

1 AN ACT concerning energy production.

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

4 Section 5. The Department of Commerce and Community  
5 Affairs Law of the Civil Administrative Code of Illinois is  
6 amended by changing Section 605-332 as follows:

7 (20 ILCS 605/605-332)

8 Sec. 605-332. Financial assistance to energy generation  
9 facilities.

10 (a) As used in this Section:

11 "New electric generating facility" means a  
12 newly-constructed electric generation plant or a newly  
13 constructed generation capacity expansion at an existing  
14 facility, including the transmission lines and associated  
15 equipment that transfers electricity from points of supply to  
16 points of delivery, and for which foundation construction  
17 commenced not sooner than July 1, 2001, which is designed to  
18 provide baseload electric generation operating on a  
19 continuous basis throughout the year; and which has an  
20 aggregate rated generating capacity of at least 400 megawatts  
21 for all new units at one site, uses coal or gases derived  
22 from coal as its primary fuel source, and supports the  
23 creation of at least 150 new Illinois coal mining jobs.

24 "Eligible business" means an entity that proposes to  
25 construct a new electric generating facility and that has  
26 applied to the Department to receive financial assistance  
27 pursuant to this Section. With respect to use and occupation  
28 taxes, wherever there is a reference to taxes, that reference  
29 means only those taxes paid on Illinois-mined coal used in a  
30 new electric generating facility.

31 "Department" means the Illinois Department of Commerce

1 and Community Affairs.

2 (b) The Department is authorized to provide financial  
3 assistance to eligible businesses for new electric generating  
4 facilities from funds appropriated by the General Assembly as  
5 further provided in this Section.

6 An eligible business seeking qualification for financial  
7 assistance for a new electric generating facility, for  
8 purposes of this Section only, shall apply to the Department  
9 in the manner specified by the Department. An application  
10 shall include, but not be limited to:

11 (1) the completion date of the new electric  
12 generating facility for which financial assistance is  
13 sought;

14 (2) either (i) copies of documentation deemed  
15 acceptable by the Department establishing the total State  
16 occupation and use taxes paid on Illinois-mined coal used  
17 at the new electric generating facility for a minimum of  
18 4 preceding calendar quarters or (ii) a bond equal to the  
19 projected State occupation and use taxes during the 4  
20 preceding calendar quarters; and

21 (3) the amount of capital investment by the  
22 eligible business in the new electric generating  
23 facility.

24 The Department shall determine the maximum amount of  
25 financial assistance for eligible businesses in accordance  
26 with this paragraph. The Department shall not provide  
27 financial assistance from general obligation bond funds to  
28 any eligible business unless it receives a written  
29 certification from the Director of the Bureau of the Budget  
30 that 80% of the State occupation and use tax receipts for a  
31 minimum of the preceding 4 calendar quarters for all eligible  
32 businesses equal or exceed 110% of the maximum annual debt  
33 service required with respect to general obligation bonds  
34 issued for that purpose. The Department may provide

1 financial assistance not to exceed the amount of State  
2 general obligation debt calculated as above, the amount of  
3 capital investment in the energy generation facility, or  
4 \$100,000,000, whichever is less. Financial assistance  
5 received pursuant to this Section may be used for capital  
6 facilities consisting of buildings, structures, durable  
7 equipment, and land at the new electric generating facility.

8 An eligible business shall file a monthly report with the  
9 Illinois Department of Revenue stating the amount of  
10 Illinois-mined coal purchased during the previous month for  
11 use in the new electric generating facility, the purchase  
12 price of that coal, the amount of State occupation and use  
13 taxes paid on that purchase to the seller of the  
14 Illinois-mined coal, and such other information as that  
15 Department may reasonably require. In sales of  
16 Illinois-mined coal between related parties, the purchase  
17 price of the coal must have been determined in an arms-length  
18 transaction. The report shall be filed with the Illinois  
19 Department of Revenue on or before the 20th day of each month  
20 on a form provided by that Department. However, no report  
21 need be filed by an eligible business in a month when it made  
22 no reportable purchases of coal in the previous month. The  
23 Illinois Department of Revenue shall provide a summary of  
24 such reports to the Bureau of the Budget. The eligible  
25 business need not file a monthly report if it provides a bond  
26 to the Department that is equal to the projected State  
27 occupation and use taxes during the 4 preceding calendar  
28 quarters.

29 Upon granting financial assistance to an eligible  
30 business, the Department shall certify the name of the  
31 eligible business to the Illinois Department of Revenue.  
32 Beginning with the receipt of the first report of State  
33 occupation and use taxes paid by an eligible business and  
34 continuing for a 25-year period, the Illinois Department of

1 Revenue shall each month pay into the Energy Infrastructure  
2 Fund 80% of the net revenue realized from the 6.25% general  
3 rate on the selling price of Illinois-mined coal that was  
4 sold to an eligible business.

5 (Source: P.A. 92-12, eff. 7-1-01.)

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law.