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1 AMENDMENT TO SENATE BILL 619

2 AMENDMENT NO. _____. Amend Senate Bill 619 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Department of Commerce and Economic
5 Opportunity Law of the Civil Administrative Code of Illinois 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 continuous
19 basis throughout the year and:

20 (1) has an aggregate rated generating capacity of at
21 least 400 megawatts for all new units at one site, uses
22 coal or gases derived from coal as its primary fuel source,
23 and supports the creation of at least 150 new Illinois coal
24 mining jobs; or

1 (2) is funded through a federal Department of Energy
2 grant before December 31, 2007 ~~July 1, 2006~~ and supports
3 the creation of Illinois coal-mining jobs; or

4 (3) uses coal gasification or integrated
5 gasification-combined cycle units that generate
6 electricity or chemicals, or both, and supports the
7 creation of Illinois coal-mining jobs.

8 "New gasification facility" means a newly constructed coal
9 gasification facility that generates chemical feedstocks or
10 transportation fuels derived from coal (which may include, but
11 are not limited to, methane, methanol, and nitrogen
12 fertilizer), that supports the creation or retention of
13 Illinois coal-mining jobs, and that qualifies for financial
14 assistance from the Department before December 31, 2006. A new
15 gasification facility does not include a pilot project located
16 within Jefferson County or within a county adjacent to
17 Jefferson County for synthetic natural gas from coal.

18 "New facility" means a new electric generating facility or
19 a new gasification facility. A new facility does not include a
20 pilot project located within Jefferson County or within a
21 county adjacent to Jefferson County for synthetic natural gas
22 from coal.

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

29 "Department" means the Illinois Department of Commerce and
30 Economic Opportunity.

31 (b) The Department is authorized to provide financial
32 assistance to eligible businesses for new facilities from funds
33 appropriated by the General Assembly as further provided in
34 this Section.

1 An eligible business seeking qualification for financial
2 assistance for a new facility, for purposes of this Section
3 only, shall apply to the Department in the manner specified by
4 the Department. Any projections provided by an eligible
5 business as part of the application shall be independently
6 verified in a manner as set forth by the Department. An
7 application shall include, but not be limited to:

8 (1) the projected or actual completion date of the new
9 facility for which financial assistance is sought;

10 (2) copies of documentation deemed acceptable by the
11 Department establishing either (i) the total State
12 occupation and use taxes paid on Illinois-mined coal used
13 at the new facility for a minimum of 4 preceding calendar
14 quarters or (ii) the projected amount of State occupation
15 and use taxes paid on Illinois-mined coal used at the new
16 facility in 4 calendar year quarters after completion of
17 the new facility. Bond proceeds subject to this Section
18 shall not be allocated to an eligible business until the
19 eligible business has demonstrated the revenue stream
20 sufficient to service the debt on the bonds; and

21 (3) the actual or projected amount of capital
22 investment by the eligible business in the new facility.

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

1 Department may provide financial assistance not to exceed the
2 amount of State general obligation debt calculated as above,
3 the amount of actual or projected capital investment in the
4 facility, or \$100,000,000, whichever is less. Financial
5 assistance received pursuant to this Section may be used for
6 capital facilities consisting of buildings, structures,
7 durable equipment, and land at the new facility. Subject to the
8 provisions of the agreement covering the financial assistance,
9 a portion of the financial assistance may be required to be
10 repaid to the State if certain conditions for the governmental
11 purpose of the assistance were not met.

12 An eligible business shall file a monthly report with the
13 Illinois Department of Revenue stating the amount of
14 Illinois-mined coal purchased during the previous month for use
15 in the new facility, the purchase price of that coal, the
16 amount of State occupation and use taxes paid on that purchase
17 to the seller of the Illinois-mined coal, and such other
18 information as that Department may reasonably require. In sales
19 of Illinois-mined coal between related parties, the purchase
20 price of the coal must have been determined in an arms-length
21 transaction. The report shall be filed with the Illinois
22 Department of Revenue on or before the 20th day of each month
23 on a form provided by that Department. However, no report need
24 be filed by an eligible business in a month when it made no
25 reportable purchases of coal in the previous month. The
26 Illinois Department of Revenue shall provide a summary of such
27 reports to the Governor's Office of Management and Budget.

28 Upon granting financial assistance to an eligible
29 business, the Department shall certify the name of the eligible
30 business to the Illinois Department of Revenue. Beginning with
31 the receipt of the first report of State occupation and use
32 taxes paid by an eligible business and continuing for a 25-year
33 period, the Illinois Department of Revenue shall each month pay
34 into the Energy Infrastructure Fund 80% of the net revenue

1 realized from the 6.25% general rate on the selling price of
2 Illinois-mined coal that was sold to an eligible business.

3 (Source: P.A. 93-167, eff. 7-10-03; 93-1064, eff. 1-13-05;
4 94-65, eff. 6-21-05.)

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