

1 AMENDMENT TO HOUSE BILL 3364

2 AMENDMENT NO. _____. Amend House Bill 3364, AS AMENDED,
3 by replacing the title with the following:

4 "AN ACT in relation to economic assistance."; and

5 by replacing everything after the enacting clause with the
6 following:

7 "Section 1. Short title. This Act may be cited as the
8 State Economic Assistance Accountability Act.

9 Section 5. Definitions. In this Act:

10 "Business organization" means a corporation, partnership,
11 limited liability company, joint venture, association, or
12 other enterprise that does business in this State.

13 "Department" means the Illinois Department of Commerce
14 and Community Affairs.

15 "Director" means the Director of Commerce and Community
16 Affairs.

17 "Project" means any specific economic development
18 activity of a commercial, industrial, manufacturing,
19 agricultural, scientific, service, or other business, the
20 result of which causes the creation or retention of jobs and
21 may include the purchase or lease of machinery and equipment

1 or the lease or purchase of real property or funds for
2 infrastructure necessitated by site preparation, building
3 construction, or related purposes.

4 "State economic assistance" means (1) tax credits and tax
5 exemptions given as an incentive to a business organization
6 pursuant to a certification or designation made by the
7 Department under the Economic Development for a Growing
8 Economy Tax Credit Act and the Illinois Enterprise Zone Act,
9 including the High Impact Business program; and (2) grants or
10 loans given as an incentive to a business organization
11 pursuant to the Large Business Development Act. The term does
12 not include assistance (1) given for the purpose of job
13 training, (2) given for the purpose of road construction or
14 improvements if the road is open to the use of the general
15 public, (3) provided to units of local government, or (4) for
16 which the funding source is federal.

17 Section 10. Written agreements containing performance
18 covenants and sanctions.

19 (a) State economic assistance provided by the Department
20 as an incentive to a business organization must be based on
21 the terms of a written incentive agreement between the
22 Department and the business organization.

23 (b) The incentive agreement must identify the specific
24 State economic assistance to be provided to the business
25 organization during the term of the agreement.

26 (c) The incentive agreement must also provide for the
27 following:

28 (1) That the business organization is bound to make
29 a specified level of capital investment in a project and
30 cause the creation or retention of a specified level of
31 jobs within a specified time period.

32 (2) That if the business organization either fails
33 to make the requisite level of capital investment in the

1 project or fails to create or retain the specified number
2 of jobs within the specified time frame, the business
3 organization shall be deemed to no longer qualify for the
4 State economic assistance.

5 (3) That if the business organization receives
6 State economic assistance in the form of a High Impact
7 Business designation pursuant to Section 5.5 of the
8 Illinois Enterprise Zone Act and the business receives
9 the benefit of the exemption authorized under Section 51
10 of the Retailers' Occupation Tax Act (for the sale of
11 building materials incorporated into a High Impact
12 Business location) and the business organization fails to
13 create or retain the requisite number of jobs, as
14 determined by the Department, within the period of time
15 specified by the Department, the business organization
16 shall be required to pay to the State the full amount of
17 the State tax exemption that it received as a result of
18 the High Impact Business designation.

19 (4) That if the business organization receives a
20 grant pursuant to the Large Business Development Act and
21 the business organization fails to create or retain the
22 requisite number of jobs, as determined by the
23 Department, within the period of time specified by the
24 Department, the business organization shall be required
25 to repay to the Department a pro rata amount of the
26 grant, which amount shall reflect the percentage of the
27 deficiency between the promised number of jobs to be
28 created or retained by the business organization and the
29 actual number of such jobs in existence as of the date
30 the Department determines the business organization is in
31 breach of the job creation or retention covenants
32 contained in the incentive agreement.

33 (d) The Director may elect to waive enforcement of any
34 contractual right arising out of the incentive agreement

1 required by this Act based on a finding that the waiver will
2 promote the viability of the project, will contribute to an
3 increase in employment associated with the project, or will
4 contribute to the retention of jobs in Illinois associated
5 with the project.

6 Section 15. Applicability. This Act applies to all State
7 economic assistance given by the Department on or after the
8 effective date of this Act.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law."