



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB5925

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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 or Agricultural Renewal Zones. Sets forth the qualifications for certification as a Job Renewal Zone or Agricultural Renewal Zone. Sets forth tax incentives for businesses located inside Job Renewal Zones or Agricultural Renewal Zones. Requires the Department to certify all Job Renewal Zones and Agriculture Renewal Zones by July 1, 2010 and provides that all zones expire on June 30, 2022. Requires the Department to report to the General Assembly and Governor no later than January 1, 2021 concerning the zone program. Effective immediately.

LRB095 17086 BDD 43139 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

1 entities that may be qualified to be a Job Renewal Zone under
2 Section 10 to inform them of their potential qualification. In
3 determining those local government entities to be certified, in
4 addition to characteristics mentioned in subsection (b), the
5 Department must certify an equal amount of zones in the various
6 regions of the State. The Department shall designate Job
7 Renewal Zones in a manner that maximizes their effect equally
8 in regions of the State. The Department may not designate more
9 than 10 Job Renewal Zones in the State.

10 (b) In considering applications for the certification of a
11 Job Renewal Zone, the Department must consider all of the
12 following factors:

13 (1) The degree to which the applicant has experienced
14 population decline or equalized assessed property value
15 decline or stagnant growth at greater levels than other
16 local government entities that are eligible for Job Renewal
17 Zone certification.

18 (2) The degree to which the applicant maintains a
19 residency with higher levels of poverty relative to other
20 local government entities that are eligible for Job Renewal
21 Zone certification.

22 (3) The degree to which school districts within the
23 jurisdiction of the local government entity applying for
24 certification have experienced decline or stagnation in
25 student enrollment having detrimental effects on the
26 schools' State education funding at levels greater than

1 other local government entities that are eligible for
2 certification.

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

7 (5) Any other relevant factors determined by the
8 Department.

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

10 (a) All businesses located in a Job Renewal Zone, in
11 addition to any other benefits and incentives that may be
12 offered at the discretion of the Department or the local
13 government entity creating the Job Renewal Zone as is provided
14 under the Enterprise Zone Act, shall qualify for exemptions
15 from the following taxes:

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

18 (2) the personal property tax replacement income tax
19 under subsection (c) of Section 201 of the Illinois Income
20 Tax Act; and

21 (3) the State's portion of the State use or occupation
22 taxes.

23 (b) Any business located in a Job Renewal Zone from which
24 the Department has determined at least 51% of its products or
25 services are exported outside of the State shall automatically

1 qualify for EDGE cash incentives as they are provided under the
2 EDGE Tax Credit Act.

3 Section 25. Agricultural Renewal Zones.

4 (a) In addition to the 10 Job Renewal Zones, the Department
5 may certify up to 10 Agriculture Renewal Zones.

6 (b) Agriculture Renewal Zones may not be larger than the
7 agricultural processing facility for which the zone has been
8 designated. For purposes of this Section, "agricultural
9 facility" means one or more facilities or operations that
10 transform, package, sort, or grade livestock or livestock
11 products, agricultural commodities, or plants or plant
12 products into goods that are used for intermediate for final
13 consumption including goods for nonfood use, and surrounding
14 property.

15 (c) An Agriculture Renewal Zone may be designated anywhere
16 in which a Job Renewal Zone may be located, under this Act, if
17 the local government entity with jurisdiction has approved its
18 location. An Agriculture Renewal Zone may not be designated
19 within a Job Renewal Zone.

20 (d) A business in an Agriculture Renewal Zone qualifies for
21 the same benefits and incentives eligible to businesses in a
22 Job Renewal Zone.

23 Section 30. Deadline for zone certification; expiration.

24 (a) The Department must set a deadline for its receipt of

1 applications for all zone certifications. The Department must
2 certify all Job Renewal Zones and Agriculture Renewal Zones by
3 July 1, 2010.

4 (b) All Job Renewal Zones and Agriculture Renewal Zones
5 expire on June 30, 2022.

6 Section 35. Report required; extension of program.

7 (a) By January 1, 2021, the Department must prepare a
8 report to the Governor and the General Assembly detailing the
9 effects of the Job Renewal and Agriculture Renewal programs on
10 the local government entities. The report must include, without
11 limitation, information concerning:

12 (1) Employment growth and unemployment decline;

13 (2) Population change;

14 (3) Changes in poverty rates;

15 (4) Changes in per capita income of the residents of
16 the zone;

17 (5) Changes in the equalized assessed value of property
18 within the zone;

19 (6) Changes in the cost of providing services to zone
20 residents borne by the local government entity where the
21 zone is located;

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

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

25 (b) If the General Assembly extends the expiration date of

1 this program, the Department shall consider the progress of
2 economic development of each zone then designated and
3 surrounding areas when deciding whether the current 10 Job
4 Renewal Zones and 10 Agriculture Renewal Zones will be
5 re-extended.

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