



Rep. Edgar Gonzalez, Jr.

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10200HB5543ham001

LRB102 23895 RJF 37089 a

1 AMENDMENT TO HOUSE BILL 5543

2 AMENDMENT NO. _____. Amend House Bill 5543 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Department of Commerce and Economic
5 Opportunity Law of the Civil Administrative Code of Illinois
6 is amended by adding Section 605-1095 as follows:

7 (20 ILCS 605/605-1095 new)

8 Sec. 605-1095. Good corporate citizen requirement for tax
9 incentive recipients.

10 (a) As used in this Section:

11 "Business" means an applicant for or recipient of
12 development assistance.

13 "Corporate parent or affiliate" means: (i) a related
14 member with respect to a business; or (ii) an entity that
15 exercises control over the business and whose interests are
16 served by the business.

1 "Development assistance" means tax credits and tax
2 exemptions given as an incentive to a business organization
3 pursuant to an agreement with the Department or an initial
4 certification or designation issued by the Department. This
5 term does not include any Department-administered tax credit
6 program that provides a tax credit to an investor in a
7 business.

8 "Development assistance agreement" means: (i) any
9 agreement or memorandum of understanding that is executed by
10 the State and the business organization participating in the
11 development assistance program and that sets forth the terms
12 and conditions of development assistance to be provided to the
13 recipient consistent with the final application for
14 development assistance, including, but not limited to, the
15 date of assistance, and that is submitted to and approved by
16 the Department; and (ii) any application for certification or
17 designation that sets forth the terms and conditions of
18 development assistance to be provided to the recipient and
19 that is approved by the Department.

20 "Good corporate citizen" means a business that
21 demonstrates a capacity for legal compliance.

22 "Good corporate citizen requirements" means any
23 development assistance agreement requirements that are
24 developed by the Department under this Section or by
25 administrative rule.

26 "Related member" has the same meaning as set forth in

1 Section 5-5 of the Economic Development for a Growing Economy
2 Tax Credit Act.

3 (b) The Department may require a business, as a condition
4 of receiving development assistance, to agree to certain terms
5 as necessary to ensure that the business and its related
6 members are good corporate citizens. A business that cannot
7 consent to any required terms shall be ineligible for the
8 development assistance. Such terms may include, but need not
9 be limited to, covenants, representations, and warranties
10 that:

11 (1) the business, its corporate officers, and its
12 corporate parent or affiliates are not or have not been
13 the subject of any criminal charges within 5 years prior
14 to the application for development assistance or during
15 the term of a development assistance agreement;

16 (2) there have been no criminal, civil, or
17 administrative charges, complaints, or other actions
18 brought by the State of Illinois or any governmental body
19 against the business, its corporate officers, or its
20 corporate parent or affiliates concerning alleged fraud or
21 activity that poses a substantial threat or persistent
22 nuisance to public health, safety, or welfare;

23 (3) the business and its corporate parent or
24 affiliates are not delinquent in the payment of any taxes
25 to the State of Illinois or are not on the Illinois Stop
26 Payment List or a debarred or suspended parties list

1 maintained by the State of Illinois or the United States;
2 and

3 (4) the business and its corporate parent or
4 affiliates operating within Illinois will comply with the
5 requirements of all applicable laws governing the project
6 supported by the development assistance, the Illinois
7 Human Rights Act, the Illinois Prevailing Wage Act, the
8 Wage Payment and Collection Act, the Consumer Fraud and
9 Deceptive Business Practices Act, the Right to Privacy in
10 the Workplace Act, and the federal National Labor
11 Relations Act.

12 (c) Compliance with good corporate citizen requirements
13 must be maintained throughout the term of each development
14 assistance agreement. The Department may suspend development
15 assistance for noncompliance with good corporate citizen
16 requirements and may seek revocation of any credits or
17 exemptions that were earned or used during a time when the
18 business or its corporate parent or affiliates were not in
19 compliance with those requirements.

20 A business whose development assistance is suspended due
21 to the initiation of a proceeding as described in paragraphs
22 (1) or (2) of subsection (b) may be issued certificates of
23 verification or exemption in suspended status, and such
24 credits or exemptions shall not be claimed unless the
25 proceeding concludes without any finding of wrongdoing or
26 liability by the business, its corporate officers, or its

1 corporate parent or affiliates and without a settlement
2 agreement by the business, its corporate officers, or its
3 corporate parent or affiliates in excess of \$5,000,000.
4 Credits or exemptions issued in suspended status shall remain
5 subject to statutory time limits on their use.

6 (d) The Department shall adopt rules setting forth any
7 other programmatic terms and conditions and the consequences
8 for noncompliance during the term of a development assistance
9 agreement. The Department may adopt rules providing for
10 exceptions to the good corporate citizen requirements if an
11 application would, in the determination of the Department,
12 cause an imminent and demonstrable hardship to the people of
13 Illinois or to the business's workforce. If an exception is
14 granted, the business must agree to a contractual modification
15 identifying the exception and the basis for granting it."