



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB0736

Introduced 2/1/2005, by Rep. Donald L. Moffitt

SYNOPSIS AS INTRODUCED:

New Act

Creates the Employ Illinois Job Renewal Act. Requires the Department of Commerce and Economic Opportunity to develop application procedures to certify certain areas in the State as Job Renewal Zones. Sets forth the qualifications for certification as a Job Renewal Zone. Sets forth tax incentives for businesses located inside Job Renewal Zones. Requires the Department to certify all Job Renewal Zones by July 1, 2007 and provides that all zones expire on June 30, 2019. Requires the Department to report to the General Assembly and Governor no later than January 1, 2018 concerning the program. Effective immediately.

LRB094 06948 BDD 37063 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning economic development.

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

4 Section 1. Short title. This Act may be cited as the Employ
5 Illinois Job Renewal Act.

6 Section 5. Definitions. As used in this Act:

7 "Department" means the Department of Commerce and Economic
8 Opportunity.

9 "Local government entity" means a county or a municipality.

10 Section 10. Qualifications for Job Renewal Zones. An area
11 is qualified to become a Job Renewal Zone if:

12 (1) it is located in a county or is a county with no
13 more than 200,000 residents according to the latest data
14 available from the U.S Census Bureau; and

15 (2) it has experienced unemployment rates over the last
16 5 years that are higher than at least 75% of all Illinois
17 local government entities.

18 Section 15. Certification of Job Renewal Zones by the
19 Department.

20 (a) The Department must develop an application for Job
21 Renewal Zone certification and contact local government
22 entities that may be qualified to be a Job Renewal Zone under
23 Section 10 to inform them of their potential qualification. In
24 determining those local government entities to be certified, in
25 addition to characteristics mentioned in subsection (b), the
26 Department must certify an equal amount of zones in the various
27 regions of the State. The Department shall designate Job
28 Renewal Zones in a manner that maximizes their effect equally
29 in regions of the State. The Department may not designate more
30 than 10 Job Renewal Zones in the State.

1 (b) In considering applications for the certification of a
2 Job Renewal Zone, the Department must consider all of the
3 following factors:

4 (1) The degree to which the applicant has experienced
5 population decline or equalized assessed property value
6 decline or stagnant growth at greater levels than other
7 local government entities that are eligible for Job Renewal
8 Zone certification.

9 (2) The degree to which the applicant maintains a
10 residency with higher levels of poverty relative to other
11 local government entities that are eligible for Job Renewal
12 Zone certification.

13 (3) The degree to which school districts within the
14 jurisdiction of the local government entity applying for
15 certification have experienced decline or stagnation in
16 student enrollment having detrimental effects on the
17 schools' State education funding at levels greater than
18 other local government entities that are eligible for
19 certification.

20 (4) Whether the applicant has developed a strategic
21 development plan that will guide the redevelopment of its
22 community or county in a manner that benefits all residents
23 of the applicant local government entity.

24 (5) Any other relevant factors determined by the
25 Department.

26 Section 20. Taxes on businesses in Job Renewal Zones.

27 (a) All businesses located in a Job Renewal Zone, in
28 addition to any other benefits and incentives that may be
29 offered at the discretion of the Department or the local
30 government entity creating the Job Renewal Zone as is provided
31 under the Enterprise Zone Act, shall qualify for exemptions
32 from the following taxes:

33 (1) taxes imposed under subsections (a) and (b) of
34 Section 201 of the Illinois Income Tax Act; and

35 (2) the State's portion of the State use or occupation

1 taxes.

2 (b) Any business located in a Job Renewal Zone from which
3 the Department has determined at least 51% of its products or
4 services are exported outside of the State shall automatically
5 qualify for EDGE job creation assistance, as provided under the
6 EDGE Tax Credit Act.

7 Section 30. Deadline for zone certification; expiration.

8 (a) The Department must set a deadline for its receipt of
9 applications for all zone certifications. The Department must
10 certify all Job Renewal Zones by July 1, 2007.

11 (b) All Job Renewal Zones expire on June 30, 2019.

12 Section 35. Report required; extension of program.

13 (a) By January 1, 2018, the Department must prepare a
14 report to the Governor and the General Assembly detailing the
15 effects of the Job Renewal program on the local government
16 entities. The report must include, without limitation,
17 information concerning:

18 (1) Employment growth and unemployment decline;

19 (2) Population change;

20 (3) Changes in poverty rates;

21 (4) Changes in per capita income of the residents of
22 the zone;

23 (5) Changes in the equalized assessed value of property
24 within the zone;

25 (6) Changes in the cost of providing services to zone
26 residents borne by the local government entity where the
27 zone is located;

28 (7) Changes in revenues collected by the local
29 government entity in which the zone is located; and

30 (8) Changes in the cost of housing in the zone.

31 (b) If the General Assembly extends the expiration date of
32 this program, the Department shall consider the progress of
33 economic development of each zone then designated and
34 surrounding areas when deciding whether the current 10 Job

1 Renewal Zones will be re-extended.

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