

1 AN ACT concerning finance.

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 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

25 (2) is (i) funded through a federal Department of  
26 Energy grant before July 1, 2007 ~~2005~~, and (ii) uses coal  
27 gasification or integrated gasification-combined cycle  
28 units that generate electricity or chemicals, or both, and  
29 that supports the creation of Illinois coal-mining jobs.

30 "Eligible business" means an entity that proposes to  
31 construct a new electric generating facility and that has  
32 applied to the Department to receive financial assistance

1 pursuant to this Section. With respect to use and occupation  
2 taxes, wherever there is a reference to taxes, that reference  
3 means only those taxes paid on Illinois-mined coal used in a  
4 new electric generating facility.

5 "Department" means the Illinois Department of Commerce and  
6 Economic Opportunity.

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

11 An eligible business seeking qualification for financial  
12 assistance for a new electric generating facility, for purposes  
13 of this Section only, shall apply to the Department in the  
14 manner specified by the Department. Any projections provided by  
15 an eligible business as part of the application shall be  
16 independently verified in a manner as set forth by the  
17 Department. An application shall include, but not be limited  
18 to:

19 (1) the projected or actual completion date of the new  
20 electric generating facility for which financial  
21 assistance is sought;

22 (2) copies of documentation deemed acceptable by the  
23 Department establishing either (i) the total State  
24 occupation and use taxes paid on Illinois-mined coal used  
25 at the new electric generating facility for a minimum of 4  
26 preceding calendar quarters or (ii) the projected amount of  
27 State occupation and use taxes paid on Illinois-mined coal  
28 used at the new electric generating facility in 4 calendar  
29 year quarters after completion of the new electric  
30 generating facility. Bond proceeds subject to this Section  
31 shall not be allocated to an eligible business until the  
32 eligible business has demonstrated the revenue stream  
33 sufficient to service the debt on the bonds; and

34 (3) the actual or projected amount of capital  
35 investment by the eligible business in the new electric  
36 generating facility.

1           The Department shall determine the maximum amount of  
2 financial assistance for eligible businesses in accordance  
3 with this paragraph. The Department shall not provide financial  
4 assistance from general obligation bond funds to any eligible  
5 business unless it receives a written certification from the  
6 Director of the Bureau of the Budget (now Governor's Office of  
7 Management and Budget) that 80% of the State occupation and use  
8 tax receipts for a minimum of the preceding 4 calendar quarters  
9 for all eligible businesses or as included in projections on  
10 approved applications by eligible businesses equal or exceed  
11 110% of the maximum annual debt service required with respect  
12 to general obligation bonds issued for that purpose. The  
13 Department may provide financial assistance not to exceed the  
14 amount of State general obligation debt calculated as above,  
15 the amount of actual or projected capital investment in the  
16 energy generation facility, or \$100,000,000, whichever is  
17 less. Financial assistance received pursuant to this Section  
18 may be used for capital facilities consisting of buildings,  
19 structures, durable equipment, and land at the new electric  
20 generating facility. Subject to the provisions of the agreement  
21 covering the financial assistance, a portion of the financial  
22 assistance may be required to be repaid to the State if certain  
23 conditions for the governmental purpose of the assistance were  
24 not met.

25           An eligible business shall file a monthly report with the  
26 Illinois Department of Revenue stating the amount of  
27 Illinois-mined coal purchased during the previous month for use  
28 in the new electric generating facility, the purchase price of  
29 that coal, the amount of State occupation and use taxes paid on  
30 that purchase to the seller of the Illinois-mined coal, and  
31 such other information as that Department may reasonably  
32 require. In sales of Illinois-mined coal between related  
33 parties, the purchase price of the coal must have been  
34 determined in an arms-length transaction. The report shall be  
35 filed with the Illinois Department of Revenue on or before the  
36 20th day of each month on a form provided by that Department.

1       However, no report need be filed by an eligible business in a  
2       month when it made no reportable purchases of coal in the  
3       previous month. The Illinois Department of Revenue shall  
4       provide a summary of such reports to the Governor's Office of  
5       Management and Budget.

6       Upon granting financial assistance to an eligible  
7       business, the Department shall certify the name of the eligible  
8       business to the Illinois Department of Revenue. Beginning with  
9       the receipt of the first report of State occupation and use  
10      taxes paid by an eligible business and continuing for a 25-year  
11      period, the Illinois Department of Revenue shall each month pay  
12      into the Energy Infrastructure Fund 80% of the net revenue  
13      realized from the 6.25% general rate on the selling price of  
14      Illinois-mined coal that was sold to an eligible business.

15      (Source: P.A. 92-12, eff. 7-1-01; 93-167, eff. 7-10-03;  
16      93-1064, eff. 1-13-05.)

17      Section 99. Effective date. This Act takes effect upon  
18      becoming law.