the Department  
19 shall be approved or denied by the Board. If such application  
20 is not approved by September 30, the application shall be  
21 considered denied. If an application is denied, the Board shall  
22 inform the applicant of the specific reasons for the denial.

23 (f) A majority of the Board will determine whether an  
24 application is approved or denied. ~~The Board is not, at any~~  
25 ~~time, required to designate an enterprise zone.~~

26 (g) In determining which designated areas shall be approved

1 and certified as enterprise zones, the Board shall approve any  
2 application that receives at least 200 points, as scored  
3 pursuant to Section 4.1, with the exception of any application  
4 from an Enterprise Zone that has previously been decertified  
5 for cause pursuant to Section 5.4. In the case of an Enterprise  
6 Zone that has previously been decertified for cause, the Board  
7 may approve the application if it determines that the issues  
8 that caused the decertification have been corrected ~~give~~  
9 ~~preference to the extent to which the area meets the criteria~~  
10 ~~set forth in Section 4.~~

11 (h) The changes made to this Section by this amendatory Act  
12 of the 101st General Assembly apply to applications for  
13 Enterprise Zones on file with the Department or the Board on or  
14 after the effective date of this amendatory Act of the 101st  
15 General Assembly.

16 (Source: P.A. 97-905, eff. 8-7-12; 98-109, eff. 7-25-13.)

17 (20 ILCS 655/5.3) (from Ch. 67 1/2, par. 608)

18 Sec. 5.3. Certification of Enterprise Zones; effective  
19 date.

20 (a) Certification of Board-approved designated Enterprise  
21 Zones shall be made by the Department by certification of the  
22 designating ordinance. The Department shall promptly issue a  
23 certificate for each Enterprise Zone upon approval by the  
24 Board. The certificate shall be signed by the Director of the  
25 Department, shall make specific reference to the designating

1 ordinance, which shall be attached thereto, and shall be filed  
2 in the office of the Secretary of State. A certified copy of  
3 the Enterprise Zone Certificate, or a duplicate original  
4 thereof, shall be recorded in the office of recorder of deeds  
5 of the county in which the Enterprise Zone lies.

6 (b) An Enterprise Zone certified prior to January 1, 2016  
7 or on or after January 1, 2017 shall be effective on January 1  
8 of the first calendar year after Department certification. An  
9 Enterprise Zone certified on or after January 1, 2016 and on or  
10 before December 31, 2016 shall be effective on the date of the  
11 Department's certification. The Department shall transmit a  
12 copy of the certification to the Department of Revenue, and to  
13 the designating municipality or county.

14 Upon certification of an Enterprise Zone, the terms and  
15 provisions of the designating ordinance shall be in effect, and  
16 may not be amended or repealed except in accordance with  
17 Section 5.4.

18 (c) With the exception of Enterprise Zones scheduled to  
19 expire before December 31, 2018, an Enterprise Zone designated  
20 before the effective date of this amendatory Act of the 97th  
21 General Assembly shall be in effect for 30 calendar years, or  
22 for a lesser number of years specified in the certified  
23 designating ordinance. Notwithstanding the foregoing, any  
24 Enterprise Zone in existence on the effective date of this  
25 amendatory Act of the 98th General Assembly that has a term of  
26 20 calendar years may be extended for an additional 10 calendar



1 years upon amendment of the designating ordinance by the  
2 designating municipality or county and submission of the  
3 ordinance to the Department. The amended ordinance must be  
4 properly recorded in the Office of Recorder of Deeds of each  
5 county in which the Enterprise Zone lies. Each Enterprise Zone  
6 in existence on the effective date of this amendatory Act of  
7 the 97th General Assembly that is scheduled to expire before  
8 July 1, 2016 may have its termination date extended until July  
9 1, 2016 upon amendment of the designating ordinance by the  
10 designating municipality or county extending the termination  
11 date to July 1, 2016 and submission of the ordinance to the  
12 Department. The amended ordinance must be properly recorded in  
13 the Office of Recorder of Deeds of each county in which the  
14 Enterprise Zone lies. An Enterprise Zone designated on or after  
15 the effective date of this amendatory Act of the 97th General  
16 Assembly shall be in effect for a term of 15 calendar years, or  
17 for a lesser number of years specified in the certified  
18 designating ordinance. An enterprise zone designated on or  
19 after the effective date of this amendatory Act of the 97th  
20 General Assembly shall be subject to review by the Board after  
21 13 years for an additional 10-year designation beginning on the  
22 expiration date of the enterprise zone. During the review  
23 process, the Board shall consider the costs incurred by the  
24 State and units of local government as a result of tax benefits  
25 received by the enterprise zone. Enterprise Zones shall  
26 terminate at midnight of December 31 of the final calendar year

1 of the certified term, except as provided in Section 5.4.

2 (d) No more than 12 Enterprise Zones may be certified by  
3 the Department in calendar year 1984, no more than 12  
4 Enterprise Zones may be certified by the Department in calendar  
5 year 1985, no more than 13 Enterprise Zones may be certified by  
6 the Department in calendar year 1986, no more than 15  
7 Enterprise Zones may be certified by the Department in calendar  
8 year 1987, and no more than 20 Enterprise Zones may be  
9 certified by the Department in calendar year 1990. In other  
10 calendar years, no more than 13 Enterprise Zones may be  
11 certified by the Department. The Department may also designate  
12 up to 8 additional Enterprise Zones outside the regular  
13 application cycle if warranted by the extreme economic  
14 circumstances as determined by the Department. The Department  
15 may also designate one additional Enterprise Zone outside the  
16 regular application cycle if an aircraft manufacturer agrees to  
17 locate an aircraft manufacturing facility in the proposed  
18 Enterprise Zone. Notwithstanding any other provision of this  
19 Act, no more than 89 Enterprise Zones may be certified by the  
20 Department for the 10 calendar years commencing with 1983. The  
21 7 additional Enterprise Zones authorized by Public Act 86-15  
22 shall not lie within municipalities or unincorporated areas of  
23 counties that abut or are contiguous to Enterprise Zones  
24 certified pursuant to this Section prior to June 30, 1989. The  
25 7 additional Enterprise Zones (excluding the additional  
26 Enterprise Zone which may be designated outside the regular

1 application cycle) authorized by Public Act 86-1030 shall not  
2 lie within municipalities or unincorporated areas of counties  
3 that abut or are contiguous to Enterprise Zones certified  
4 pursuant to this Section prior to February 28, 1990. Beginning  
5 in calendar year 2004 and until December 31, 2008, one  
6 additional enterprise zone may be certified by the Department.  
7 In any calendar year, the Department may not certify more than  
8 3 Zones located within the same municipality. The Department  
9 may certify Enterprise Zones in each of the 10 calendar years  
10 commencing with 1983. The Department may not certify more than  
11 a total of 18 Enterprise Zones located within the same county  
12 (whether within municipalities or within unincorporated  
13 territory) for the 10 calendar years commencing with 1983.  
14 Thereafter, the Department may ~~not~~ certify ~~any~~ additional  
15 Enterprise Zones, ~~but may amend and rescind certifications of~~  
16 ~~existing Enterprise Zones in accordance with Section 5.4.~~

17 (e) Notwithstanding any other provision of law, if (i) the  
18 county board of any county in which a current military base is  
19 located, in part or in whole, or in which a military base that  
20 has been closed within 20 years of the effective date of this  
21 amendatory Act of 1998 is located, in part or in whole, adopts  
22 a designating ordinance in accordance with Section 5 of this  
23 Act to designate the military base in that county as an  
24 enterprise zone and (ii) the property otherwise meets the  
25 qualifications for an enterprise zone as prescribed in Section  
26 4 of this Act, then the Department may certify the designating

1 ordinance or ordinances, as the case may be.

2 (f) Applications for Enterprise Zones that are scheduled to  
3 expire in 2016, including Enterprise Zones that have been  
4 extended until 2016 by this amendatory Act of the 97th General  
5 Assembly, shall be submitted to the Department no later than  
6 December 31, 2014. At that time, the Zone becomes available for  
7 either the previously designated area or a different area to  
8 compete for designation. No preference for designation as a  
9 Zone will be given to the previously designated area.

10 For Enterprise Zones that are scheduled to expire on or  
11 after January 1, 2017, an application process shall begin 2  
12 years prior to the year in which the Zone expires. Applications  
13 for new Enterprise Zones shall be considered as set forth in  
14 Section 5.2. ~~At that time, the Zone becomes available for~~  
15 ~~either the previously designated area or a different area to~~  
16 ~~compete for designation. No preference for designation as a~~  
17 ~~Zone will be given to the previously designated area.~~

18 Each Enterprise Zone that reapplies for certification but  
19 does not receive a new certification shall expire on its  
20 scheduled termination date.

21 (g) The changes made to this Section by this amendatory Act  
22 of the 101st General Assembly apply to applications for  
23 Enterprise Zones on file with the Department or the Board on or  
24 after the effective date of this amendatory Act of the 101st  
25 General Assembly.

26 (Source: P.A. 98-109, eff. 7-25-13; 99-615, eff. 7-22-16.)

1           Section 99. Effective date. This Act takes effect upon  
2    becoming law.