



Sen. Melinda Bush

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1 AMENDMENT TO SENATE BILL 1747

2 AMENDMENT NO. _____. Amend Senate Bill 1747 by replacing
3 everything after the enacting clause with the following:

4 "Article 1. Illinois Energy Transition Zone Act

5 Section 1-1. Short title. This Article may be cited as the
6 Illinois Energy Transition Zone Act. References in this
7 Article to "this Act" mean this Article.

8 Section 1-5. Findings. The General Assembly finds and
9 declares that the health, safety, and welfare of the people of
10 this State are dependent upon a healthy economy and vibrant
11 communities; that the closure of coal energy plants, coal
12 mines, and nuclear energy plants across the state are
13 detrimental to maintaining a healthy economy and vibrant
14 communities; that the expansion of green energy creates
15 significant job growth and contributes significantly to the

1 health, safety, and welfare of the people of this State; that
2 the continual encouragement, development, growth and expansion
3 of green energy within the State requires a cooperative and
4 continuous partnership between government and the green energy
5 sector; and that there are certain depressed areas in this
6 State that have lost jobs due to the closure of coal energy
7 plants, coal mines, and nuclear energy plants and need the
8 particular attention of government, labor and the citizens of
9 Illinois to help attract green energy investment into these
10 areas and directly aid the local community and its residents.
11 Therefore, it is declared to be the purpose of this Act to
12 explore ways of stimulating the growth of green energy in the
13 State and to foster job growth in areas depressed by the
14 closure of coal energy plants, coal mines and nuclear energy
15 plants.

16 Section 1-10. Definitions. As used in this Act, unless the
17 context otherwise requires:

18 "Agency" means a "State agency", as defined in Section 1-7
19 of the Illinois State Auditing Act.

20 "Board" means the Energy Transition Zone Board created in
21 Section 1-45.

22 "Department" means the Department of Commerce and Economic
23 Opportunity.

24 "Depressed area" means an area in which pervasive poverty,
25 unemployment, and economic distress exist.

1 "Energy Transition Zone" means an area of the State
2 certified by the Department as an Energy Transition Zone
3 pursuant to this Act.

4 "Full-time equivalent job" means a job in which the new
5 employee works for the recipient or for a corporation under
6 contract to the recipient at a rate of at least 35 hours per
7 week for a wage that meets or exceeds the prevailing wage for
8 the locality in which the work is performed, as determined
9 under Section 4 of the Prevailing Wage Act. A recipient who
10 employs labor or services at a specific site or facility under
11 contract with another may declare one full-time, permanent job
12 for every 1,820 man hours worked per year under that contract.
13 Vacations, paid holidays, and sick time are included in this
14 computation. Overtime is not considered a part of regular
15 hours.

16 "Full-time retained job" means any employee defined as
17 having a full-time or full-time equivalent job preserved at a
18 specific facility or site, the continuance of which is
19 threatened by a specific and demonstrable threat, which shall
20 be specified in the application for development assistance. A
21 recipient who employs labor or services at a specific site or
22 facility under contract with another may declare one retained
23 employee per year for every 1,750 man hours worked per year
24 under that contract, even if different individuals perform
25 on-site labor or services.

26 "Green energy enterprise" means a company that is engaged

1 in the production of solar energy, wind energy, water energy,
2 geothermal energy, bioenergy, or hydrogen fuel and cells.

3 "Green energy project" means a project conducted by a
4 green energy enterprise for the purpose of generating solar
5 energy, wind energy, water energy, geothermal energy,
6 bioenergy, or hydrogen fuel and cells.

7 "Local labor market area" means an economically integrated
8 area within which individuals can reside and find employment
9 within a reasonable distance or can readily change jobs
10 without changing their place of residence.

11 "Rule" has the meaning provided in Section 1-70 of the
12 Illinois Administrative Procedure Act.

13 Section 1-15. Qualifications for Energy Transition Zones.
14 An area is qualified to become an Energy Transition Zone
15 which:

16 (1) is a contiguous area, provided that a Zone area
17 may exclude wholly surrounded territory within its
18 boundaries;

19 (2) comprises a minimum of one-half square mile and
20 not more than 12 square miles, exclusive of lakes and
21 waterways;

22 (3) is entirely within a single municipality;

23 (4) satisfies any additional criteria established by
24 the Department consistent with the purposes of this Act;
25 and

1 (5) meets one or more of the following:

2 (A) the area contains a coal energy plant that was
3 retired from service within 10 years of application
4 for designation;

5 (B) the area contains a coal mine that was closed
6 within 10 years of application for designation;

7 (C) the area contains a nuclear energy plant that
8 was retired from service within 10 years of
9 application for designation; or

10 (D) the area contains a nuclear plant that was
11 decommissioned but continued storing nuclear waste
12 prior to the effective date of this Act.

13 Section 1-20. Entities eligible to receive tax benefits.
14 Green energy enterprises are eligible to receive certain tax
15 benefits under this Act for green energy projects conducted
16 within an Energy Transition Zone.

17 Section 1-25. Incentives for green energy enterprises
18 located within an Energy Transition Zone.

19 (a) Green energy enterprises located in Energy Transition
20 Zones are eligible to apply for a State income tax credit under
21 the Energy Transition Zone Tax Credit Act.

22 (b) Green energy enterprises located in Energy Transition
23 Zones will be eligible to receive an investment credit subject
24 to the requirements of Section 232 of the Illinois Income Tax

1 Act.

2 (c) Green energy enterprises are eligible to purchase
3 building materials exempt from use and occupation taxes to be
4 incorporated into their green energy projects within the
5 Energy Transition Zone when purchased from a retailer within
6 the Energy Transition Zone pursuant to Section 5k-1 of the
7 Retailers' Occupation Tax Act.

8 (d) Green energy enterprises located in an Energy
9 Transition Zone that meet the qualifications of Section
10 9-222.1B of the Illinois Public Utilities Act are exempt, in
11 part or whole, from State and local taxes on gas and
12 electricity.

13 Section 1-30. Initiation of Energy Transition Zones by
14 municipality or county.

15 (a) No area may be designated as an Energy Transition Zone
16 except pursuant to an initiating ordinance adopted in
17 accordance with this Section.

18 (b) A municipality may by ordinance designate an area
19 within its jurisdiction as an Energy Transition Zone, subject
20 to the certification of the Department in accordance with this
21 Act, if:

22 (1) the area is qualified in accordance with Section
23 1-15; and

24 (2) the municipality has conducted at least one public
25 hearing within the proposed Zone area considering all of

1 the following questions: whether to create the Zone; what
2 local plans, tax incentives and other programs should be
3 established in connection with the Zone; and what the
4 boundaries of the Zone should be; public notice of the
5 hearing shall be published in at least one newspaper of
6 general circulation within the Zone area, not more than 20
7 days nor less than 5 days before the hearing.

8 (c) An ordinance designating an area as an Energy
9 Transition Zone shall set forth:

10 (1) a precise description of the area comprising the
11 Zone, either in the form of a legal description or by
12 reference to roadways, lakes and waterways, and township,
13 county boundaries;

14 (2) a finding that the Zone area meets the
15 qualifications of Section 1-15;

16 (3) provisions for any tax incentives or reimbursement
17 for taxes, which pursuant to State and federal law apply
18 to green energy enterprises within the Zone at the
19 election of the designating municipality, and which are
20 not applicable throughout the municipality;

21 (4) a designation of the area as an Energy Transition
22 Zone, subject to the approval of the Department in
23 accordance with this Act; and

24 (5) the duration or term of the Energy Transition
25 Zone.

26 (d) This Section does not prohibit a municipality from

1 extending additional tax incentives or reimbursement for
2 business enterprises in Energy Transition Zones or throughout
3 their territory by separate ordinance.

4 Section 1-35. Application to Department. A municipality
5 that has adopted an ordinance designating an area as an Energy
6 Transition Zone shall make written application to the
7 Department to have such proposed Energy Transition Zone
8 certified by the Department as an Energy Transition Zone. The
9 application shall include:

10 (1) a certified copy of the ordinance designating the
11 proposed Zone;

12 (2) a map of the proposed Energy Transition Zone,
13 showing existing streets and highways;

14 (3) an analysis, and any appropriate supporting
15 documents and statistics, demonstrating that the proposed
16 Zone area is qualified in accordance with Section 1-15;

17 (4) a statement detailing any tax, grant, and other
18 financial incentives or benefits, and any programs, to be
19 provided by the municipality or county to green energy
20 enterprises within the Zone, other than those provided in
21 the designating ordinance, which are not to be provided
22 throughout the municipality or county;

23 (5) a statement setting forth the economic development
24 and planning objectives for the Zone;

25 (6) an estimate of the economic impact of the Zone,

1 considering all of the tax incentives, financial benefits
2 and programs contemplated, upon the revenues of the
3 municipality or county;

4 (7) a transcript of all public hearings on the Zone;
5 and

6 (8) such additional information as the Department may
7 by rule require.

8 Section 1-40. Department review of Energy Transition Zone
9 applications.

10 (a) All applications that are to be considered and acted
11 upon by the Department during a calendar year must be received
12 by the Department no later than December 31 of the preceding
13 calendar year.

14 Any application received after December 31 of any calendar
15 year shall be held by the Department for consideration and
16 action during the following calendar year. Each Energy
17 Transition Zone application shall include a specific
18 definition of the applicant's local labor market area.

19 (a-5) The Department shall, no later than July 31, develop
20 an application process for an Energy Transition Zone
21 application. The Department has emergency rulemaking authority
22 for the purpose of application development only until 12
23 months after the effective date of this Act under subsection
24 (ee) of Section 5-45 of the Illinois Administrative Procedure
25 Act.

1 (b) Upon receipt of an application from a municipality,
2 the Department shall review the application to determine
3 whether the designated area qualifies as an Energy Transition
4 Zone under Section 1-15 of this Act.

5 (c) No later than June 30, the Department shall notify all
6 applicant municipalities of the Department's determination of
7 the qualification of their respective designated energy
8 transition Zone areas, along with supporting documentation of
9 the basis for the Department's decision.

10 (d) If any such designated area is found to be qualified to
11 be an Energy Transition Zone by the Department under
12 subsection (c) of this Section, the Department shall, no later
13 than July 15, send a letter of notification to each member of
14 the General Assembly whose legislative district or
15 representative district contains all or part of the designated
16 area and publish a notice in at least one newspaper of general
17 circulation within the proposed Zone area to notify the
18 general public of the application and their opportunity to
19 comment. Such notice shall include a description of the area
20 and a brief summary of the application and shall indicate
21 locations where the applicant has provided copies of the
22 application for public inspection. The notice shall also
23 indicate appropriate procedures for the filing of written
24 comments from Zone residents, business, civic and other
25 organizations and property owners to the Department.

1 Section 1-45. Energy Transition Zone Board.

2 (a) An Energy Transition Zone Board is hereby created
3 within the Department.

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

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

7 (2) the Director of Revenue, or his or her designee;
8 and

9 (3) 3 members appointed by the Governor, with the
10 advice and consent of the Senate.

11 Board members shall serve without compensation but may be
12 reimbursed for necessary expenses incurred in the performance
13 of their duties from funds appropriated for that purpose.

14 (c) Each member appointed under paragraph (3) of
15 subsection (b) shall have at least 5 years of experience in
16 business, economic development, or site location.

17 (d) Of the initial members appointed under paragraph (3)
18 of subsection (b): one member shall serve for a term of 2
19 years; one member shall serve for a term of 3 years; and one
20 member shall serve for a term of 4 years. Thereafter, all
21 members appointed under paragraph (3) of subsection (b) shall
22 serve for terms of 4 years. Members appointed under paragraph
23 (3) of subsection (b) may be reappointed. The Governor may
24 remove a member appointed under paragraph (3) of subsection
25 (b) for incompetence, neglect of duty, or malfeasance in
26 office.

1 (e) By September 30, all applications filed by December 31
2 of the preceding calendar year and deemed qualified by the
3 Department shall be approved or denied by the Board. If such
4 application is not approved by September 30, the application
5 shall be considered denied. If an application is denied, the
6 Board shall inform the applicant of the specific reasons for
7 the denial.

8 (f) A majority of the Board shall determine whether an
9 application is approved or denied.

10 Section 1-50. Certification of Energy Transition Zones;
11 effective date.

12 (a) Certification of Board-approved designated Energy
13 Transition Zones shall be made by the Department by
14 certification of the designating ordinance. The Department
15 shall promptly issue a certificate for each Energy Transition
16 Zone upon approval by the Board. The certificate shall be
17 signed by the Director of the Department, shall make specific
18 reference to the designating ordinance, which shall be
19 attached thereto, and shall be filed in the office of the
20 Secretary of State. A certified copy of the Energy Transition
21 Zone Certificate, or a duplicate original thereof, shall be
22 recorded in the office of recorder of deeds of the county in
23 which the Energy Transition Zone lies.

24 (b) An Energy Transition Zone shall be effective on the
25 date of the Department's certification. The Department shall

1 transmit a copy of the certification to the Department of
2 Revenue, and to the designating municipality.

3 (c) Upon certification of an Energy Transition Zone, the
4 terms and provisions of the designating ordinance shall be in
5 effect, and may not be amended or repealed except in
6 accordance with Section 1-55.

7 (d) Energy Transition Zone designation will last for 13
8 years from the effective date of such designation and shall be
9 subject to review by the Board after 13 years for an additional
10 10-year designation beginning on the expiration date of the
11 Energy Transition Zone. During the review process, the Board
12 shall consider the costs incurred by the State and units of
13 local government as a result of tax benefits received by the
14 Energy Transition Zone. Energy Transition Zones shall
15 terminate at midnight of December 31 of the final calendar
16 year of the certified term, except as provided in Section
17 1-55.

18 (e) Each Energy Transition Zone that reapplies for
19 certification but does not receive a new certification shall
20 expire on its scheduled termination date.

21 Section 1-55. Amendment and decertification of Energy
22 Transition Zones.

23 (a) The terms of a certified Energy Transition Zone
24 designating ordinance may be amended to:

25 (1) alter the boundaries of the Energy Transition

1 Zone;

2 (2) expand, limit, or repeal tax incentives or
3 benefits provided in the ordinance;

4 (3) alter the termination date of the Zone;

5 (4) make technical corrections in the Energy
6 Transition Zone designating ordinance; but such amendment
7 shall not be effective unless the Department issues an
8 amended certificate for the Energy Transition Zone
9 approving the amended designating ordinance. Upon the
10 adoption of any ordinance amending or repealing the terms
11 of a certified Energy Transition Zone designating
12 ordinance, the municipality or county shall promptly file
13 with the Department an application for approval thereof,
14 containing substantially the same information as required
15 for an application under Section 1-35 insofar as material
16 to the proposed changes. The municipality or county must
17 hold a public hearing on the proposed changes; or

18 (5) include an area within another municipality or
19 county as part of the designated Energy Transition Zone
20 provided the requirements of Section 1-15 are complied
21 with.

22 (b) The Department shall approve or disapprove a proposed
23 amendment to a certified Energy Transition Zone within 90 days
24 of its receipt of the application from the municipality. The
25 Department may not approve changes in a Zone which are not in
26 conformity with this Act, as now or hereafter amended, or with

1 other applicable laws. If the Department issues an amended
2 certificate for an Energy Transition Zone, the amended
3 certificate, together with the amended Zone designating
4 ordinance, shall be filed, recorded, and transmitted as
5 provided in this Act.

6 (c) An Energy Transition Zone may be decertified by joint
7 action of the Department and the designating municipality in
8 accordance with this Section. The designating municipality
9 shall conduct at least one public hearing within the Zone
10 prior to its adoption of an ordinance of de-designation. The
11 mayor of the designating municipality shall execute a joint
12 decertification agreement with the Department. A
13 decertification of an Energy Transition Zone shall not become
14 effective until at least 6 months after the execution of the
15 decertification agreement, which shall be filed in the office
16 of the Secretary of State.

17 (d) An Energy Transition Zone may be decertified for cause
18 by the Department in accordance with this Section. Prior to
19 decertification: (1) the Department shall notify the chief
20 elected official of the designating municipality in writing of
21 the specific deficiencies which provide cause for
22 decertification; (2) the Department shall place the
23 designating municipality on probationary status for at least 6
24 months during which time corrective action may be achieved in
25 the Energy Transition Zone by the designating municipality;
26 and (3) the Department shall conduct at least one public

1 hearing within the Zone. If such corrective action is not
2 achieved during the probationary period, the Department shall
3 issue an amended certificate signed by the Director of the
4 Department decertifying the Energy Transition Zone, which
5 certificate shall be filed in the office of the Secretary of
6 State. A certified copy of the amended Energy Transition Zone
7 certificate, or a duplicate original thereof, shall be
8 recorded in the office of recorder of the county in which the
9 Energy Transition Zone lies, and shall be provided to the
10 chief elected official of the designating municipality.
11 Decertification of an Energy Transition Zone shall not become
12 effective until 60 days after the date of filing.

13 (e) In the event of a decertification, an amendment
14 reducing the length of the term or the area of an Energy
15 Transition Zone, or the adoption of an ordinance reducing or
16 eliminating tax benefits in an Energy Transition Zone, all
17 benefits previously extended within the Zone pursuant to this
18 Act or pursuant to any other Illinois law providing benefits
19 specifically to or within Energy Transition Zones shall remain
20 in effect for the original stated term of the Energy
21 Transition Zone, with respect to green energy enterprises
22 within the Zone on the effective date of such decertification
23 or amendment.

24 Section 1-60. Powers and duties of Department.

25 (a) The Department shall administer this Act and shall

1 have the following powers and duties:

2 (1) to monitor the implementation of this Act and
3 submit reports evaluating the effectiveness of the program
4 and any suggestions for legislation to the Governor and
5 General Assembly by October 1 of every year preceding a
6 regular Session of the General Assembly and to annually
7 report to the General Assembly initial and current
8 population, employment, per capita income, number of
9 business establishments, dollar value of new construction
10 and improvements, and the aggregate value of each tax
11 incentive, based on information provided by the Department
12 of Revenue for each Energy Transition Zone; and

13 (2) to adopt all necessary rules to carry out the
14 purposes of this Act in accordance with the Illinois
15 Administrative Procedure Act.

16 (b) The Department shall have all of the following
17 specific duties:

18 (1) The Department shall provide information and
19 appropriate assistance to persons desiring to locate and
20 engage in business in an Energy Transition Zone and to
21 persons engaged in green energy in an Energy Transition
22 Zone.

23 (2) The Department shall, in cooperation with
24 appropriate units of local government and State agencies,
25 coordinate and streamline existing State business
26 assistance programs and permit and license application

1 procedures for Energy Transition Zone green energy
2 enterprises.

3 (3) The Department shall publicize existing tax
4 incentives and economic development programs within the
5 Zone and upon request, offer technical assistance in
6 abatement and alternative revenue source development to
7 local units of government which have Energy Transition
8 Zones within their jurisdiction.

9 (4) The Department shall work together with the
10 responsible State and federal agencies to promote the
11 coordination of other relevant programs, including but not
12 limited to housing, community and economic development,
13 small business, banking, financial assistance, and
14 employment training programs which are carried on in an
15 Energy Transition Zone.

16 (5) In order to stimulate employment opportunities for
17 Zone residents, the Department, in cooperation with the
18 Department of Human Services and the Department of
19 Employment Security, is to initiate a test of the
20 following 2 programs within the 12-month period following
21 designation and approval by the Department of the first
22 Energy Transition Zones: (i) the use of aid to families
23 with dependent children benefits payable under Article IV
24 of the Illinois Public Aid Code, General Assistance
25 benefits payable under Article VI of the Illinois Public
26 Aid Code, the unemployment insurance benefits payable

1 under the Unemployment Insurance Act as training or
2 employment subsidies leading to unsubsidized employment;
3 and (ii) a program for voucher reimbursement of the cost
4 of training Zone residents eligible under the Targeted
5 Jobs Tax Credit provisions of the Internal Revenue Code
6 for employment in private industry. These programs shall
7 not be designed to subsidize businesses, but are intended
8 to open up job and training opportunities not otherwise
9 available. Nothing in this paragraph (5) shall be deemed
10 to require Zone businesses to utilize these programs.
11 These programs should be designed (i) for those
12 individuals whose opportunities for job-finding are
13 minimal without program participation, (ii) to minimize
14 the period of benefit collection by such individuals, and
15 (iii) to accelerate the transition of those individuals to
16 unsubsidized employment. The Department is to seek
17 agreement with business, organized labor, and the
18 appropriate State Departments and agencies on the design,
19 operation, and evaluation of the test programs.

20 (c) A report with recommendations including representative
21 comments of these groups shall be submitted by the Department
22 to the county or municipality that designated the area as an
23 Energy Transition Zone, the Governor, and the General Assembly
24 not later than 12 months after such test programs have
25 commenced, or not later than 3 months following the
26 termination of such test programs, whichever first occurs.

1 Section 1-65. State incentives regarding public services
2 and physical infrastructure.

3 (a) This Act does not restrict tax incentive financing
4 pursuant to the Tax Increment Allocation Redevelopment Act in
5 the Illinois Municipal Code.

6 (b) The State Treasurer is authorized and encouraged to
7 place deposits of State funds with financial institutions
8 doing business in an Energy Transition Zone.

9 Section 1-70. Zone administration. The administration of
10 an Energy Transition Zone shall be under the jurisdiction of
11 the designating municipality. Each designating municipality
12 shall, by ordinance, designate a Zone Administrator for the
13 certified Zones within its jurisdiction. A Zone Administrator
14 must be an officer or employee of the municipality. The Zone
15 Administrator shall be the liaison between the designating
16 municipality, the Department, and any designated Zone
17 organizations within zones under his jurisdiction.

18 Section 1-75. Accounting.

19 (a) Any business receiving tax incentives due to its
20 location within an Energy Transition Zone must annually report
21 to the Department of Revenue information reasonably required
22 by the Department of Revenue to enable the Department to
23 verify and calculate the total Energy Transition Zone tax

1 benefits for property taxes and taxes imposed by the State
2 that are received by the business, broken down by incentive
3 category and Energy Transition Zone, if applicable. Reports
4 are due no later than May 31 of each year and shall cover the
5 previous calendar year. The first report will be for the 2022
6 calendar year and is due no later than May 31, 2023.

7 (b) Green energy enterprises shall report their job
8 creation, retention, and capital investment numbers within the
9 Zone annually to the Department of Revenue no later than May 31
10 of each calendar year.

11 (c) The Department of Revenue shall aggregate and collect
12 the tax, job, and capital investment data by Energy Transition
13 Zone and report this information, formatted to exclude
14 company-specific proprietary information, to the Department
15 and the Board by August 1, 2023, and by August 1 of every
16 calendar year thereafter. The Department shall include this
17 information in their required reports under this Act.

18 (d) The Department of Revenue, in its discretion, may
19 require that the reports filed under this Section be submitted
20 electronically.

21 (e) The Department of Revenue shall have the authority to
22 adopt rules as are reasonable and necessary to implement the
23 provisions of this Section.

24 Section 1-80. Zone Administrator.

25 (a) Each Zone Administrator shall post a copy of the

1 boundaries of the Energy Transition Zone on its official
2 Internet website and shall provide an electronic copy to the
3 Department. The Department shall post each copy of the
4 boundaries of an Energy Transition Zone that it receives from
5 a Zone Administrator on its official Internet website.

6 (b) The Zone Administrator shall collect and aggregate the
7 following information:

8 (1) the estimated cost of each building project,
9 broken down into labor and materials; and

10 (2) within 60 days after the end of the project, the
11 estimated cost of each building project, broken down into
12 labor and materials.

13 (c) By April 1 of each year, each Zone Administrator shall
14 file a copy of its fee schedule with the Department, and the
15 Department shall post the fee schedule on its website. Zone
16 Administrators shall charge no more than 0.5% of the cost of
17 building materials of the project associated with the specific
18 Energy Transition Zone, with a maximum fee of no more than
19 \$50,000.

20 Section 1-85. State regulatory exemptions in Energy
21 Transition Zones.

22 (a) The Department shall conduct an ongoing review of such
23 agency rules as may be identified by the Department or
24 representatives of designating municipalities and counties as
25 green energy enterprises and preliminarily appearing to the

1 Department to:

2 (1) affect the conduct of business, industry and
3 commerce;

4 (2) impose excessive costs on either the creation or
5 conduct of such enterprises; and

6 (3) inhibit the development and expansions of
7 enterprises within Energy Transition Zones.

8 The Department shall conduct hearings, pursuant to public
9 notice, to solicit public comment on such identified rules as
10 part of this review process.

11 (b) No later than August 1 of each calendar year, the
12 Department shall publish in the Illinois Register a list of
13 such rules identified pursuant to subsection (a). The
14 Department shall transmit a copy of the list to each agency
15 which has adopted rules on the list.

16 (c) Within 90 days of the publication of the list by the
17 Department, each agency which adopted rules identified therein
18 shall file a written report with the Department detailing for
19 each identified rule:

20 (1) the need or justification;

21 (2) whether the rule is mandated by State or federal
22 law, or is discretionary, and to what extent;

23 (3) a synopsis of the history of the rule, including
24 any internal agency review after its original adoption;
25 and

26 (4) any appropriate explanation of its relationship to

1 other regulatory requirements.

2 The agency that adopted the rules shall also include any
3 available data, analysis and studies concerning the economic
4 impact of the identified rules. The agency responses shall be
5 public records.

6 (d) No later than January 1 of the following calendar
7 year, the Department shall file proposed rules exempting green
8 energy enterprises within Energy Transition Zones from those
9 agency rules contained in the published list, for which the
10 Department finds that the job creation or business development
11 incentives for Energy Transition Zone development engendered
12 by the exemption outweigh the need and justification for the
13 rule. In making its findings, the Department shall consider
14 all information, data, and opinions submitted to it by the
15 public, as well as by adopting agencies, as well as
16 information otherwise available to it.

17 (e) The proposed rules adopted by the Department shall be
18 in the form of amendments to the existing rules to be affected,
19 and shall be subject to the Illinois Administrative Procedure
20 Act.

21 (f) Upon its effective date, any exempting rule of the
22 Department shall supersede the exempted agency rule in
23 accordance with the terms of the exemption. Such exemptions
24 may apply only to green energy enterprises within Energy
25 Transition Zones during the effective term of the respective
26 Zones. Agencies may not adopt emergency rules to circumvent an

1 exemption affected by a Department exemption rule; any such
2 emergency rules shall not be effective within Energy
3 Transition Zones to the extent inconsistent with the terms of
4 such an exemption.

5 Section 1-90. State and local regulatory alternatives.

6 (a) Agencies may provide in their rules for:

7 (1) the exemption of green energy enterprises within
8 Energy Transition Zones; or

9 (2) modifications or alternatives specifically
10 applicable to green energy enterprises within Energy
11 Transition Zones, which impose less stringent standards or
12 alternative standards for compliance (including, but not
13 limited to, performance-based standards as a substitute
14 for specific mandates of methods, procedures or
15 equipment).

16 Such exemptions, modifications, or alternatives shall
17 become effective by rule adopted in accordance with the
18 Illinois Administrative Procedure Act. The Agency adopting
19 such exemptions, modifications or alternatives shall file with
20 its proposed rule its findings that the proposed rule provides
21 economic incentives within Energy Transition Zones which
22 promote the purposes of this Act, and which, to the extent they
23 include any exemptions or reductions in regulatory standards
24 or requirements, outweigh the need or justification for the
25 existing rule.

1 (b) If any agency adopts a rule pursuant to paragraph (a)
2 affecting a rule contained on the list published by the
3 Department, prior to the completion of the rulemaking process
4 for the Department's rules under that Section, the agency
5 shall immediately transmit a copy of its proposed rule to the
6 Department, together with a statement of reasons as to why the
7 Department should defer to the agency's proposed rule. Agency
8 rules adopted under subsection (a) shall, however, be subject
9 to the exemption rules adopted by the Department.

10 (c) Within Energy Transition Zones, the designating
11 municipality may modify all local ordinances and regulations
12 regarding (i) zoning; (ii) licensing; (iii) building codes,
13 excluding however, any regulations treating building defects;
14 or (iv) price controls (except for the minimum wage).
15 Notwithstanding any shorter statute of limitation to the
16 contrary, actions against any contractor or architect who
17 designs, constructs or rehabilitates a building or structure
18 in an Energy Transition Zone in accordance with local
19 standards specifically applicable within Zones which have been
20 relaxed may be commenced within 10 years from the time of
21 beneficial occupancy of the building or use of the structure.

22 Section 1-95. Exemptions from regulatory relaxation.
23 Sections 1-85 and 1-90 do not apply to rules adopted pursuant
24 to:

25 (1) the Environmental Protection Act;

- 1 (2) the Illinois Historic Preservation Act;
- 2 (3) the Illinois Human Rights Act;
- 3 (4) any successor Acts to any of the foregoing; or
- 4 (5) any other Acts whose purpose is the protection of
- 5 the environment, the preservation of historic places and
- 6 landmarks, or the protection of persons against
- 7 discrimination on the basis of race, color, religion, sex,
- 8 marital status, national origin, or physical or mental
- 9 disability.

10 (b) No exemption, modification, or alternative to any
11 agency rule shall be effective which:

- 12 (1) presents a significant risk to the health or
- 13 safety of persons resident in or employed within an Energy
- 14 Transition Zone;
- 15 (2) would conflict with federal law such that the
- 16 State, or any unit of local government or school district,
- 17 or any area of the State other than Energy Transition
- 18 Zones, or any business enterprise located outside of an
- 19 Energy Transition Zone would be disqualified from a
- 20 federal program or from federal tax or other benefits;
- 21 (3) would suspend or modify an agency rule mandated by
- 22 law; or
- 23 (4) would eliminate or reduce benefits to individuals
- 24 who are residents of or employed within a Zone.

25 Section 1-100. Business notifications. Any business

1 located within the Energy Transition Zone which has received
2 tax credits or exemptions, regulatory relief or any other
3 benefits under this Act shall notify the Department and the
4 county and municipal officials in which the Energy Transition
5 Zone is located within 60 days of the cessation of any business
6 operations conducted within the Energy Transition Zone. The
7 Department shall adopt rules to carry out this Section.

8 Article 5. Energy Transition Tax Credit Act

9 Section 5-1. Short title. This Article may be cited as the
10 Energy Transition Tax Credit Act. References in this Article
11 to "this Act" mean this Article.

12 Section 5-5. Purpose. The General Assembly finds and
13 declares that the health, safety, and welfare of the people of
14 this State are dependent upon a healthy economy and vibrant
15 communities; that the closure of coal plants, coal mines, and
16 nuclear energy plants across the states are detrimental to
17 maintaining a healthy economy and vibrant communities; that
18 the expansion of green energy creates significant job growth
19 and contributes significantly to the health, safety, and
20 welfare of the people of this State; that the continual
21 encouragement, development, growth and expansion of green
22 energy within the State requires a cooperative and continuous
23 partnership between government and the green energy sector;

1 and that there are certain depressed areas in this State that
2 have lost jobs due to the closure of coal plants, coal mines,
3 and nuclear energy plants and need the particular attention of
4 government, labor and the citizens of Illinois to help attract
5 green energy investment into these areas and directly aid the
6 local community and its residents. Therefore, it is declared
7 to be the purpose of this Act, in conjunction with the Energy
8 Transition Zone Act, to provide green energy enterprises an
9 incentive to stimulate the growth of green energy in the State
10 and to foster job growth in areas depressed by the closure of
11 coal plants, coal mines, and nuclear energy plants.

12 Section 5-10. Definitions. As used in this Act:

13 "Agreement" means the Agreement between a Taxpayer and the
14 Department under the provisions of Section 5-55 of this Act.

15 "Applicant" means a Taxpayer operating a green energy
16 enterprise, as determined by the Energy Transition Zone Act,
17 located within or that the green energy enterprise plans to
18 locate within an Energy Transition Zone. "Applicant" does not
19 include a Taxpayer who closes or substantially reduces an
20 operation at one location in the State and relocates
21 substantially the same operation to a location in an Energy
22 Transition Zone. This does not prohibit a Taxpayer from
23 expanding its operations at a location in an Energy Transition
24 Zone, provided that existing operations of a similar nature
25 located within the State are not closed or substantially

1 reduced. This also does not prohibit a Taxpayer from moving
2 its operations from one location in the State to an Energy
3 Transition Zone for the purpose of expanding the operation
4 provided that the Department determines that expansion cannot
5 reasonably be accommodated within the municipality in which
6 the business is located, or in the case of a business located
7 in an incorporated area of the county, within the county in
8 which the business is located, after conferring with the chief
9 elected official of the municipality or county and taking into
10 consideration any evidence offered by the municipality or
11 county regarding the ability to accommodate expansion within
12 the municipality or county.

13 "Committee" means the Energy Transition Investment
14 Committee created under Section 5-25 of this Act within the
15 Illinois Economic Development Board.

16 "Credit" means the amount agreed to between the Department
17 and the Applicant under this Act, but not to exceed the lesser
18 of: (1) the sum of (i) 50% of the Incremental Income Tax
19 attributable to New Employees at the Applicant's project and
20 (ii) 10% of the training costs of New Employees; or (2) 100% of
21 the Incremental Income Tax attributable to New Employees at
22 the Applicant's project. However, if the project is located in
23 an underserved area, then the amount of the Credit may not
24 exceed the lesser of: (1) the sum of (i) 75% of the Incremental
25 Income Tax attributable to New Employees at the Applicant's
26 project and (ii) 10% of the training costs of New Employees; or

1 (2) 100% of the Incremental Income Tax attributable to New
2 Employees at the Applicant's project. If an Applicant agrees
3 to hire the required number of New Employees, then the maximum
4 amount of the Credit for that Applicant may be increased by an
5 amount not to exceed 25% of the Incremental Income Tax
6 attributable to retained employees at the Applicant's project;
7 provided that, in order to receive the increase for retained
8 employees, the Applicant must provide the additional evidence
9 required under paragraph (3) of subsection (b) of Section
10 5-30.

11 "Department" means the Department of Commerce and Economic
12 Opportunity.

13 "Director" means the Director of Commerce and Economic
14 Opportunity.

15 "Full-time Employee" means an individual who is employed
16 for consideration for at least 35 hours each week or who
17 renders any other standard of service generally accepted by
18 industry custom or practice as full-time employment. An
19 individual for whom a W-2 is issued by a Professional Employer
20 Organization (PEO) is a full-time employee if employed in the
21 service of the Applicant for consideration for at least 35
22 hours each week or who renders any other standard of service
23 generally accepted by industry custom or practice as full-time
24 employment to Applicant.

25 "Green energy" means solar energy, wind energy, water
26 energy, geothermal energy, bioenergy, or hydrogen fuel and

1 cells.

2 "Green energy production facility" means a facility owned
3 by a green energy enterprise (as defined in the Illinois
4 Energy Transition Zone Act) that is used in the production of
5 solar energy, wind energy, water energy, geothermal energy,
6 bioenergy, or hydrogen fuel and cells."Incremental Income Tax"
7 means the total amount withheld during the taxable year from
8 the compensation of New Employees and, if applicable, retained
9 employees under Article 7 of the Illinois Income Tax Act
10 arising from employment at a project that is the subject of an
11 Agreement.

12 "New Employee" means a full-time employee first employed
13 by a taxpayer in the project that is the subject of an
14 agreement and who is hired after the taxpayer enters into the
15 agreement. The term "New Employee" does not include:

16 (1) an employee of the Taxpayer who performs a job
17 that was previously performed by another employee, if that
18 job existed for at least 6 months before hiring the
19 employee;

20 (2) an employee of the Taxpayer who was previously
21 employed in Illinois by a Related Member of the Taxpayer
22 and whose employment was shifted to the Taxpayer after the
23 Taxpayer entered into the Agreement; or

24 (3) a child, grandchild, parent, or spouse, other than
25 a spouse who is legally separated from the individual, of
26 any individual who has a direct or an indirect ownership

1 interest of at least 5% in the profits, capital, or value
2 of the taxpayer.

3 Notwithstanding any other provisions of this Section, an
4 employee may be considered a New Employee under the Agreement
5 if the employee performs a job that was previously performed
6 by an employee who was:

7 (1) treated under the Agreement as a New Employee; and

8 (2) promoted by the Taxpayer to another job.

9 Notwithstanding any other provisions of this Section, the
10 Department may award a Credit to an Applicant with respect to
11 an employee hired prior to the date of the Agreement if:

12 (1) the Applicant is in receipt of a letter from the
13 Department stating an intent to enter into a credit
14 Agreement;

15 (2) the letter described in paragraph (1) is issued by
16 the Department not later than 15 days after the effective
17 date of this Act; and

18 (3) the employee was hired after the date the letter
19 described in paragraph (1) was issued.

20 "Noncompliance Date" means, in the case of a Taxpayer that
21 is not complying with the requirements of the Agreement or the
22 provisions of this Act, the day following the last date upon
23 which the Taxpayer was in compliance with the requirements of
24 the Agreement and the provisions of this Act, as determined by
25 the Director, pursuant to Section 5-75.

26 "Pass through entity" means an entity that is exempt from

1 the tax under subsection (b) or (c) of Section 205 of the
2 Illinois Income Tax Act.

3 "Related Member" means a person that, with respect to the
4 Taxpayer during any portion of the taxable year, is any one of
5 the following:

6 (1) An individual stockholder, if the stockholder and
7 the members of the stockholder's family (as defined in
8 Section 318 of the Internal Revenue Code) own directly,
9 indirectly, beneficially, or constructively, in the
10 aggregate, at least 50% of the value of the Taxpayer's
11 outstanding stock.

12 (2) A partnership, estate, or trust and any partner or
13 beneficiary, if the partnership, estate, or trust, and its
14 partners or beneficiaries own directly, indirectly,
15 beneficially, or constructively, in the aggregate, at
16 least 50% of the profits, capital, stock, or value of the
17 Taxpayer.

18 (3) A corporation, and any party related to the
19 corporation in a manner that would require an attribution
20 of stock from the corporation to the party or from the
21 party to the corporation under the attribution rules of
22 Section 318 of the Internal Revenue Code, if the Taxpayer
23 owns directly, indirectly, beneficially, or constructively
24 at least 50% of the value of the corporation's outstanding
25 stock.

26 (4) A corporation and any party related to that

1 corporation in a manner that would require an attribution
2 of stock from the corporation to the party or from the
3 party to the corporation under the attribution rules of
4 Section 318 of the Internal Revenue Code, if the
5 corporation and all such related parties own in the
6 aggregate at least 50% of the profits, capital, stock, or
7 value of the Taxpayer.

8 (5) A person to or from whom there is attribution of
9 stock ownership in accordance with Section 1563(e) of the
10 Internal Revenue Code, except, for purposes of determining
11 whether a person is a Related Member under this paragraph,
12 20% shall be substituted for 5% wherever 5% appears in
13 Section 1563(e) of the Internal Revenue Code.

14 "Taxpayer" means an individual, corporation, partnership,
15 or other entity that has any Illinois income tax liability.

16 "Underserved area" means a geographic area that meets one
17 or more of the following conditions:

18 (1) the area has a poverty rate of at least 20%
19 according to the latest federal decennial census;

20 (2) 75% or more of the children in the area
21 participate in the federal free lunch program according to
22 reported statistics from the State Board of Education;

23 (3) at least 20% of the households in the area receive
24 assistance under the Supplemental Nutrition Assistance
25 Program (SNAP); or

26 (4) the area has an average unemployment rate, as

1 determined by the Illinois Department of Employment
2 Security, that is more than 120% of the national
3 unemployment average, as determined by the U.S. Department
4 of Labor, for a period of at least 2 consecutive calendar
5 years preceding the date of the application.

6 Section 5-15. Powers of the Department. The Department, in
7 addition to those powers granted under the Civil
8 Administrative Code of Illinois, is granted and shall have all
9 the powers necessary or convenient to carry out and effectuate
10 the purposes and provisions of this Act, including, but not
11 limited to, power and authority to:

12 (1) Adopt rules deemed necessary and appropriate for
13 the administration of the programs; establish forms for
14 applications, notifications, contracts, or any other
15 agreements; and accept applications at any time during the
16 year.

17 (2) Provide and assist Taxpayers pursuant to the
18 provisions of this Act, and cooperate with Taxpayers that
19 are parties to Agreements to promote, foster, and support
20 economic development, capital investment, and job creation
21 or retention within the Energy Transition Zone.

22 (c) Enter into agreements and memoranda of
23 understanding for participation of and engage in
24 cooperation with agencies of the federal government, local
25 units of government, universities, research foundations or

1 institutions, regional economic development corporations,
2 or other organizations for the purposes of this Act.

3 (4) Gather information and conduct inquiries, in the
4 manner and by the methods as it deems desirable, including
5 without limitation, gathering information with respect to
6 Applicants for the purpose of making any designations or
7 certifications necessary or desirable or to gather
8 information to assist the Committee with any
9 recommendation or guidance in the furtherance of the
10 purposes of this Act.

11 (5) Establish, negotiate and effectuate any term,
12 agreement or other document with any person, necessary or
13 appropriate to accomplish the purposes of this Act; and to
14 consent, subject to the provisions of any Agreement with
15 another party, to the modification or restructuring of any
16 Agreement to which the Department is a party.

17 (6) Fix, determine, charge, and collect any premiums,
18 fees, charges, costs, and expenses from Applicants,
19 including, without limitation, any application fees,
20 commitment fees, program fees, financing charges, or
21 publication fees as deemed appropriate to pay expenses
22 necessary or incident to the administration, staffing, or
23 operation in connection with the Department's or
24 Committee's activities under this Act, or for preparation,
25 implementation, and enforcement of the terms of the
26 Agreement, or for consultation, advisory and legal fees,

1 and other costs; however, all fees and expenses incident
2 thereto shall be the responsibility of the Applicant.

3 (7) Provide for sufficient personnel to permit
4 administration, staffing, operation, and related support
5 required to adequately discharge its duties and
6 responsibilities described in this Act from funds made
7 available through charges to Applicants or from funds as
8 may be appropriated by the General Assembly for the
9 administration of this Act.

10 (8) Require Applicants, upon written request, to issue
11 any necessary authorization to the appropriate federal,
12 state, or local authority for the release of information
13 concerning a project being considered under the provisions
14 of this Act, with the information requested to include,
15 but not be limited to, financial reports, returns, or
16 records relating to the Taxpayer or its project.

17 (9) Require that a Taxpayer shall at all times keep
18 proper books of record and account in accordance with
19 generally accepted accounting principles consistently
20 applied, with the books, records, or papers related to the
21 Agreement in the custody or control of the Taxpayer open
22 for reasonable Department inspection and audits, and
23 including, without limitation, the making of copies of the
24 books, records, or papers, and the inspection or appraisal
25 of any of the Taxpayer or project assets.

26 (10) Take whatever actions are necessary or

1 appropriate to protect the State's interest in the event
2 of bankruptcy, default, foreclosure, or noncompliance with
3 the terms and conditions of financial assistance or
4 participation required under this Act, including the power
5 to sell, dispose, lease, or rent, upon terms and
6 conditions determined by the Director to be appropriate,
7 real or personal property that the Department may receive
8 as a result of these actions.

9 Section 5-20. Tax credit awards.

10 (a) Subject to the conditions set forth in this Act, a
11 Taxpayer is entitled to a Credit against or, as described in
12 subsection (f) of this Section, a payment towards taxes
13 imposed pursuant to subsections (a) and (b) of Section 201 of
14 the Illinois Income Tax Act that may be imposed on the Taxpayer
15 for a taxable year beginning on or after January 1, 2022, if
16 the Taxpayer is awarded a Credit by the Department under this
17 Act for that taxable year.

18 The Department shall make Credit awards under this Act to
19 foster job creation and the development of green energy in
20 Energy Transition Zones.

21 (b) A person that proposes a project to create new jobs and
22 to invest in the development of a green energy production
23 facility in an Energy Transition Zone must enter into an
24 Agreement with the Department for the Credit under this Act

25 (c) The Credit shall be claimed for the taxable years

1 specified in the Agreement.

2 (d) The Credit shall not exceed the Incremental Income Tax
3 attributable to the project that is the subject of the
4 Agreement.

5 (e) Nothing herein shall prohibit a Tax Credit Award to an
6 Applicant that uses a PEO if all other award criteria are
7 satisfied.

8 (f) This Section is exempt from the provisions of Section
9 250 of the Illinois Income Tax Act.

10 Section 5-25. Application for a project to create and
11 retain new jobs and to develop green energy.

12 (a) Any green energy enterprise proposing a project to
13 build a green energy production facility located or planned to
14 be located in an Energy Transition Zone may request
15 consideration for designation of its project, by formal
16 written letter of request or by formal application to the
17 Department, in which the Applicant states its intent to make
18 at least a specified level of investment and intends to hire or
19 retain a specified number of full-time employees at a
20 designated location in Illinois. As circumstances require, the
21 Department may require a formal application from an Applicant
22 and a formal letter of request for assistance.

23 (b) In order to qualify for Credits under this Act, an
24 Applicant's project must:

25 (1) be for the purpose of producing green energy;

1 (2) if the Applicant has more than 100 employees,
2 involve an investment of at least \$2,500,000 in capital
3 improvements to be placed in service within an Energy
4 Transition Zone as a direct result of the project; if the
5 Applicant has 100 or fewer employees, then there is no
6 capital investment requirement; and

7 (3) if the Applicant has more than 100 employees,
8 employ a number of new employees in the Energy Transition
9 Zone equal to the lesser of (A) 10% of the number of
10 full-time employees employed by the applicant world-wide
11 on the date the application is filed with the Department
12 or (B) 50 New Employees; and, if the Applicant has 100 or
13 fewer employees, employ a number of new employees in the
14 State equal to the lesser of (A) 5% of the number of
15 full-time employees employed by the applicant world-wide
16 on the date the application is filed with the Department
17 or (B) 50 New Employees;

18 (c) After receipt of an application, the Department may
19 enter into an Agreement with the Applicant if the application
20 is accepted in accordance with Section 5-25.

21 Section 5-30. Review of application.

22 (a) In addition to those duties granted under the Illinois
23 Economic Development Board Act, the Illinois Economic
24 Development Board shall form an Energy Transition Investment
25 Committee for the purpose of making recommendations for

1 applications. At the request of the Board, the Director of
2 Commerce and Economic Opportunity or his or her designee, the
3 Director of the Governor's Office of Management and Budget or
4 his or her designee, the Director of Revenue or his or her
5 designee, the Director of Employment Security or his or her
6 designee, and an elected official of the affected locality,
7 such as the chair of the county board or the mayor, may serve
8 as members of the Committee to assist with its analysis and
9 deliberations.

10 (b) At the Department's request, the Committee shall
11 convene, make inquiries, and conduct studies in the manner and
12 by the methods as it deems desirable, review information with
13 respect to Applicants, and make recommendations for projects
14 to benefit an Energy Transition Zone. In making its
15 recommendation that an Applicant's application for Credit
16 should or should not be accepted, which shall occur within a
17 reasonable time frame as determined by the nature of the
18 application, the Committee shall determine that all the
19 following conditions exist:

20 (1) The Applicant's project intends, as required by
21 subsection (b) of Section 5, to make the required
22 investment in the Energy Transition Zone and intends to
23 hire the required number of New Employees in the Energy
24 Transition Zone as a result of that project.

25 (2) The Applicant's project is economically sound and
26 will benefit the people of the Energy Transition Zone by

1 increasing opportunities for employment and engaging in
2 the development of green energy.

3 (3) That, if not for the Credit, the project would not
4 occur in Illinois, which may be demonstrated by evidence
5 that receipt of the Credit is essential to the Applicant's
6 decision to create new jobs in the State, such as the
7 magnitude of the cost differential between Illinois and a
8 competing State; in addition, if the Applicant is seeking
9 an increase in the maximum amount of the Credit for
10 retained employees, the Applicant must provide evidence
11 the Applicant has multi-state location options and could
12 reasonably and efficiently locate outside of the State or
13 demonstrate that at least one other state is being
14 considered for the project.

15 (4) A cost differential is identified, using best
16 available data, in the projected costs for the Applicant's
17 project compared to the costs in the competing state,
18 including the impact of the competing state's incentive
19 programs. The competing state's incentive programs shall
20 include state, local, private, and federal funds
21 available.

22 (5) The political subdivisions affected by the project
23 have committed local incentives with respect to the
24 project, considering local ability to assist.

25 (6) Awarding the Credit will result in an overall
26 positive fiscal impact to the State, as certified by the

1 Committee using the best available data.

2 (7) The Credit is not otherwise prohibited by this
3 Act.

4 Section 5-35. Limitation to amount of costs of specified
5 items. The total amount of the Credit allowed during all tax
6 years may not exceed the aggregate amount of costs incurred by
7 the Taxpayer during all prior tax years for the following
8 items, to the extent provided in the Agreement:

- 9 (1) capital investment, including, but not limited to,
10 equipment, buildings, or land;
11 (2) infrastructure development;
12 (3) debt service, except refinancing of current debt;
13 (4) research and development;
14 (5) job training and education;
15 (6) lease costs; or
16 (7) relocation costs.

17 Section 5-40. Relocation of jobs to Energy Transition
18 Zone. A taxpayer is not entitled to claim the credit provided
19 by this Act with respect to any jobs that the taxpayer
20 relocates from one site in Illinois to another site in an
21 Energy Transition Zone. Moreover, any full-time employee of an
22 eligible green energy enterprise relocated to an Energy
23 Transition Zone in connection with that qualifying project is
24 deemed to be a new employee for purposes of this Act.

1 Determinations under this Section shall be made by the
2 Department.

3 Section 5-45. Determination of amount of the Credit. In
4 determining the amount of the Credit that should be awarded,
5 the Committee shall provide guidance on, and the Department
6 shall take into consideration, all of the following factors:

7 (1) The number and location of jobs created and
8 retained in relation to the economy of the Energy
9 Transition Zone where the projected investment is to
10 occur.

11 (2) The potential impact on the economy of the Energy
12 Transition Zone.

13 (3) The advancement of green energy in the Energy
14 Transition Zone.

15 (4) The incremental payroll attributable to the
16 project.

17 (5) The capital investment attributable to the
18 project.

19 (6) The amount of the average wage and benefits paid
20 by the Applicant in relation to the wage and benefits of
21 the Energy Transition Zone.

22 (7) The costs to Illinois and the affected political
23 subdivisions with respect to the project.

24 (8) The financial assistance that is otherwise
25 provided by Illinois and the affected political

1 subdivisions.

2 Section 5-50. Amount and curation of credit.

3 (a) The Department shall determine the amount and duration
4 of the credit awarded under this Act. The duration of the
5 credit may not exceed 10 taxable years. The credit may be
6 stated as a percentage of the Incremental Income Tax
7 attributable to the applicant's project and may include a
8 fixed dollar limitation. An Agreement for the credit must be
9 finalized and signed by all parties while the area in which the
10 project is located is designated an Energy Transition Zone.
11 The credit may last longer than the applicable Energy
12 Transition Zone designation. Agreements entered into prior to
13 the de-designation of an Energy Transition Zone will be
14 honored for the length of the Agreement.

15 (b) The tax credit may not reduce the taxpayer's liability
16 to less than zero. If the amount of tax credit exceeds the
17 liability for the year, the excess may be carried forward and
18 applied to the tax liability of the 5 taxable years following
19 the excess credit year. The credit must be applied to the
20 earliest year for which there is a tax liability. If there are
21 credits from more than one tax year that are available to
22 offset a liability, then the earlier credit will be applied
23 first.

24 Section 5-55. Contents of Agreements with Applicants. The

1 Department shall enter into an Agreement with an Applicant
2 that is awarded a Credit under this Act. The Agreement must
3 include all of the following:

4 (1) A detailed description of the project that is the
5 subject of the Agreement, including the location and
6 amount of the investment and jobs created or retained.

7 (2) The duration of the Credit and the first taxable
8 year for which the Credit may be claimed.

9 (3) The Credit amount that will be allowed for each
10 taxable year.

11 (4) A requirement that the Taxpayer shall maintain
12 operations at the project location that shall be stated as
13 a minimum number of years not to exceed 10.

14 (5) A specific method for determining the number of
15 New Employees employed during a taxable year.

16 (6) A requirement that the Taxpayer shall annually
17 report to the Department the number of New Employees, the
18 Incremental Income Tax withheld in connection with the New
19 Employees, and any other information the Director needs to
20 perform the Director's duties under this Act.

21 (7) A requirement that the Director is authorized to
22 verify with the appropriate State agencies the amounts
23 reported under paragraph (6), and after doing so shall
24 issue a certificate to the Taxpayer stating that the
25 amounts have been verified.

26 (8) A requirement that the Taxpayer shall provide

1 written notification to the Director not more than 30 days
2 after the Taxpayer makes or receives a proposal that would
3 transfer the Taxpayer's State tax liability obligations to
4 a successor Taxpayer.

5 (9) A detailed description of the number of New
6 Employees to be hired, and the occupation and payroll of
7 the full-time jobs to be created or retained as a result of
8 the project.

9 (10) The minimum investment the green energy
10 enterprise will make in capital improvements, the time
11 period for placing the property in service, and the
12 designated green energy production of the project.

13 (11) A requirement that the Taxpayer shall provide
14 written notification to the Director and the Committee not
15 more than 30 days after the Taxpayer determines that the
16 minimum job creation or retention, employment payroll, or
17 investment no longer is being or will be achieved or
18 maintained as set forth in the terms and conditions of the
19 Agreement.

20 (12) A provision that, if the total number of New
21 Employees falls below a specified level, the allowance of
22 Credit shall be suspended until the number of New
23 Employees equals or exceeds the Agreement amount.

24 (13) A detailed description of the items for which the
25 costs incurred by the Taxpayer will be included in the
26 limitation on the Credit provided in Section 5-40.

1 (14) A provision that, if the Taxpayer never meets
2 either the investment or job creation and retention
3 requirements specified in the Agreement during the entire
4 5-year period beginning on the first day of the first
5 taxable year in which the Agreement is executed and ending
6 on the last day of the fifth taxable year after the
7 Agreement is executed, then the Agreement is automatically
8 terminated on the last day of the fifth taxable year after
9 the Agreement is executed and the Taxpayer is not entitled
10 to the award of any credits for any of that 5-year period.

11 (15) A provision specifying that, if the Taxpayer
12 ceases principal operations with the intent to shut down
13 the project in the Energy Transition Zone permanently
14 during the term of the Agreement, then the entire credit
15 amount awarded to the Taxpayer prior to the date the
16 Taxpayer ceases principal operations shall be returned to
17 the Department.

18 (16) Any other performance conditions or contract
19 provisions as the Department determines are appropriate.
20 The Department shall post on its website the terms of each
21 Agreement entered into under this Act. Such information
22 shall be posted within 10 days after entering into the
23 Agreement and must include the following:

24 (A) the name of the recipient business;

25 (B) the location of the project;

26 (C) the estimated value of the credit;

- 1 (C) the number of new jobs and, if applicable,
2 retained jobs pledged as a result of the project; and
3 (E) whether or not the project is located in an
4 underserved area.

5 Section 5-60. Certificate of verification; submission to
6 the Department of Revenue. A Taxpayer claiming a Credit under
7 this Act shall submit to the Department of Revenue a copy of
8 the Director's certificate of verification under this Act for
9 the taxable year.

10 For a Taxpayer to be eligible for a certificate of
11 verification, the Taxpayer shall provide proof as required by
12 the Department prior to the end of each calendar year,
13 including, but not limited to, attestation by the Taxpayer
14 that:

15 (1) The project has substantially achieved the level
16 of new full-time jobs in the Energy Transition Zone, as
17 specified in its Agreement.

18 (2) The project has substantially achieved the level
19 of annual payroll in the Energy Transition Zone, as
20 specified in its Agreement.

21 (3) The project has substantially achieved the level
22 of capital investment in the Energy Transition Zone, as
23 specified in its Agreement;

24 (4) The project has assisted in the development of
25 green energy production in the Energy Transition Zone, as

1 specified in its Agreement.

2 Section 5-65. Supplier diversity. Each taxpayer claiming
3 a credit under this Act shall, no later than April 15 of each
4 taxable year for which the taxpayer claims a credit under this
5 Act, submit to the Department of Commerce and Economic
6 Opportunity an annual report containing the information
7 described in subsections (b), (c), (d), and (e) of Section
8 5-117 of the Public Utilities Act. Those reports shall be
9 submitted in the form and manner required by the Department of
10 Commerce and Economic Opportunity.

11 Section 5-70. Pass through entities.

12 (a) For partners, shareholders of Subchapter S
13 corporations, and owners of limited liability companies, if
14 the liability company is treated as a partnership for purposes
15 of federal and State income taxation, there is allowed a
16 credit under this Section to be determined in accordance with
17 the determination of income and distributive share of income
18 under Sections 702 and 704 and Subchapter S of the Internal
19 Revenue Code.

20 (b) The Credit provided under subsection (a) is in
21 addition to any Credit to which a shareholder or partner is
22 otherwise entitled under a separate Agreement under this Act.
23 A pass through entity and a shareholder or partner of the pass
24 through entity may not claim more than one Credit under the

1 same Agreement.

2 Section 5-75. Noncompliance; notice; assessment. If the
3 Director determines that a Taxpayer who has received a Credit
4 under this Act is not complying with the requirements of the
5 Agreement or all of the provisions of this Act, the Director
6 shall provide notice to the Taxpayer of the alleged
7 noncompliance, and allow the Taxpayer a hearing under the
8 provisions of the Illinois Administrative Procedure Act. If,
9 after such notice and any hearing, the Director determines
10 that a noncompliance exists, the Director shall issue to the
11 Department of Revenue notice to that effect, stating the
12 Noncompliance Date. If, during the term of an Agreement, the
13 Taxpayer ceases operations at a project location that is the
14 subject of that Agreement with the intent to terminate
15 operations in the Energy Transition Zone, the Department and
16 the Department of Revenue shall recapture from the Taxpayer
17 the entire Credit amount awarded under that Agreement prior to
18 the date the taxpayer ceases operations. The Department shall,
19 subject to appropriation, reallocate the recaptured amounts to
20 the local workforce investment area in which the project was
21 located for the purposes of workforce development, expanded
22 opportunities for unemployed persons, and expanded
23 opportunities for women and minorities in the workforce.

24 Section 5-80. Annual report. On or before July 1 each

1 year, the Committee shall submit a report to the Department on
2 the tax credit program under this Act to the Governor and the
3 General Assembly. The report shall include information on the
4 number of Agreements that were entered into under this Act
5 during the preceding calendar year, a description of the
6 project that is the subject of each Agreement, an update on the
7 status of projects under Agreements entered into before the
8 preceding calendar year, and the sum of the Credits awarded
9 under this Act. A copy of the report shall be delivered to the
10 Governor and to each member of the General Assembly.

11 The report must include, for each Agreement:

12 (1) the original estimates of the value of the Credit
13 and the number of new jobs to be created and, if
14 applicable, the number of retained jobs;

15 (2) any relevant modifications to existing Agreements;

16 (3) a statement of the progress made by each Taxpayer
17 in meeting the terms of the original Agreement;

18 (4) a statement of wages paid to New Employees and, if
19 applicable, retained employees in the State;

20 (5) any information reported under Section 5-65 of
21 this Act; and

22 (6) a copy of the original Agreement.

23 Section 5-85. Evaluation of tax credit program. On a
24 biennial basis, the Department shall evaluate the tax credit
25 program. The evaluation shall include an assessment of the

1 effectiveness of the program in creating new jobs in Illinois
2 and of the revenue impact of the program, and may include a
3 review of the practices and experiences of other states with
4 similar programs. The Director shall submit a report on the
5 evaluation to the Governor and the General Assembly after June
6 30 and before November 1 in each odd-numbered year.

7 Section 5-90. Adoption of rules. The Department may adopt
8 rules necessary to implement this Act. The rules may provide
9 for recipients of Credits under this Act to be charged fees to
10 cover administrative costs of the tax credit program. Fees
11 collected shall be deposited into the Energy Transition Fund.

12 Section 5-95. The Energy Transition Fund.

13 (a) The Energy Transition Fund is established as a special
14 fund within the State treasury to be used exclusively for the
15 purposes of this Act, including paying for the costs of
16 administering this Act. The Fund shall be administered by the
17 Department.

18 (b) The Fund consists of collected fees, appropriations
19 from the General Assembly, and gifts and grants to the Fund.

20 (c) The State Treasurer shall invest the money in the Fund
21 not currently needed to meet the obligations of the Fund in the
22 same manner as other public funds may be invested. Interest
23 that accrues from these investments shall be deposited into
24 the Fund.

1 (d) The money in the Fund at the end of a State fiscal year
2 remains in the Fund to be used exclusively for the purposes of
3 this Act. Expenditures from the Fund are subject to
4 appropriation by the General Assembly.

5 Section 5-100. Program terms and conditions.

6 (a) Any documentary materials or data made available or
7 received by any member of a Committee or any agent or employee
8 of the Department shall be deemed confidential and shall not
9 be deemed public records to the extent that the materials or
10 data consists of trade secrets, commercial or financial
11 information regarding the operation of the business conducted
12 by the Applicant for or recipient of any tax credit under this
13 Act, or any information regarding the competitive position of
14 a business in a particular field of endeavor.

15 (b) Nothing in this Act shall be construed as creating any
16 rights in any Applicant to enter into an Agreement or in any
17 person to challenge the terms of any Agreement.

18 Article 10. Amendatory Provisions

19 Section 10-5. The Illinois Administrative Procedure Act is
20 amended by changing Section 5-45 as follows:

21 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

22 Sec. 5-45. Emergency rulemaking.

1 (a) "Emergency" means the existence of any situation that
2 any agency finds reasonably constitutes a threat to the public
3 interest, safety, or welfare.

4 (b) If any agency finds that an emergency exists that
5 requires adoption of a rule upon fewer days than is required by
6 Section 5-40 and states in writing its reasons for that
7 finding, the agency may adopt an emergency rule without prior
8 notice or hearing upon filing a notice of emergency rulemaking
9 with the Secretary of State under Section 5-70. The notice
10 shall include the text of the emergency rule and shall be
11 published in the Illinois Register. Consent orders or other
12 court orders adopting settlements negotiated by an agency may
13 be adopted under this Section. Subject to applicable
14 constitutional or statutory provisions, an emergency rule
15 becomes effective immediately upon filing under Section 5-65
16 or at a stated date less than 10 days thereafter. The agency's
17 finding and a statement of the specific reasons for the
18 finding shall be filed with the rule. The agency shall take
19 reasonable and appropriate measures to make emergency rules
20 known to the persons who may be affected by them.

21 (c) An emergency rule may be effective for a period of not
22 longer than 150 days, but the agency's authority to adopt an
23 identical rule under Section 5-40 is not precluded. No
24 emergency rule may be adopted more than once in any 24-month
25 period, except that this limitation on the number of emergency
26 rules that may be adopted in a 24-month period does not apply

1 to (i) emergency rules that make additions to and deletions
2 from the Drug Manual under Section 5-5.16 of the Illinois
3 Public Aid Code or the generic drug formulary under Section
4 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii)
5 emergency rules adopted by the Pollution Control Board before
6 July 1, 1997 to implement portions of the Livestock Management
7 Facilities Act, (iii) emergency rules adopted by the Illinois
8 Department of Public Health under subsections (a) through (i)
9 of Section 2 of the Department of Public Health Act when
10 necessary to protect the public's health, (iv) emergency rules
11 adopted pursuant to subsection (n) of this Section, (v)
12 emergency rules adopted pursuant to subsection (o) of this
13 Section, or (vi) emergency rules adopted pursuant to
14 subsection (c-5) of this Section. Two or more emergency rules
15 having substantially the same purpose and effect shall be
16 deemed to be a single rule for purposes of this Section.

17 (c-5) To facilitate the maintenance of the program of
18 group health benefits provided to annuitants, survivors, and
19 retired employees under the State Employees Group Insurance
20 Act of 1971, rules to alter the contributions to be paid by the
21 State, annuitants, survivors, retired employees, or any
22 combination of those entities, for that program of group
23 health benefits, shall be adopted as emergency rules. The
24 adoption of those rules shall be considered an emergency and
25 necessary for the public interest, safety, and welfare.

26 (d) In order to provide for the expeditious and timely

1 implementation of the State's fiscal year 1999 budget,
2 emergency rules to implement any provision of Public Act
3 90-587 or 90-588 or any other budget initiative for fiscal
4 year 1999 may be adopted in accordance with this Section by the
5 agency charged with administering that provision or
6 initiative, except that the 24-month limitation on the
7 adoption of emergency rules and the provisions of Sections
8 5-115 and 5-125 do not apply to rules adopted under this
9 subsection (d). The adoption of emergency rules authorized by
10 this subsection (d) shall be deemed to be necessary for the
11 public interest, safety, and welfare.

12 (e) In order to provide for the expeditious and timely
13 implementation of the State's fiscal year 2000 budget,
14 emergency rules to implement any provision of Public Act 91-24
15 or any other budget initiative for fiscal year 2000 may be
16 adopted in accordance with this Section by the agency charged
17 with administering that provision or initiative, except that
18 the 24-month limitation on the adoption of emergency rules and
19 the provisions of Sections 5-115 and 5-125 do not apply to
20 rules adopted under this subsection (e). The adoption of
21 emergency rules authorized by this subsection (e) shall be
22 deemed to be necessary for the public interest, safety, and
23 welfare.

24 (f) In order to provide for the expeditious and timely
25 implementation of the State's fiscal year 2001 budget,
26 emergency rules to implement any provision of Public Act

1 91-712 or any other budget initiative for fiscal year 2001 may
2 be adopted in accordance with this Section by the agency
3 charged with administering that provision or initiative,
4 except that the 24-month limitation on the adoption of
5 emergency rules and the provisions of Sections 5-115 and 5-125
6 do not apply to rules adopted under this subsection (f). The
7 adoption of emergency rules authorized by this subsection (f)
8 shall be deemed to be necessary for the public interest,
9 safety, and welfare.

10 (g) In order to provide for the expeditious and timely
11 implementation of the State's fiscal year 2002 budget,
12 emergency rules to implement any provision of Public Act 92-10
13 or any other budget initiative for fiscal year 2002 may be
14 adopted in accordance with this Section by the agency charged
15 with administering that provision or initiative, except that
16 the 24-month limitation on the adoption of emergency rules and
17 the provisions of Sections 5-115 and 5-125 do not apply to
18 rules adopted under this subsection (g). The adoption of
19 emergency rules authorized by this subsection (g) shall be
20 deemed to be necessary for the public interest, safety, and
21 welfare.

22 (h) In order to provide for the expeditious and timely
23 implementation of the State's fiscal year 2003 budget,
24 emergency rules to implement any provision of Public Act
25 92-597 or any other budget initiative for fiscal year 2003 may
26 be adopted in accordance with this Section by the agency

1 charged with administering that provision or initiative,
2 except that the 24-month limitation on the adoption of
3 emergency rules and the provisions of Sections 5-115 and 5-125
4 do not apply to rules adopted under this subsection (h). The
5 adoption of emergency rules authorized by this subsection (h)
6 shall be deemed to be necessary for the public interest,
7 safety, and welfare.

8 (i) In order to provide for the expeditious and timely
9 implementation of the State's fiscal year 2004 budget,
10 emergency rules to implement any provision of Public Act 93-20
11 or any other budget initiative for fiscal year 2004 may be
12 adopted in accordance with this Section by the agency charged
13 with administering that provision or initiative, except that
14 the 24-month limitation on the adoption of emergency rules and
15 the provisions of Sections 5-115 and 5-125 do not apply to
16 rules adopted under this subsection (i). The adoption of
17 emergency rules authorized by this subsection (i) shall be
18 deemed to be necessary for the public interest, safety, and
19 welfare.

20 (j) In order to provide for the expeditious and timely
21 implementation of the provisions of the State's fiscal year
22 2005 budget as provided under the Fiscal Year 2005 Budget
23 Implementation (Human Services) Act, emergency rules to
24 implement any provision of the Fiscal Year 2005 Budget
25 Implementation (Human Services) Act may be adopted in
26 accordance with this Section by the agency charged with

1 administering that provision, except that the 24-month
2 limitation on the adoption of emergency rules and the
3 provisions of Sections 5-115 and 5-125 do not apply to rules
4 adopted under this subsection (j). The Department of Public
5 Aid may also adopt rules under this subsection (j) necessary
6 to administer the Illinois Public Aid Code and the Children's
7 Health Insurance Program Act. The adoption of emergency rules
8 authorized by this subsection (j) shall be deemed to be
9 necessary for the public interest, safety, and welfare.

10 (k) In order to provide for the expeditious and timely
11 implementation of the provisions of the State's fiscal year
12 2006 budget, emergency rules to implement any provision of
13 Public Act 94-48 or any other budget initiative for fiscal
14 year 2006 may be adopted in accordance with this Section by the
15 agency charged with administering that provision or
16 initiative, except that the 24-month limitation on the
17 adoption of emergency rules and the provisions of Sections
18 5-115 and 5-125 do not apply to rules adopted under this
19 subsection (k). The Department of Healthcare and Family
20 Services may also adopt rules under this subsection (k)
21 necessary to administer the Illinois Public Aid Code, the
22 Senior Citizens and Persons with Disabilities Property Tax
23 Relief Act, the Senior Citizens and Disabled Persons
24 Prescription Drug Discount Program Act (now the Illinois
25 Prescription Drug Discount Program Act), and the Children's
26 Health Insurance Program Act. The adoption of emergency rules

1 authorized by this subsection (k) shall be deemed to be
2 necessary for the public interest, safety, and welfare.

3 (l) In order to provide for the expeditious and timely
4 implementation of the provisions of the State's fiscal year
5 2007 budget, the Department of Healthcare and Family Services
6 may adopt emergency rules during fiscal year 2007, including
7 rules effective July 1, 2007, in accordance with this
8 subsection to the extent necessary to administer the
9 Department's responsibilities with respect to amendments to
10 the State plans and Illinois waivers approved by the federal
11 Centers for Medicare and Medicaid Services necessitated by the
12 requirements of Title XIX and Title XXI of the federal Social
13 Security Act. The adoption of emergency rules authorized by
14 this subsection (l) shall be deemed to be necessary for the
15 public interest, safety, and welfare.

16 (m) In order to provide for the expeditious and timely
17 implementation of the provisions of the State's fiscal year
18 2008 budget, the Department of Healthcare and Family Services
19 may adopt emergency rules during fiscal year 2008, including
20 rules effective July 1, 2008, in accordance with this
21 subsection to the extent necessary to administer the
22 Department's responsibilities with respect to amendments to
23 the State plans and Illinois waivers approved by the federal
24 Centers for Medicare and Medicaid Services necessitated by the
25 requirements of Title XIX and Title XXI of the federal Social
26 Security Act. The adoption of emergency rules authorized by

1 this subsection (m) shall be deemed to be necessary for the
2 public interest, safety, and welfare.

3 (n) In order to provide for the expeditious and timely
4 implementation of the provisions of the State's fiscal year
5 2010 budget, emergency rules to implement any provision of
6 Public Act 96-45 or any other budget initiative authorized by
7 the 96th General Assembly for fiscal year 2010 may be adopted
8 in accordance with this Section by the agency charged with
9 administering that provision or initiative. The adoption of
10 emergency rules authorized by this subsection (n) shall be
11 deemed to be necessary for the public interest, safety, and
12 welfare. The rulemaking authority granted in this subsection
13 (n) shall apply only to rules promulgated during Fiscal Year
14 2010.

15 (o) In order to provide for the expeditious and timely
16 implementation of the provisions of the State's fiscal year
17 2011 budget, emergency rules to implement any provision of
18 Public Act 96-958 or any other budget initiative authorized by
19 the 96th General Assembly for fiscal year 2011 may be adopted
20 in accordance with this Section by the agency charged with
21 administering that provision or initiative. The adoption of
22 emergency rules authorized by this subsection (o) is deemed to
23 be necessary for the public interest, safety, and welfare. The
24 rulemaking authority granted in this subsection (o) applies
25 only to rules promulgated on or after July 1, 2010 (the
26 effective date of Public Act 96-958) through June 30, 2011.

1 (p) In order to provide for the expeditious and timely
2 implementation of the provisions of Public Act 97-689,
3 emergency rules to implement any provision of Public Act
4 97-689 may be adopted in accordance with this subsection (p)
5 by the agency charged with administering that provision or
6 initiative. The 150-day limitation of the effective period of
7 emergency rules does not apply to rules adopted under this
8 subsection (p), and the effective period may continue through
9 June 30, 2013. The 24-month limitation on the adoption of
10 emergency rules does not apply to rules adopted under this
11 subsection (p). The adoption of emergency rules authorized by
12 this subsection (p) is deemed to be necessary for the public
13 interest, safety, and welfare.

14 (q) In order to provide for the expeditious and timely
15 implementation of the provisions of Articles 7, 8, 9, 11, and
16 12 of Public Act 98-104, emergency rules to implement any
17 provision of Articles 7, 8, 9, 11, and 12 of Public Act 98-104
18 may be adopted in accordance with this subsection (q) by the
19 agency charged with administering that provision or
20 initiative. The 24-month limitation on the adoption of
21 emergency rules does not apply to rules adopted under this
22 subsection (q). The adoption of emergency rules authorized by
23 this subsection (q) is deemed to be necessary for the public
24 interest, safety, and welfare.

25 (r) In order to provide for the expeditious and timely
26 implementation of the provisions of Public Act 98-651,

1 emergency rules to implement Public Act 98-651 may be adopted
2 in accordance with this subsection (r) by the Department of
3 Healthcare and Family Services. The 24-month limitation on the
4 adoption of emergency rules does not apply to rules adopted
5 under this subsection (r). The adoption of emergency rules
6 authorized by this subsection (r) is deemed to be necessary
7 for the public interest, safety, and welfare.

8 (s) In order to provide for the expeditious and timely
9 implementation of the provisions of Sections 5-5b.1 and 5A-2
10 of the Illinois Public Aid Code, emergency rules to implement
11 any provision of Section 5-5b.1 or Section 5A-2 of the
12 Illinois Public Aid Code may be adopted in accordance with
13 this subsection (s) by the Department of Healthcare and Family
14 Services. The rulemaking authority granted in this subsection
15 (s) shall apply only to those rules adopted prior to July 1,
16 2015. Notwithstanding any other provision of this Section, any
17 emergency rule adopted under this subsection (s) shall only
18 apply to payments made for State fiscal year 2015. The
19 adoption of emergency rules authorized by this subsection (s)
20 is deemed to be necessary for the public interest, safety, and
21 welfare.

22 (t) In order to provide for the expeditious and timely
23 implementation of the provisions of Article II of Public Act
24 99-6, emergency rules to implement the changes made by Article
25 II of Public Act 99-6 to the Emergency Telephone System Act may
26 be adopted in accordance with this subsection (t) by the

1 Department of State Police. The rulemaking authority granted
2 in this subsection (t) shall apply only to those rules adopted
3 prior to July 1, 2016. The 24-month limitation on the adoption
4 of emergency rules does not apply to rules adopted under this
5 subsection (t). The adoption of emergency rules authorized by
6 this subsection (t) is deemed to be necessary for the public
7 interest, safety, and welfare.

8 (u) In order to provide for the expeditious and timely
9 implementation of the provisions of the Burn Victims Relief
10 Act, emergency rules to implement any provision of the Act may
11 be adopted in accordance with this subsection (u) by the
12 Department of Insurance. The rulemaking authority granted in
13 this subsection (u) shall apply only to those rules adopted
14 prior to December 31, 2015. The adoption of emergency rules
15 authorized by this subsection (u) is deemed to be necessary
16 for the public interest, safety, and welfare.

17 (v) In order to provide for the expeditious and timely
18 implementation of the provisions of Public Act 99-516,
19 emergency rules to implement Public Act 99-516 may be adopted
20 in accordance with this subsection (v) by the Department of
21 Healthcare and Family Services. The 24-month limitation on the
22 adoption of emergency rules does not apply to rules adopted
23 under this subsection (v). The adoption of emergency rules
24 authorized by this subsection (v) is deemed to be necessary
25 for the public interest, safety, and welfare.

26 (w) In order to provide for the expeditious and timely

1 implementation of the provisions of Public Act 99-796,
2 emergency rules to implement the changes made by Public Act
3 99-796 may be adopted in accordance with this subsection (w)
4 by the Adjutant General. The adoption of emergency rules
5 authorized by this subsection (w) is deemed to be necessary
6 for the public interest, safety, and welfare.

7 (x) In order to provide for the expeditious and timely
8 implementation of the provisions of Public Act 99-906,
9 emergency rules to implement subsection (i) of Section
10 16-115D, subsection (g) of Section 16-128A, and subsection (a)
11 of Section 16-128B of the Public Utilities Act may be adopted
12 in accordance with this subsection (x) by the Illinois
13 Commerce Commission. The rulemaking authority granted in this
14 subsection (x) shall apply only to those rules adopted within
15 180 days after June 1, 2017 (the effective date of Public Act
16 99-906). The adoption of emergency rules authorized by this
17 subsection (x) is deemed to be necessary for the public
18 interest, safety, and welfare.

19 (y) In order to provide for the expeditious and timely
20 implementation of the provisions of Public Act 100-23,
21 emergency rules to implement the changes made by Public Act
22 100-23 to Section 4.02 of the Illinois Act on the Aging,
23 Sections 5.5.4 and 5-5.4i of the Illinois Public Aid Code,
24 Section 55-30 of the Alcoholism and Other Drug Abuse and
25 Dependency Act, and Sections 74 and 75 of the Mental Health and
26 Developmental Disabilities Administrative Act may be adopted

1 in accordance with this subsection (y) by the respective
2 Department. The adoption of emergency rules authorized by this
3 subsection (y) is deemed to be necessary for the public
4 interest, safety, and welfare.

5 (z) In order to provide for the expeditious and timely
6 implementation of the provisions of Public Act 100-554,
7 emergency rules to implement the changes made by Public Act
8 100-554 to Section 4.7 of the Lobbyist Registration Act may be
9 adopted in accordance with this subsection (z) by the
10 Secretary of State. The adoption of emergency rules authorized
11 by this subsection (z) is deemed to be necessary for the public
12 interest, safety, and welfare.

13 (aa) In order to provide for the expeditious and timely
14 initial implementation of the changes made to Articles 5, 5A,
15 12, and 14 of the Illinois Public Aid Code under the provisions
16 of Public Act 100-581, the Department of Healthcare and Family
17 Services may adopt emergency rules in accordance with this
18 subsection (aa). The 24-month limitation on the adoption of
19 emergency rules does not apply to rules to initially implement
20 the changes made to Articles 5, 5A, 12, and 14 of the Illinois
21 Public Aid Code adopted under this subsection (aa). The
22 adoption of emergency rules authorized by this subsection (aa)
23 is deemed to be necessary for the public interest, safety, and
24 welfare.

25 (bb) In order to provide for the expeditious and timely
26 implementation of the provisions of Public Act 100-587,

1 emergency rules to implement the changes made by Public Act
2 100-587 to Section 4.02 of the Illinois Act on the Aging,
3 Sections 5.5.4 and 5-5.4i of the Illinois Public Aid Code,
4 subsection (b) of Section 55-30 of the Alcoholism and Other
5 Drug Abuse and Dependency Act, Section 5-104 of the
6 Specialized Mental Health Rehabilitation Act of 2013, and
7 Section 75 and subsection (b) of Section 74 of the Mental
8 Health and Developmental Disabilities Administrative Act may
9 be adopted in accordance with this subsection (bb) by the
10 respective Department. The adoption of emergency rules
11 authorized by this subsection (bb) is deemed to be necessary
12 for the public interest, safety, and welfare.

13 (cc) In order to provide for the expeditious and timely
14 implementation of the provisions of Public Act 100-587,
15 emergency rules may be adopted in accordance with this
16 subsection (cc) to implement the changes made by Public Act
17 100-587 to: Sections 14-147.5 and 14-147.6 of the Illinois
18 Pension Code by the Board created under Article 14 of the Code;
19 Sections 15-185.5 and 15-185.6 of the Illinois Pension Code by
20 the Board created under Article 15 of the Code; and Sections
21 16-190.5 and 16-190.6 of the Illinois Pension Code by the
22 Board created under Article 16 of the Code. The adoption of
23 emergency rules authorized by this subsection (cc) is deemed
24 to be necessary for the public interest, safety, and welfare.

25 (dd) In order to provide for the expeditious and timely
26 implementation of the provisions of Public Act 100-864,

1 emergency rules to implement the changes made by Public Act
2 100-864 to Section 3.35 of the Newborn Metabolic Screening Act
3 may be adopted in accordance with this subsection (dd) by the
4 Secretary of State. The adoption of emergency rules authorized
5 by this subsection (dd) is deemed to be necessary for the
6 public interest, safety, and welfare.

7 (ee) In order to provide for the expeditious and timely
8 implementation of the provisions of Public Act 100-1172,
9 emergency rules implementing the Illinois Underground Natural
10 Gas Storage Safety Act may be adopted in accordance with this
11 subsection by the Department of Natural Resources. The
12 adoption of emergency rules authorized by this subsection is
13 deemed to be necessary for the public interest, safety, and
14 welfare.

15 (ff) In order to provide for the expeditious and timely
16 initial implementation of the changes made to Articles 5A and
17 14 of the Illinois Public Aid Code under the provisions of
18 Public Act 100-1181, the Department of Healthcare and Family
19 Services may on a one-time-only basis adopt emergency rules in
20 accordance with this subsection (ff). The 24-month limitation
21 on the adoption of emergency rules does not apply to rules to
22 initially implement the changes made to Articles 5A and 14 of
23 the Illinois Public Aid Code adopted under this subsection
24 (ff). The adoption of emergency rules authorized by this
25 subsection (ff) is deemed to be necessary for the public
26 interest, safety, and welfare.

1 (gg) In order to provide for the expeditious and timely
2 implementation of the provisions of Public Act 101-1,
3 emergency rules may be adopted by the Department of Labor in
4 accordance with this subsection (gg) to implement the changes
5 made by Public Act 101-1 to the Minimum Wage Law. The adoption
6 of emergency rules authorized by this subsection (gg) is
7 deemed to be necessary for the public interest, safety, and
8 welfare.

9 (hh) In order to provide for the expeditious and timely
10 implementation of the provisions of Public Act 101-10,
11 emergency rules may be adopted in accordance with this
12 subsection (hh) to implement the changes made by Public Act
13 101-10 to subsection (j) of Section 5-5.2 of the Illinois
14 Public Aid Code. The adoption of emergency rules authorized by
15 this subsection (hh) is deemed to be necessary for the public
16 interest, safety, and welfare.

17 (ii) In order to provide for the expeditious and timely
18 implementation of the provisions of Public Act 101-10,
19 emergency rules to implement the changes made by Public Act
20 101-10 to Sections 5-5.4 and 5-5.4i of the Illinois Public Aid
21 Code may be adopted in accordance with this subsection (ii) by
22 the Department of Public Health. The adoption of emergency
23 rules authorized by this subsection (ii) is deemed to be
24 necessary for the public interest, safety, and welfare.

25 (jj) In order to provide for the expeditious and timely
26 implementation of the provisions of Public Act 101-10,

1 emergency rules to implement the changes made by Public Act
2 101-10 to Section 74 of the Mental Health and Developmental
3 Disabilities Administrative Act may be adopted in accordance
4 with this subsection (jj) by the Department of Human Services.
5 The adoption of emergency rules authorized by this subsection
6 (jj) is deemed to be necessary for the public interest,
7 safety, and welfare.

8 (kk) In order to provide for the expeditious and timely
9 implementation of the Cannabis Regulation and Tax Act and
10 Public Act 101-27, the Department of Revenue, the Department
11 of Public Health, the Department of Agriculture, the
12 Department of State Police, and the Department of Financial
13 and Professional Regulation may adopt emergency rules in
14 accordance with this subsection (kk). The rulemaking authority
15 granted in this subsection (kk) shall apply only to rules
16 adopted before December 31, 2021. Notwithstanding the
17 provisions of subsection (c), emergency rules adopted under
18 this subsection (kk) shall be effective for 180 days. The
19 adoption of emergency rules authorized by this subsection (kk)
20 is deemed to be necessary for the public interest, safety, and
21 welfare.

22 (ll) In order to provide for the expeditious and timely
23 implementation of the provisions of the Leveling the Playing
24 Field for Illinois Retail Act, emergency rules may be adopted
25 in accordance with this subsection (ll) to implement the
26 changes made by the Leveling the Playing Field for Illinois

1 Retail Act. The adoption of emergency rules authorized by this
2 subsection (ll) is deemed to be necessary for the public
3 interest, safety, and welfare.

4 (mm) In order to provide for the expeditious and timely
5 implementation of the provisions of Section 25-70 of the
6 Sports Wagering Act, emergency rules to implement Section
7 25-70 of the Sports Wagering Act may be adopted in accordance
8 with this subsection (mm) by the Department of the Lottery as
9 provided in the Sports Wagering Act. The adoption of emergency
10 rules authorized by this subsection (mm) is deemed to be
11 necessary for the public interest, safety, and welfare.

12 (nn) In order to provide for the expeditious and timely
13 implementation of the Sports Wagering Act, emergency rules to
14 implement the Sports Wagering Act may be adopted in accordance
15 with this subsection (nn) by the Illinois Gaming Board. The
16 adoption of emergency rules authorized by this subsection (nn)
17 is deemed to be necessary for the public interest, safety, and
18 welfare.

19 (oo) In order to provide for the expeditious and timely
20 implementation of the provisions of subsection (c) of Section
21 20 of the Video Gaming Act, emergency rules to implement the
22 provisions of subsection (c) of Section 20 of the Video Gaming
23 Act may be adopted in accordance with this subsection (oo) by
24 the Illinois Gaming Board. The adoption of emergency rules
25 authorized by this subsection (oo) is deemed to be necessary
26 for the public interest, safety, and welfare.

1 (pp) In order to provide for the expeditious and timely
2 implementation of the provisions of Section 50 of the Sexual
3 Assault Evidence Submission Act, emergency rules to implement
4 Section 50 of the Sexual Assault Evidence Submission Act may
5 be adopted in accordance with this subsection (pp) by the
6 Department of State Police. The adoption of emergency rules
7 authorized by this subsection (pp) is deemed to be necessary
8 for the public interest, safety, and welfare.

9 (qq) In order to provide for the expeditious and timely
10 implementation of the provisions of the Illinois Works Jobs
11 Program Act, emergency rules may be adopted in accordance with
12 this subsection (qq) to implement the Illinois Works Jobs
13 Program Act. The adoption of emergency rules authorized by
14 this subsection (qq) is deemed to be necessary for the public
15 interest, safety, and welfare.

16 (rr) In order to provide for the expeditious and timely
17 implementation of the Illinois Energy Transition Zone Act,
18 emergency rules to implement the provisions of subsection
19 (a-5) of Section 1-40 of the Illinois Energy Transition Zone
20 Act may be adopted in accordance with this subsection (aa) by
21 the Department of Commerce and Economic Opportunity for period
22 of 12 months after the effective date of the Illinois Energy
23 Transition Zone Act. The adoption of emergency rules
24 authorized by this subsection (aa) is deemed to be necessary
25 for the public interest, safety, and welfare.

26 (Source: P.A. 100-23, eff. 7-6-17; 100-554, eff. 11-16-17;

1 100-581, eff. 3-12-18; 100-587, Article 95, Section 95-5, eff.
2 6-4-18; 100-587, Article 110, Section 110-5, eff. 6-4-18;
3 100-864, eff. 8-14-18; 100-1172, eff. 1-4-19; 100-1181, eff.
4 3-8-19; 101-1, eff. 2-19-19; 101-10, Article 20, Section 20-5,
5 eff. 6-5-19; 101-10, Article 35, Section 35-5, eff. 6-5-19;
6 101-27, eff. 6-25-19; 101-31, Article 15, Section 15-5, eff.
7 6-28-19; 101-31, Article 25, Section 25-900, eff. 6-28-19;
8 101-31, Article 35, Section 35-3, eff. 6-28-19; 101-377, eff.
9 8-16-19; 101-601, eff. 12-10-19.)

10 Section 10-7. The Illinois Enterprise Zone Act is amended
11 by changing Section 8.1 as follows:

12 (20 ILCS 655/8.1)

13 Sec. 8.1. Accounting.

14 (a) Any business receiving tax incentives due to its
15 location within an Enterprise Zone or its designation as a
16 High Impact Business must annually report to the Department of
17 Revenue information reasonably required by the Department of
18 Revenue to enable the Department to verify and calculate the
19 total Enterprise Zone or High Impact Business tax benefits for
20 property taxes and taxes imposed by the State that are
21 received by the business, broken down by incentive category
22 and enterprise zone, if applicable. Reports will be due no
23 later than May 31 of each year and shall cover the previous
24 calendar year. The first report will be for the 2012 calendar

1 year and will be due no later than May 31, 2013. Failure to
2 report data may result in ineligibility to receive incentives.
3 To the extent that a business receiving tax incentives has
4 obtained an Enterprise Zone Building Materials Exemption
5 Certificate or a High Impact Business Building Materials
6 Exemption Certificate, that business is required to report
7 those building materials exemption benefits only under
8 subsection (a-5) of this Section. No additional reporting for
9 those building materials exemption benefits is required under
10 this subsection (a). In addition, if the Department determines
11 that 80% or more of the businesses receiving tax incentives
12 because of their location within a particular Enterprise Zone
13 failed to submit the information required under this
14 subsection (a) to the Department in any calendar year, then
15 the Enterprise Zone may be decertified by the Department. If
16 the Department is able to determine that specific businesses
17 are failing to submit the information required under this
18 subsection (a) to the Department in any calendar year to the
19 Zone Administrator, regardless of the Administrator's efforts
20 to enforce reporting, the Department may, at its discretion,
21 suspend the benefits to the specific business rather than an
22 outright decertification of the particular Enterprise Zone.
23 The Department, in consultation with the Department of
24 Revenue, is authorized to adopt rules governing ineligibility
25 to receive exemptions, including the length of ineligibility.
26 Factors to be considered in determining whether a business is

1 ineligible shall include, but are not limited to, prior
2 compliance with the reporting requirements, cooperation in
3 discontinuing and correcting violations, the extent of the
4 violation, and whether the violation was willful or
5 inadvertent.

6 (a-5) Each contractor or other entity that has been issued
7 an Enterprise Zone Building Materials Exemption Certificate
8 under Section 5k of the Retailers' Occupation Tax Act or a High
9 Impact Business Building Materials Exemption Certificate under
10 Section 5l of the Retailers' Occupation Tax Act shall annually
11 report to the Department of Revenue the total value of the
12 Enterprise Zone or High Impact Business building materials
13 exemption from State taxes. Reports shall contain information
14 reasonably required by the Department of Revenue to enable it
15 to verify and calculate the total tax benefits for taxes
16 imposed by the State, and shall be broken down by Enterprise
17 Zone. Reports are due no later than May 31 of each year and
18 shall cover the previous calendar year. The first report will
19 be for the 2013 calendar year and will be due no later than May
20 31, 2014. Failure to report data may result in revocation of
21 the Enterprise Zone Building Materials Exemption Certificate
22 or High Impact Business Building Materials Exemption
23 Certificate issued to the contractor or other entity.

24 The Department of Revenue is authorized to adopt rules
25 governing revocation determinations, including the length of
26 revocation. Factors to be considered in revocations shall

1 include, but are not limited to, prior compliance with the
2 reporting requirements, cooperation in discontinuing and
3 correcting violations, and whether the certificate was used
4 unlawfully during the preceding year.

5 (b) Each person required to file a return under the Gas
6 Revenue Tax Act, the Gas Use Tax Act, the Electricity Excise
7 Tax Act, or the Telecommunications Excise Tax Act shall file,
8 on or before May 31 of each year, a report with the Department
9 of Revenue, in the manner and form required by the Department
10 of Revenue, containing information reasonably required by the
11 Department of Revenue to enable the Department of Revenue to
12 calculate the amount of the deduction for taxes imposed by the
13 State that is taken under each Act, respectively, due to the
14 location of a business in an Enterprise Zone or its
15 designation as a High Impact Business. The report shall be
16 itemized by business and the business location address.

17 (c) Employers shall report their job creation, retention,
18 and capital investment numbers within the zone annually to the
19 Department of Revenue no later than May 31 of each calendar
20 year. High Impact Businesses shall report their job creation,
21 retention, and capital investment numbers to the Department of
22 Revenue no later than May 31 of each year.

23 (d) The Department of Revenue will aggregate and collect
24 the tax, job, and capital investment data by Enterprise Zone
25 and High Impact Business and report this information,
26 formatted to exclude company-specific proprietary information,

1 to the Department and the Board by August 1, 2013, and by
2 August 1 of every calendar year thereafter. The Department
3 will include this information in their required reports under
4 Section 6 of this Act. The Board shall consider this
5 information during the reviews required under subsection (d-5)
6 of Section 5.4 of this Act and subsection (c) of Section 5.3 of
7 this Act.

8 (e) The Department of Revenue, in its discretion, may
9 require that the reports filed under this Section be submitted
10 electronically.

11 (f) The Department of Revenue shall have the authority to
12 adopt rules as are reasonable and necessary to implement the
13 provisions of this Section.

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

15 Section 10-10. The State Finance Act is amended by adding
16 Section 5.935 as follows:

17 (30 ILCS 105/5.935 new)

18 Sec. 5.935. The Energy Transition Fund.

19 Section 10-15. The State Mandates Act is amended by adding
20 Section 8.45 as follows:

21 (30 ILCS 805/8.45 new)

22 Sec. 8.45. Exempt mandate. Notwithstanding Sections 6 and

1 8 of this Act, no reimbursement by the State is required for
2 the implementation of any mandate created by this amendatory
3 Act of the 102nd General Assembly.

4 Section 10-20. The Illinois Income Tax Act is amended by
5 adding Sections 232 and 233 as follows:

6 (35 ILCS 5/232 new)

7 Sec. 232. Investment credit; Energy Transition Zone.

8 (a) For tax years beginning on or after January 1, 2022, a
9 taxpayer shall be allowed a credit against the tax imposed by
10 subsections (a) and (b) of Section 201 for investment in
11 qualified property which is placed in service for the use of
12 the production of green energy by a green energy enterprise in
13 an Energy Transition Zone created pursuant to the Illinois
14 Energy Transition Zone Act. For partners, shareholders of
15 Subchapter S corporations, and owners of limited liability
16 companies, if the liability company is treated as a
17 partnership for purposes of federal and State income taxation,
18 there shall be allowed a credit under this Section to be
19 determined in accordance with the determination of income and
20 distributive share of income under Sections 702 and 704 and
21 Subchapter S of the Internal Revenue Code. The credit shall be
22 0.5% of the basis for such property. The credit shall be
23 available only in the taxable year in which the property is
24 placed in service in the Energy Transition Zone and shall not

1 be allowed to the extent that it would reduce a taxpayer's
2 liability for the tax imposed by subsections (a) and (b) of
3 Section 201 to below zero. The credit shall be allowed for the
4 tax year in which the property is placed in service, or, if the
5 amount of the credit exceeds the tax liability for that year,
6 whether it exceeds the original liability or the liability as
7 later amended, such excess may be carried forward and applied
8 to the tax liability of the 5 taxable years following the
9 excess credit year. The credit shall be applied to the
10 earliest year for which there is a liability. If there is
11 credit from more than one tax year that is available to offset
12 a liability, the credit accruing first in time shall be
13 applied first.

14 (b) The term "qualified property" means property which:

15 (1) is tangible, whether new or used, including
16 buildings and structural components of buildings;

17 (2) is depreciable pursuant to Section 167 of the
18 Internal Revenue Code, except that "3-year property" as
19 defined in Section 168(c)(2)(A) of that Code is not
20 eligible for the credit provided by this subsection (f-1);

21 (3) is acquired by purchase as defined in Section
22 179(d) of the Internal Revenue Code;

23 (4) is used in the Energy Transition Zone by the
24 taxpayer in relation to producing green energy; and

25 (5) has not been previously used in Illinois in such a
26 manner and by such a person as would qualify for the credit

1 provided by this Section.

2 (c) The basis of qualified property shall be the basis
3 used to compute the depreciation deduction for federal income
4 tax purposes.

5 (d) If the basis of the property for federal income tax
6 depreciation purposes is increased after it has been placed in
7 service in the Energy Transition Zone by the taxpayer, the
8 amount of such increase shall be deemed property placed in
9 service on the date of such increase in basis.

10 (e) The term "placed in service" shall have the same
11 meaning as under Section 46 of the Internal Revenue Code.

12 (f) If during any taxable year, any property ceases to be
13 qualified property in the hands of the taxpayer within 48
14 months after being placed in service, or the situs of any
15 qualified property is moved outside the Energy Transition Zone
16 within 48 months after being placed in service, the tax
17 imposed under subsections (a) and (b) of Section 201 for such
18 taxable year shall be increased. Such increase shall be
19 determined by (i) recomputing the investment credit which
20 would have been allowed for the year in which credit for such
21 property was originally allowed by eliminating such property
22 from such computation, and (ii) subtracting such recomputed
23 credit from the amount of credit previously allowed. For the
24 purposes of this subsection, a reduction of the basis of
25 qualified property resulting from a redetermination of the
26 purchase price shall be deemed a disposition of qualified

1 property to the extent of such reduction.

2 (g) The Department of Commerce and Economic Opportunity
3 shall provide a tax credit certificate indicating the credit
4 amount and the year in which the property is placed in service.

5 (35 ILCS 5/233 new)

6 Sec. 233. Energy Transition Tax Credit Act. For tax years
7 beginning on or after January 1, 2022, a taxpayer who
8 qualifies for a credit under the Energy Transition Tax Credit
9 Act is entitled to a credit against the taxes imposed under
10 subsections (a) and (b) of Section 201 of this Act as provided
11 in that Act.

12 Section 10-25. The Retailers' Occupation Tax Act is
13 amended by adding Section 5k-1 as follows:

14 (35 ILCS 120/5k-1 new)

15 Sec. 5k-1. Building materials exemption; Energy Transition
16 Zone.

17 (a) Each retailer who makes a qualified sale of building
18 materials to be incorporated into a green energy project, as
19 defined in the Energy Transition Zone Act, being built by a
20 green energy enterprise in an Energy Transition Zone
21 established by or municipality under the Illinois Energy
22 Transition Zone Act by remodeling, rehabilitation or new
23 construction, may deduct receipts from such sales when

1 calculating the tax imposed by this Act. For purposes of this
2 Section, "qualified sale" means a sale of building materials
3 that will be incorporated into real estate as part of a
4 building project for which an Energy Transition Zone Building
5 Materials Exemption Certificate has been issued to the
6 purchaser by the Department. A construction contractor or
7 other entity shall not make tax-free purchases unless it has
8 an active Energy Transition Zone Building Materials Exemption
9 Certificate issued by the Department at the time of the
10 purchase.

11 (b) To document the exemption allowed under this Section,
12 the retailer must obtain from the purchaser the certification
13 required under subsection (c), which must contain the Energy
14 Transition Zone Building Materials Exemption Certificate
15 number issued to the purchaser by the Department. Upon request
16 from the Energy Transition Zone Administrator, the Department
17 shall issue an Energy Transition Zone Building Materials
18 Exemption Certificate for each construction contractor or
19 other entity identified by the Energy Transition Zone
20 Administrator. The Department shall make the Energy Transition
21 Zone Building Materials Exemption Certificates available
22 directly to each Energy Transition Zone Administrator,
23 construction contractor, or other entity. The request for
24 Energy Transition Zone Building Materials Exemption
25 Certificates from the Energy Transition Zone Administrator to
26 the Department must include the following information:

1 (1) the name and address of the construction
2 contractor or other entity;

3 (2) the name and number of the Energy Transition Zone;

4 (3) the name and location or address of the green
5 energy enterprise;

6 (4) the estimated amount of the exemption for each
7 construction contractor or other entity for which a
8 request for Energy Transition Zone Building Materials
9 Exemption Certificate is made, based on a stated estimated
10 average tax rate and the percentage of the contract that
11 consists of materials;

12 (5) the period of time over which supplies for the
13 project are expected to be purchased; and

14 (6) other reasonable information as the Department may
15 require, including, but not limited to FEIN numbers, to
16 determine if the contractor or other entity, or any
17 partner, or a corporate officer, and in the case of a
18 limited liability company, any manager or member, of the
19 construction contractor or other entity, is or has been
20 the owner, a partner, a corporate officer, and in the case
21 of a limited liability company, a manager or member, of a
22 person that is in default for moneys due to the Department
23 under this Act or any other tax or fee Act administered by
24 the Department.

25 The Department shall issue the Energy Transition Zone
26 Building Materials Exemption Certificates within 3 business

1 days after receipt of request from the Zone Administrator.
2 This requirement does not apply in circumstances where the
3 Department, for reasonable cause, is unable to issue the
4 Energy Transition Zone Building Materials Exemption
5 Certificate within 3 business days. The Department may refuse
6 to issue an Energy Transition Zone Building Materials
7 Exemption Certificate if the owner, any partner, or a
8 corporate officer, and in the case of a limited liability
9 company, any manager or member, of the construction contractor
10 or other entity is or has been the owner, a partner, a
11 corporate officer, and in the case of a limited liability
12 company, a manager or member, of a person that is in default
13 for moneys due to the Department under this Act or any other
14 tax or fee Act administered by the Department. The Energy
15 Transition Zone Building Materials Exemption Certificate shall
16 contain language stating that if the construction contractor
17 or other entity who is issued the Energy Transition Zone
18 Building Materials Exemption Certificate makes a tax-exempt
19 purchase, as described in this Section, that is not eligible
20 for exemption under this Section or allows another person to
21 make a tax-exempt purchase, as described in this Section, that
22 is not eligible for exemption under this Section, then, in
23 addition to any tax or other penalty imposed, the construction
24 contractor or other entity is subject to a penalty equal to the
25 tax that would have been paid by the retailer under this Act as
26 well as any applicable local retailers' occupation tax on the

1 purchase that is not eligible for the exemption.

2 The Department, in its discretion, may require that the
3 request for Energy Transition Zone Building Materials
4 Exemption Certificates be submitted electronically. The
5 Department may, in its discretion, issue the Energy Transition
6 Zone Building Materials Exemption Certificates electronically.
7 The Energy Transition Zone Building Materials Exemption
8 Certificate number shall be designed in such a way that the
9 Department can identify from the unique number on the Energy
10 Transition Zone Building Materials Exemption Certificate
11 issued to a given construction contractor or other entity, the
12 name of the Energy Transition Zone, the project for which the
13 Energy Transition Zone Building Materials Exemption
14 Certificate is issued, and the construction contractor or
15 other entity to whom the Energy Transition Zone Building
16 Materials Exemption Certificate is issued. The Energy
17 Transition Zone Building Materials Exemption Certificate shall
18 contain an expiration date, which shall be no more than 2 years
19 after the date of issuance. At the request of the Zone
20 Administrator, the Department may renew an Energy Transition
21 Zone Building Materials Exemption Certificate. After the
22 Department issues Energy Transition Zone Building Materials
23 Exemption Certificates for a given Energy Transition Zone
24 project, the Energy Transition Zone Administrator may notify
25 the Department of additional construction contractors or other
26 entities eligible for an Energy Transition Zone Building

1 Materials Exemption Certificate. Upon notification by the
2 Energy Transition Zone Administrator and subject to the other
3 provisions of this subsection (b), the Department shall issue
4 an Energy Transition Zone Building Materials Exemption
5 Certificate to each additional construction contractor or
6 other entity identified by the Energy Transition Zone
7 Administrator. An Energy Transition Zone Administrator may
8 notify the Department to rescind an Energy Transition Zone
9 Building Materials Exemption Certificate previously issued by
10 the Department but that has not yet expired. Upon notification
11 by the Energy Transition Zone Administrator and subject to the
12 other provisions of this subsection (b), the Department shall
13 issue the rescission of the Energy Transition Zone Building
14 Materials Exemption Certificate to the construction contractor
15 or other entity identified by the Energy Transition Zone
16 Administrator and provide a copy to the Energy Transition Zone
17 Administrator.

18 If the Department of Revenue determines that a
19 construction contractor or other entity that was issued an
20 Energy Transition Zone Building Materials Exemption
21 Certificate under this subsection (b) made a tax-exempt
22 purchase, as described in this Section, that was not eligible
23 for exemption under this Section or allowed another person to
24 make a tax-exempt purchase, as described in this Section, that
25 was not eligible for exemption under this Section, then, in
26 addition to any tax or other penalty imposed, the construction

1 contractor or other entity is subject to a penalty equal to the
2 tax that would have been paid by the retailer under this Act as
3 well as any applicable local retailers' occupation tax on the
4 purchase that was not eligible for the exemption.

5 (c) In addition, the retailer must obtain certification
6 from the purchaser that contains:

7 (1) a statement that the building materials are being
8 purchased for incorporation into a green energy project
9 located in an Illinois Energy Transition Zone;

10 (2) the location or address of the real estate into
11 which the building materials will be incorporated;

12 (3) the name of the Energy Transition Zone in which
13 that real estate is located;

14 (4) a description of the building materials being
15 purchased;

16 (5) the purchaser's Energy Transition Zone Building
17 Materials Exemption Certificate number issued by the
18 Department; and

19 (6) the purchaser's signature and date of purchase.

20 (d) The deduction allowed by this Section for the sale of
21 building materials may be limited, to the extent authorized by
22 ordinance by the municipality or county that created the
23 Energy Transition Zone into which the building materials will
24 be incorporated. The ordinance, however, may neither require
25 nor prohibit the purchase of building materials from any
26 retailer or class of retailers in order to qualify for the

1 exemption allowed under this Section. The provisions of this
2 Section are exempt from Section 2-70.

3 Section 10-30. The Illinois Municipal Code is amended by
4 changing Section 8-11-2 as follows:

5 (65 ILCS 5/8-11-2) (from Ch. 24, par. 8-11-2)

6 Sec. 8-11-2. The corporate authorities of any municipality
7 may tax any or all of the following occupations or privileges:

8 1. (Blank).

9 2. Persons engaged in the business of distributing,
10 supplying, furnishing, or selling gas for use or
11 consumption within the corporate limits of a municipality
12 of 500,000 or fewer population, and not for resale, at a
13 rate not to exceed 5% of the gross receipts therefrom.

14 2a. Persons engaged in the business of distributing,
15 supplying, furnishing, or selling gas for use or
16 consumption within the corporate limits of a municipality
17 of over 500,000 population, and not for resale, at a rate
18 not to exceed 8% of the gross receipts therefrom. If
19 imposed, this tax shall be paid in monthly payments.

20 3. The privilege of using or consuming electricity
21 acquired in a purchase at retail and used or consumed
22 within the corporate limits of the municipality at rates
23 not to exceed the following maximum rates, calculated on a
24 monthly basis for each purchaser:

1 (i) For the first 2,000 kilowatt-hours used or
2 consumed in a month; 0.61 cents per kilowatt-hour;

3 (ii) For the next 48,000 kilowatt-hours used or
4 consumed in a month; 0.40 cents per kilowatt-hour;

5 (iii) For the next 50,000 kilowatt-hours used or
6 consumed in a month; 0.36 cents per kilowatt-hour;

7 (iv) For the next 400,000 kilowatt-hours used or
8 consumed in a month; 0.35 cents per kilowatt-hour;

9 (v) For the next 500,000 kilowatt-hours used or
10 consumed in a month; 0.34 cents per kilowatt-hour;

11 (vi) For the next 2,000,000 kilowatt-hours used or
12 consumed in a month; 0.32 cents per kilowatt-hour;

13 (vii) For the next 2,000,000 kilowatt-hours used
14 or consumed in a month; 0.315 cents per kilowatt-hour;

15 (viii) For the next 5,000,000 kilowatt-hours used
16 or consumed in a month; 0.31 cents per kilowatt-hour;

17 (ix) For the next 10,000,000 kilowatt-hours used
18 or consumed in a month; 0.305 cents per kilowatt-hour;

19 and

20 (x) For all electricity used or consumed in excess
21 of 20,000,000 kilowatt-hours in a month, 0.30 cents
22 per kilowatt-hour.

23 If a municipality imposes a tax at rates lower than
24 either the maximum rates specified in this Section or the
25 alternative maximum rates promulgated by the Illinois
26 Commerce Commission, as provided below, the tax rates

1 shall be imposed upon the kilowatt-hour categories set
2 forth above with the same proportional relationship as
3 that which exists among such maximum rates.
4 Notwithstanding the foregoing, until December 31, 2008, no
5 municipality shall establish rates that are in excess of
6 rates reasonably calculated to produce revenues that equal
7 the maximum total revenues such municipality could have
8 received under the tax authorized by this subparagraph in
9 the last full calendar year prior to August 1, 1998 (the
10 effective date of Section 65 of Public Act 90-561);
11 provided that this shall not be a limitation on the amount
12 of tax revenues actually collected by such municipality.

13 Upon the request of the corporate authorities of a
14 municipality, the Illinois Commerce Commission shall,
15 within 90 days after receipt of such request, promulgate
16 alternative rates for each of these kilowatt-hour
17 categories that will reflect, as closely as reasonably
18 practical for that municipality, the distribution of the
19 tax among classes of purchasers as if the tax were based on
20 a uniform percentage of the purchase price of electricity.
21 A municipality that has adopted an ordinance imposing a
22 tax pursuant to subparagraph 3 as it existed prior to
23 August 1, 1998 (the effective date of Section 65 of Public
24 Act 90-561) may, rather than imposing the tax permitted by
25 Public Act 90-561, continue to impose the tax pursuant to
26 that ordinance with respect to gross receipts received

1 from residential customers through July 31, 1999, and with
2 respect to gross receipts from any non-residential
3 customer until the first bill issued to such customer for
4 delivery services in accordance with Section 16-104 of the
5 Public Utilities Act but in no case later than the last
6 bill issued to such customer before December 31, 2000. No
7 ordinance imposing the tax permitted by Public Act 90-561
8 shall be applicable to any non-residential customer until
9 the first bill issued to such customer for delivery
10 services in accordance with Section 16-104 of the Public
11 Utilities Act but in no case later than the last bill
12 issued to such non-residential customer before December
13 31, 2000.

14 4. Persons engaged in the business of distributing,
15 supplying, furnishing, or selling water for use or
16 consumption within the corporate limits of the
17 municipality, and not for resale, at a rate not to exceed
18 5% of the gross receipts therefrom.

19 None of the taxes authorized by this Section may be
20 imposed with respect to any transaction in interstate commerce
21 or otherwise to the extent to which the business or privilege
22 may not, under the constitution and statutes of the United
23 States, be made the subject of taxation by this State or any
24 political sub-division thereof; nor shall any persons engaged
25 in the business of distributing, supplying, furnishing,
26 selling or transmitting gas, water, or electricity, or using

1 or consuming electricity acquired in a purchase at retail, be
2 subject to taxation under the provisions of this Section for
3 those transactions that are or may become subject to taxation
4 under the provisions of the Municipal Retailers' Occupation
5 Tax Act authorized by Section 8-11-1; nor shall any tax
6 authorized by this Section be imposed upon any person engaged
7 in a business or on any privilege unless the tax is imposed in
8 like manner and at the same rate upon all persons engaged in
9 businesses of the same class in the municipality, whether
10 privately or municipally owned or operated, or exercising the
11 same privilege within the municipality.

12 Any of the taxes enumerated in this Section may be in
13 addition to the payment of money, or value of products or
14 services furnished to the municipality by the taxpayer as
15 compensation for the use of its streets, alleys, or other
16 public places, or installation and maintenance therein,
17 thereon or thereunder of poles, wires, pipes, or other
18 equipment used in the operation of the taxpayer's business.

19 (a) If the corporate authorities of any home rule
20 municipality have adopted an ordinance that imposed a tax on
21 public utility customers, between July 1, 1971, and October 1,
22 1981, on the good faith belief that they were exercising
23 authority pursuant to Section 6 of Article VII of the 1970
24 Illinois Constitution, that action of the corporate
25 authorities shall be declared legal and valid, notwithstanding
26 a later decision of a judicial tribunal declaring the

1 ordinance invalid. No municipality shall be required to
2 rebate, refund, or issue credits for any taxes described in
3 this paragraph, and those taxes shall be deemed to have been
4 levied and collected in accordance with the Constitution and
5 laws of this State.

6 (b) In any case in which (i) prior to October 19, 1979, the
7 corporate authorities of any municipality have adopted an
8 ordinance imposing a tax authorized by this Section (or by the
9 predecessor provision of the Revised Cities and Villages Act)
10 and have explicitly or in practice interpreted gross receipts
11 to include either charges added to customers' bills pursuant
12 to the provision of paragraph (a) of Section 36 of the Public
13 Utilities Act or charges added to customers' bills by
14 taxpayers who are not subject to rate regulation by the
15 Illinois Commerce Commission for the purpose of recovering any
16 of the tax liabilities or other amounts specified in such
17 paragraph (a) of Section 36 of that Act, and (ii) on or after
18 October 19, 1979, a judicial tribunal has construed gross
19 receipts to exclude all or part of those charges, then neither
20 that municipality nor any taxpayer who paid the tax shall be
21 required to rebate, refund, or issue credits for any tax
22 imposed or charge collected from customers pursuant to the
23 municipality's interpretation prior to October 19, 1979. This
24 paragraph reflects a legislative finding that it would be
25 contrary to the public interest to require a municipality or
26 its taxpayers to refund taxes or charges attributable to the

1 municipality's more inclusive interpretation of gross receipts
2 prior to October 19, 1979, and is not intended to prescribe or
3 limit judicial construction of this Section. The legislative
4 finding set forth in this subsection does not apply to taxes
5 imposed after January 1, 1996 (the effective date of Public
6 Act 89-325).

7 (c) The tax authorized by subparagraph 3 shall be
8 collected from the purchaser by the person maintaining a place
9 of business in this State who delivers the electricity to the
10 purchaser. This tax shall constitute a debt of the purchaser
11 to the person who delivers the electricity to the purchaser
12 and if unpaid, is recoverable in the same manner as the
13 original charge for delivering the electricity. Any tax
14 required to be collected pursuant to an ordinance authorized
15 by subparagraph 3 and any such tax collected by a person
16 delivering electricity shall constitute a debt owed to the
17 municipality by such person delivering the electricity,
18 provided, that the person delivering electricity shall be
19 allowed credit for such tax related to deliveries of
20 electricity the charges for which are written off as
21 uncollectible, and provided further, that if such charges are
22 thereafter collected, the delivering supplier shall be
23 obligated to remit such tax. For purposes of this subsection
24 (c), any partial payment not specifically identified by the
25 purchaser shall be deemed to be for the delivery of
26 electricity. Persons delivering electricity shall collect the

1 tax from the purchaser by adding such tax to the gross charge
2 for delivering the electricity, in the manner prescribed by
3 the municipality. Persons delivering electricity shall also be
4 authorized to add to such gross charge an amount equal to 3% of
5 the tax to reimburse the person delivering electricity for the
6 expenses incurred in keeping records, billing customers,
7 preparing and filing returns, remitting the tax and supplying
8 data to the municipality upon request. If the person
9 delivering electricity fails to collect the tax from the
10 purchaser, then the purchaser shall be required to pay the tax
11 directly to the municipality in the manner prescribed by the
12 municipality. Persons delivering electricity who file returns
13 pursuant to this paragraph (c) shall, at the time of filing
14 such return, pay the municipality the amount of the tax
15 collected pursuant to subparagraph 3.

16 (d) For the purpose of the taxes enumerated in this
17 Section:

18 "Gross receipts" means the consideration received for
19 distributing, supplying, furnishing or selling gas for use or
20 consumption and not for resale, and the consideration received
21 for distributing, supplying, furnishing or selling water for
22 use or consumption and not for resale, and for all services
23 rendered in connection therewith valued in money, whether
24 received in money or otherwise, including cash, credit,
25 services and property of every kind and material and for all
26 services rendered therewith, and shall be determined without

1 any deduction on account of the cost of the service, product or
2 commodity supplied, the cost of materials used, labor or
3 service cost, or any other expenses whatsoever. "Gross
4 receipts" shall not include that portion of the consideration
5 received for distributing, supplying, furnishing, or selling
6 gas or water to business enterprises or green energy
7 enterprises described in paragraph (e) of this Section to the
8 extent and during the period in which the exemption authorized
9 by paragraph (e) is in effect or for school districts or units
10 of local government described in paragraph (f) during the
11 period in which the exemption authorized in paragraph (f) is
12 in effect.

13 For utility bills issued on or after May 1, 1996, but
14 before May 1, 1997, and for receipts from those utility bills,
15 "gross receipts" does not include one-third of (i) amounts
16 added to customers' bills under Section 9-222 of the Public
17 Utilities Act, or (ii) amounts added to customers' bills by
18 taxpayers who are not subject to rate regulation by the
19 Illinois Commerce Commission for the purpose of recovering any
20 of the tax liabilities described in Section 9-222 of the
21 Public Utilities Act. For utility bills issued on or after May
22 1, 1997, but before May 1, 1998, and for receipts from those
23 utility bills, "gross receipts" does not include two-thirds of
24 (i) amounts added to customers' bills under Section 9-222 of
25 the Public Utilities Act, or (ii) amount added to customers'
26 bills by taxpayers who are not subject to rate regulation by

1 the Illinois Commerce Commission for the purpose of recovering
2 any of the tax liabilities described in Section 9-222 of the
3 Public Utilities Act. For utility bills issued on or after May
4 1, 1998, and for receipts from those utility bills, "gross
5 receipts" does not include (i) amounts added to customers'
6 bills under Section 9-222 of the Public Utilities Act, or (ii)
7 amounts added to customers' bills by taxpayers who are not
8 subject to rate regulation by the Illinois Commerce Commission
9 for the purpose of recovering any of the tax liabilities
10 described in Section 9-222 of the Public Utilities Act.

11 For purposes of this Section "gross receipts" shall not
12 include amounts added to customers' bills under Section 9-221
13 of the Public Utilities Act. This paragraph is not intended to
14 nor does it make any change in the meaning of "gross receipts"
15 for the purposes of this Section, but is intended to remove
16 possible ambiguities, thereby confirming the existing meaning
17 of "gross receipts" prior to January 1, 1996 (the effective
18 date of Public Act 89-325).

19 "Person" as used in this Section means any natural
20 individual, firm, trust, estate, partnership, association,
21 joint stock company, joint adventure, corporation, limited
22 liability company, municipal corporation, the State or any of
23 its political subdivisions, any State university created by
24 statute, or a receiver, trustee, guardian or other
25 representative appointed by order of any court.

26 "Person maintaining a place of business in this State"

1 shall mean any person having or maintaining within this State,
2 directly or by a subsidiary or other affiliate, an office,
3 generation facility, distribution facility, transmission
4 facility, sales office or other place of business, or any
5 employee, agent, or other representative operating within this
6 State under the authority of the person or its subsidiary or
7 other affiliate, irrespective of whether such place of
8 business or agent or other representative is located in this
9 State permanently or temporarily, or whether such person,
10 subsidiary or other affiliate is licensed or qualified to do
11 business in this State.

12 "Public utility" shall have the meaning ascribed to it in
13 Section 3-105 of the Public Utilities Act and shall include
14 alternative retail electric suppliers as defined in Section
15 16-102 of that Act.

16 "Purchase at retail" shall mean any acquisition of
17 electricity by a purchaser for purposes of use or consumption,
18 and not for resale, but shall not include the use of
19 electricity by a public utility directly in the generation,
20 production, transmission, delivery or sale of electricity.

21 "Purchaser" shall mean any person who uses or consumes,
22 within the corporate limits of the municipality, electricity
23 acquired in a purchase at retail.

24 (e) Any municipality that imposes taxes upon public
25 utilities or upon the privilege of using or consuming
26 electricity pursuant to this Section whose territory includes

1 any part of an enterprise zone, Energy Transition Zone, or
2 federally designated Foreign Trade Zone or Sub-Zone may, by a
3 majority vote of its corporate authorities, exempt from those
4 taxes for a period not exceeding 20 years any specified
5 percentage of gross receipts of public utilities received
6 from, or electricity used or consumed by, business enterprises
7 or green energy enterprises that:

8 (1) either (i) make investments that cause the
9 creation of a minimum of 200 full-time equivalent jobs in
10 Illinois, (ii) make investments of at least \$175,000,000
11 that cause the creation of a minimum of 150 full-time
12 equivalent jobs in Illinois, or (iii) make investments
13 that cause the retention of a minimum of 1,000 full-time
14 jobs in Illinois; and

15 (2) are either (i) located in an Enterprise Zone
16 established pursuant to the Illinois Enterprise Zone Act
17 or (ii) Department of Commerce and Economic Opportunity
18 designated High Impact Businesses located in a federally
19 designated Foreign Trade Zone or Sub-Zone; or (iii)
20 located in an Energy Transition Zone established pursuant
21 to the Illinois Energy Transition Zone Act; and

22 (3) are certified by the Department of Commerce and
23 Economic Opportunity as complying with the requirements
24 specified in clauses (1) and (2) of this paragraph (e).

25 Upon adoption of the ordinance authorizing the exemption,
26 the municipal clerk shall transmit a copy of that ordinance to

1 the Department of Commerce and Economic Opportunity. The
2 Department of Commerce and Economic Opportunity shall
3 determine whether the business enterprises or green energy
4 enterprises located in the municipality meet the criteria
5 prescribed in this paragraph. If the Department of Commerce
6 and Economic Opportunity determines that the business
7 enterprises or green energy enterprises meet the criteria, it
8 shall grant certification. The Department of Commerce and
9 Economic Opportunity shall act upon certification requests
10 within 30 days after receipt of the ordinance.

11 Upon certification of the business enterprise or green
12 energy enterprises by the Department of Commerce and Economic
13 Opportunity, the Department of Commerce and Economic
14 Opportunity shall notify the Department of Revenue of the
15 certification. The Department of Revenue shall notify the
16 public utilities of the exemption status of the gross receipts
17 received from, and the electricity used or consumed by, the
18 certified business enterprises and certified green energy
19 enterprises. Such exemption status shall be effective within 3
20 months after certification.

21 (f) A municipality that imposes taxes upon public
22 utilities or upon the privilege of using or consuming
23 electricity under this Section and whose territory includes
24 part of another unit of local government or a school district
25 may by ordinance exempt the other unit of local government or
26 school district from those taxes.

1 (g) The amendment of this Section by Public Act 84-127
2 shall take precedence over any other amendment of this Section
3 by any other amendatory Act passed by the 84th General
4 Assembly before August 1, 1985 (the effective date of Public
5 Act 84-127).

6 (h) In any case in which, before July 1, 1992, a person
7 engaged in the business of transmitting messages through the
8 use of mobile equipment, such as cellular phones and paging
9 systems, has determined the municipality within which the
10 gross receipts from the business originated by reference to
11 the location of its transmitting or switching equipment, then
12 (i) neither the municipality to which tax was paid on that
13 basis nor the taxpayer that paid tax on that basis shall be
14 required to rebate, refund, or issue credits for any such tax
15 or charge collected from customers to reimburse the taxpayer
16 for the tax and (ii) no municipality to which tax would have
17 been paid with respect to those gross receipts if the
18 provisions of Public Act 87-773 had been in effect before July
19 1, 1992, shall have any claim against the taxpayer for any
20 amount of the tax.

21 (Source: P.A. 100-201, eff. 8-18-17.)

22 Section 10-35. The Public Utilities Act is amended by
23 changing Sections 9-221 and 9-222 and by adding Section
24 9-222.1b as follows:

1 (220 ILCS 5/9-221) (from Ch. 111 2/3, par. 9-221)

2 Sec. 9-221. Whenever a municipality pursuant to Section
3 8-11-2 of the Illinois Municipal Code, as heretofore and
4 hereafter amended, imposes a tax on any public utility, such
5 utility may charge its customers, other than customers who are
6 certified business enterprises or certified green energy
7 enterprises under paragraph (e) of Section 8-11-2 of the
8 Illinois Municipal Code or are exempted from those taxes under
9 paragraph (f) of that Section, to the extent of such exemption
10 and during the period in which such exemption is in effect, in
11 addition to any rate authorized by this Act, an additional
12 charge equal to the sum of (1) an amount equal to such
13 municipal tax, or any part thereof (2) 3% of such tax, or any
14 part thereof, as the case may be, to cover costs of accounting,
15 and (3) an amount equal to the increase in taxes and other
16 payments to governmental bodies resulting from the amount of
17 such additional charge. Such utility shall file with the
18 Commission a true and correct copy of the municipal ordinance
19 imposing such tax; and also shall file with the Commission a
20 supplemental schedule applicable to such municipality which
21 shall specify such additional charge and which shall become
22 effective upon filing without further notice. Such additional
23 charge shall be shown separately on the utility bill to each
24 customer. The Commission shall have power to investigate
25 whether or not such supplemental schedule correctly specifies
26 such additional charge, but shall have no power to suspend

1 such supplemental schedule. If the Commission finds, after a
2 hearing, that such supplemental schedule does not correctly
3 specify such additional charge, it shall by order require a
4 refund to the appropriate customers of the excess, if any,
5 with interest, in such manner as it shall deem just and
6 reasonable, and in and by such order shall require the utility
7 to file an amended supplemental schedule corresponding to the
8 finding and order of the Commission.

9 (Source: P.A. 87-895; 88-132.)

10 (220 ILCS 5/9-222) (from Ch. 111 2/3, par. 9-222)

11 Sec. 9-222. Whenever a tax is imposed upon a public
12 utility engaged in the business of distributing, supplying,
13 furnishing, or selling gas for use or consumption pursuant to
14 Section 2 of the Gas Revenue Tax Act, or whenever a tax is
15 required to be collected by a delivering supplier pursuant to
16 Section 2-7 of the Electricity Excise Tax Act, or whenever a
17 tax is imposed upon a public utility pursuant to Section 2-202
18 of this Act, such utility may charge its customers, other than
19 customers who are high impact businesses under Section 5.5 of
20 the Illinois Enterprise Zone Act, or certified business
21 enterprises under Section 9-222.1 of this Act, or certified
22 green energy enterprises under Section 9-221.B, to the extent
23 of such exemption and during the period in which such
24 exemption is in effect, in addition to any rate authorized by
25 this Act, an additional charge equal to the total amount of

1 such taxes. The exemption of this Section relating to high
2 impact businesses shall be subject to the provisions of
3 subsections (a), (b), and (b-5) of Section 5.5 of the Illinois
4 Enterprise Zone Act. This requirement shall not apply to taxes
5 on invested capital imposed pursuant to the Messages Tax Act,
6 the Gas Revenue Tax Act and the Public Utilities Revenue Act.
7 Such utility shall file with the Commission a supplemental
8 schedule which shall specify such additional charge and which
9 shall become effective upon filing without further notice.
10 Such additional charge shall be shown separately on the
11 utility bill to each customer. The Commission shall have the
12 power to investigate whether or not such supplemental schedule
13 correctly specifies such additional charge, but shall have no
14 power to suspend such supplemental schedule. If the Commission
15 finds, after a hearing, that such supplemental schedule does
16 not correctly specify such additional charge, it shall by
17 order require a refund to the appropriate customers of the
18 excess, if any, with interest, in such manner as it shall deem
19 just and reasonable, and in and by such order shall require the
20 utility to file an amended supplemental schedule corresponding
21 to the finding and order of the Commission. Except with
22 respect to taxes imposed on invested capital, such tax
23 liabilities shall be recovered from customers solely by means
24 of the additional charges authorized by this Section.

25 (Source: P.A. 91-914, eff. 7-7-00; 92-12, eff. 7-1-01.)

1 (220 ILCS 5/9-222.1b new)

2 Sec. 9-222.1b. Green energy enterprises. A green energy
3 enterprise as defined in the Illinois Energy Transition Zone
4 Act, which is located within an area designated by a county or
5 municipality as an Energy Transition Zone pursuant to the
6 Illinois Energy Transition Zone Act shall be exempt from the
7 additional charges added to the green energy enterprise's
8 utility bills as a pass-on of municipal and State utility
9 taxes under Sections 9-221 and 9-222 of this Act, to the extent
10 such charges are exempted by ordinance adopted in accordance
11 with paragraph (e) of Section 8-11-2 of the Illinois Municipal
12 Code in the case of municipal utility taxes, and to the extent
13 such charges are exempted by the percentage specified by the
14 Department of Commerce and Economic Opportunity in the case of
15 State utility taxes, provided such green energy enterprise
16 meets the following criteria:

17 (1) it (i) makes investments which cause the creation
18 of a minimum of 200 full-time equivalent jobs in an Energy
19 Transition Zone; (ii) makes investments of at least
20 \$175,000,000 which cause the creation of a minimum of 150
21 full-time equivalent jobs in an Energy Transition Zone; or
22 (iii) makes investments which cause the retention of a
23 minimum of 1,000 full-time jobs in an Energy Transition
24 Zone; and

25 (2) it is located in an Energy Transition Zone
26 established pursuant to the Illinois Energy Transition

1 Zone Act; and

2 (3) it is certified by the Department of Commerce and
3 Economic Opportunity as complying with the requirements
4 specified in clauses (1) and (2) of this Section.

5 The Department of Commerce and Economic Opportunity shall
6 determine the period during which such exemption from the
7 charges imposed under Section 9-222 is in effect which shall
8 not exceed 30 years or the certified term of the energy
9 transition Zone, whichever period is shorter.

10 The Department of Commerce and Economic Opportunity shall
11 have the power to adopt rules to carry out the provisions of
12 this Section including procedures for complying with the
13 requirements specified in clauses (1) and (2) of this Section
14 and procedures for applying for the exemptions authorized
15 under this Section; to define the amounts and types of
16 eligible investments which green energy enterprises must make
17 in order to receive State utility tax exemptions pursuant to
18 Sections 9-222 and 9-222.1B of this Act; to approve such
19 utility tax exemptions for green energy enterprises whose
20 investments are not yet placed in service; and to require that
21 green energy enterprises granted tax exemptions repay the
22 exempted tax should the green energy enterprise fail to comply
23 with the terms and conditions of the certification. However,
24 no green energy enterprise shall be required, as a condition
25 for certification under clause (3) of this Section, to attest
26 that its decision to invest under clause (1) of this Section

1 and to locate under clause (2) of this Section is predicated
2 upon the availability of the exemptions authorized by this
3 Section.

4 A green energy enterprise shall be exempt, in whole or in
5 part, from the pass-on charges of municipal utility taxes
6 imposed under Section 9-221, only if it meets the criteria
7 specified in clauses (1) through (3) of this Section and the
8 municipality has adopted an ordinance authorizing the
9 exemption under paragraph (e) of Section 8-11-2 of the
10 Illinois Municipal Code. Upon certification of the green
11 energy enterprises by the Department of Commerce and Economic
12 Opportunity, the Department of Commerce and Economic
13 Opportunity shall notify the Department of Revenue of such
14 certification. The Department of Revenue shall notify the
15 public utilities of the exemption status of green energy
16 enterprises from the pass-on charges of State and municipal
17 utility taxes. Such exemption status shall be effective within
18 3 months after certification of the green energy enterprise.

19 Article 99. Effective date

20 Section 99-99. Effective date. This Act takes effect upon
21 becoming law."