1 AN ACT concerning regulation.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Enterprise Zone Act is amended by changing Section 5.5 as follows:
- 6 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)
- 7 Sec. 5.5. High Impact Business.

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- 8 (a) In order to respond to unique opportunities to assist
  9 in the encouragement, development, growth and expansion of the
  10 private sector through large scale investment and development
  11 projects, the Department is authorized to receive and approve
  12 applications for the designation of "High Impact Businesses" in
  13 Illinois subject to the following conditions:
- 14 (1) such applications may be submitted at any time 15 during the year;
  - (2) such business is not located, at the time of designation, in an enterprise zone designated pursuant to this Act;
- 19 (3) the business intends to do one or more of the 20 following:
- 21 (A) the business intends to make a minimum 22 investment of \$12,000,000 which will be placed in 23 service in qualified property and intends to create 500

full-time equivalent jobs at a designated location in Illinois or intends to make a minimum investment of \$30,000,000 which will be placed in service in qualified property and intends to retain 1,500 full-time retained jobs at a designated location in Illinois. The business must certify in writing that the investments would not be placed in service in qualified property and the job creation or job retention would not occur without the tax credits and exemptions set forth in subsection (b) of this Section. The terms "placed in service" and "qualified property" have the same meanings as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(B) the business intends to establish a new electric generating facility at a designated location in Illinois. "New electric generating facility", for purposes of this Section, means a newly-constructed electric generation plant or a newly-constructed generation capacity expansion at an existing electric generation plant, including the transmission lines and associated equipment that transfers electricity from points of supply to points of delivery, and for which such new foundation construction commenced not sooner than July 1, 2001. Such facility shall be designed to provide baseload electric generation and shall operate on a continuous basis throughout the year; and (i)

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shall have an aggregate rated generating capacity of at least 1,000 megawatts for all new units at one site if it uses natural gas as its primary fuel and foundation construction of the facility is commenced on or before December 31, 2004, or shall have an aggregate rated generating capacity of at least 400 megawatts for all new units at one site if it uses coal or gases derived from coal as its primary fuel and shall support the creation of at least 150 new Illinois coal mining jobs, or (ii) shall be funded through a federal Department of Energy grant before December 31, 2010 and shall support the creation of Illinois coal-mining jobs, or (iii) shall gasification use coal or integrated gasification-combined cycle units that generate electricity or chemicals, or both, and shall support the creation of Illinois coal-mining jobs. business must certify in writing that the investments necessary to establish a new electric generating facility would not be placed in service and the job creation in the case of a coal-fueled plant would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(B-5) the business intends to establish a new

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gasification facility at a designated location in Illinois. As used in this Section, "new gasification facility" means a newly constructed coal gasification generates chemical facility that feedstocks transportation fuels derived from coal (which may include, but are not limited to, methane, methanol, and nitrogen fertilizer), that supports the creation or retention of Illinois coal-mining jobs, and that qualifies for financial assistance from the Department before December 31, 2010. A new gasification facility does not include a pilot project located within Jefferson County or within a county adjacent to Jefferson County for synthetic natural gas from coal; or

(C) the business intends to establish production operations at a new coal mine, re-establish production operations at a closed coal mine, or expand production at an existing coal mine at a designated location in Illinois not sooner than July 1, 2001; provided that the production operations result in the creation of 150 new Illinois coal mining jobs as described in subdivision (a)(3)(B) of this Section, and further provided that the coal extracted from such mine is utilized as the predominant source for a new electric generating facility. The business must certify in writing that the investments necessary to establish a

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new, expanded, or reopened coal mine would not be placed in service and the job creation would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(D) business intends to the construct new transmission facilities or upgrade existing transmission facilities at designated locations in Illinois, for which construction commenced not sooner than July 1, 2001. For the purposes of this Section, "transmission facilities" means transmission lines with a voltage rating of 115 kilovolts or above, associated equipment, including that electricity from points of supply to points of delivery and that transmit a majority of the electricity generated by a new electric generating facility designated as a High Impact Business in accordance with this Section. The business must certify in writing that the investments necessary to construct new transmission facilities or upgrade existing transmission facilities would not be placed in service without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in

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subsection (h) of Section 201 of the Illinois Income
Tax Act; or

(E) the business intends to establish a new wind power facility at a designated location in Illinois. For purposes of this Section, "new wind power facility" newly constructed electric generation facility, or a newly constructed expansion of an existing electric generation facility, placed in service on or after July 1, 2009, that generates electricity using wind energy devices, and such facility shall be deemed to include all associated transmission lines, substations, and other equipment related to the generation of electricity from wind energy devices. For purposes of this Section, "wind energy device" means any device, with a nameplate capacity of at least 0.5 megawatts, that is used in the process of converting kinetic energy from the wind to generate electricity; or

(F) the business commits to (i) make a minimum investment of \$500,000,000, which will be placed in service in a qualified property, (ii) create 125 full-time equivalent jobs at a designated location in Illinois, (iii) establish a fertilizer plant at a designated location in Illinois that complies with the set-back standards as described in Table 1: Initial Isolation and Protective Action Distances in the 2012

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Emergency Response Guidebook published by the United States Department of Transportation, (iv) pay a prevailing wage for employees at that location who are engaged in construction activities, and (v) secure an appropriate level of general liability insurance to protect against catastrophic failure of the fertilizer plant or any of its constituent systems; in addition, the business must agree to enter into a construction labor including project agreement provisions establishing wages, benefits, and other compensation for employees performing work under the project labor agreement at that location; for the purposes of this Section, "fertilizer plant" means a newly constructed or upgraded plant utilizing gas used in the production anhydrous ammonia and downstream fertilizer products for resale; for the purposes of this Section, "prevailing wage" means the hourly cash fringe benefits wages plus for training and apprenticeship programs approved by the U.S. Department of Labor, Bureau of Apprenticeship and Training, health and welfare, insurance, vacations and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work of a similar character on public works; this paragraph applies only to businesses that application to the Department within 60 days after July

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1	<u>25, 2013 (</u> the effective date of <u>Public Act 98-109)</u> <del>thi</del>	<del>. C</del>
2	amendatory Act of the 98th General Assembly; or and	

- the business intends to establish a utility-scale solar facility at a designated location in Illinois. For purposes of this Section, <u>utility-scale sola</u>r facility" means a newly constructed electric generation facility of greater than 2,000 kilowatts of nameplate capacity, or a newly constructed expansion of greater than 2,000 kilowatts of nameplate capacity of an existing electric generation facility of greater than 2,000 kilowatts of nameplate capacity, placed in service on or after June 1, 2017, that generates electricity using photovoltaic cells or panels, and such facility shall be deemed to include all associated inverters, transmission lines, substations, and other equipment related to the generation of electricity from photovoltaic cells or panels; and
- (4) no later than 90 days after an application is submitted, the Department shall notify the applicant of the Department's determination of the qualification of the proposed High Impact Business under this Section.
- (b) Businesses designated as High Impact Businesses pursuant to subdivision (a)(3)(A) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 9-222 and Section 9-222.1A of the Public Utilities Act,

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subsection (h) of Section 201 of the Illinois Income Tax Act, and Section 1d of the Retailers' Occupation Tax Act; provided that these credits and exemptions described in these Acts shall not be authorized until the minimum investments set forth in subdivision (a)(3)(A) of this Section have been placed in service in qualified properties and, in the case of the exemptions described in the Public Utilities Act and Section 1d of the Retailers' Occupation Tax Act, the minimum full-time equivalent jobs or full-time retained jobs set forth in subdivision (a)(3)(A) of this Section have been created or retained. Businesses designated as High Impact Businesses under this Section shall also qualify for the exemption described in Section 51 of the Retailers' Occupation Tax Act. The credit provided in subsection (h) of Section 201 of the Illinois Income Tax Act shall be applicable to investments in qualified property as set forth in subdivision (a)(3)(A) of this Section.

(b-5) Businesses designated as High Impact Businesses pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C), and (a)(3)(D) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 51 of the Retailers' Occupation Tax Act, Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act; however, the credits and exemptions authorized under Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection

(h) of Section 201 of the Illinois Income Tax Act shall not be authorized until the new electric generating facility, the new gasification facility, the new transmission facility, or the new, expanded, or reopened coal mine is operational, except that a new electric generating facility whose primary fuel source is natural gas is eligible only for the exemption under

Section 51 of the Retailers' Occupation Tax Act.

- (b-6) Businesses designated as High Impact Businesses pursuant to subdivision (a)(3)(E) and (a)(3)(G) of this Section shall qualify for the exemptions described in Section 51 of the Retailers' Occupation Tax Act; any business so designated as a High Impact Business being, for purposes of this Section, a "Renewable Wind Energy Business".
- (c) High Impact Businesses located in federally designated foreign trade zones or sub-zones are also eligible for additional credits, exemptions and deductions as described in the following Acts: Section 9-221 and Section 9-222.1 of the Public Utilities Act; and subsection (g) of Section 201, and Section 203 of the Illinois Income Tax Act.
- (d) Except for businesses contemplated under subdivision (a)(3)(E) and (a)(3)(G) of this Section, existing Illinois businesses which apply for designation as a High Impact Business must provide the Department with the prospective plan for which 1,500 full-time retained jobs would be eliminated in the event that the business is not designated.
  - (e) Except for new wind power facilities contemplated under

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- subdivision (a) (3) (E) and new utility-scale solar facilities contemplated under subdivision (a) (3) (G) of this Section, new proposed facilities which apply for designation as High Impact Business must provide the Department with proof of alternative non-Illinois sites which would receive the proposed investment and job creation in the event that the business is not designated as a High Impact Business.
  - (f) Except for businesses contemplated under subdivision (a)(3)(E) and (a)(3)(G) of this Section, in the event that a business is designated a High Impact Business and it is later determined after reasonable notice and an opportunity for a hearing provided under the Illinois Administrative as Procedure Act, that the business would have placed in service in qualified property the investments and created or retained the requisite number of jobs without the benefits of the High Impact Business designation, the Department shall be required to immediately revoke the designation and notify the Director of the Department of Revenue who shall begin proceedings to recover all wrongfully exempted State taxes with interest. The business shall also be ineligible for all State funded Department programs for a period of 10 years.
  - (g) The Department shall revoke a High Impact Business designation if the participating business fails to comply with the terms and conditions of the designation. However, the penalties for new wind power facilities, new utility-scale solar facilities, or Renewable Wind Energy Businesses for

- failure to comply with any of the terms or conditions of the 1 2 Illinois Prevailing Wage Act shall be only those penalties 3 identified in the Illinois Prevailing Wage Act, and the Department shall not revoke a High Impact Business designation 4 5 as a result of the failure to comply with any of the terms or conditions of the Illinois Prevailing Wage Act in relation to a 6 new wind power facility, new utility-scale solar facilities, or 7 8 a Renewable Wind Energy Business.
- 9 (h) Prior to designating a business, the Department shall
  10 provide the members of the General Assembly and Commission on
  11 Government Forecasting and Accountability with a report
  12 setting forth the terms and conditions of the designation and
  13 guarantees that have been received by the Department in
  14 relation to the proposed business being designated.
- 15 (Source: P.A. 97-905, eff. 8-7-12; 98-109, eff. 7-25-13.)
- Section 10. The Prevailing Wage Act is amended by changing

  Section 2 as follows:
- 18 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)
- 19 (Text of Section before amendment by P.A. 100-1177)
- Sec. 2. This Act applies to the wages of laborers, mechanics and other workers employed in any public works, as hereinafter defined, by any public body and to anyone under contracts for public works. This includes any maintenance, repair, assembly, or disassembly work performed on equipment

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1 whether owned, leased, or rented.

2 As used in this Act, unless the context indicates otherwise:

"Public works" means all fixed works constructed or demolished by any public body, or paid for wholly or in part out of public funds. "Public works" as defined herein includes all projects financed in whole or in part with bonds, grants, loans, or other funds made available by or through the State or any of its political subdivisions, including but not limited to: bonds issued under the Industrial Project Revenue Bond Act (Article 11, Division 74 of the Illinois Municipal Code), the Industrial Building Revenue Bond Act, the Illinois Finance Authority Act, the Illinois Sports Facilities Authority Act, or the Build Illinois Bond Act; loans or other funds made available pursuant to the Build Illinois Act; loans or other funds made available pursuant to the Riverfront Development Fund under Section 10-15 of the River Edge Redevelopment Zone Act; or funds from the Fund for Illinois' Future under Section 6z-47 of the State Finance Act, funds for school construction under Section 5 of the General Obligation Bond Act, funds authorized under Section 3 of the School Construction Bond Act, funds for school infrastructure under Section 6z-45 of the State Finance Act, and funds for transportation purposes under Section 4 of the General Obligation Bond Act. "Public works" also includes (i) all projects financed in whole or in part with funds from the Department of Commerce and Economic

Opportunity under the Illinois Renewable Fuels Development 1 2 Program Act for which there is no project labor agreement; (ii) 3 all work performed pursuant to a public private agreement under the Public Private Agreements for the Illiana Expressway Act or 4 5 the Public-Private Agreements for the South Suburban Airport 6 Act; and (iii) all projects undertaken under a public-private 7 under the Public-Private Partnerships agreement 8 Transportation Act. "Public works" also includes all projects 9 at leased facility property used for airport purposes under 10 Section 35 of the Local Government Facility Lease Act. "Public 11 works" also includes the construction of a new wind power 12 facility by a business designated as a High Impact Business 13 under Section 5.5(a)(3)(E) and a new utility-scale solar 14 facility under Section 5.5 (a) (3) (G) of the Illinois Enterprise 15 Zone Act. "Public works" does not include work done directly by 16 any public utility company, whether or not done under public 17 supervision or direction, or paid for wholly or in part out of public funds. "Public works" also includes any corrective 18 19 action performed pursuant to Title XVI of the Environmental 20 Protection Act for which payment from the Underground Storage Tank Fund is requested. "Public works" does not include 21 22 projects undertaken by the owner at an owner-occupied 23 single-family residence or at an owner-occupied unit of a multi-family residence. "Public works" does not include work 24 25 performed for soil and water conservation purposes 26 agricultural lands, whether or not done under public

- 1 supervision or paid for wholly or in part out of public funds,
- done directly by an owner or person who has legal control of
- 3 those lands.

- 4 "Construction" means all work on public works involving
- 5 laborers, workers or mechanics. This includes any maintenance,
- 6 repair, assembly, or disassembly work performed on equipment
- 7 whether owned, leased, or rented.

"Locality" means the county where the physical work upon public works is performed, except (1) that if there is not available in the county a sufficient number of competent skilled laborers, workers and mechanics to construct the public works efficiently and properly, "locality" includes any other county nearest the one in which the work or construction is to be performed and from which such persons may be obtained in sufficient numbers to perform the work and (2) that, with respect to contracts for highway work with the Department of Transportation of this State, "locality" may at the discretion of the Secretary of the Department of Transportation be construed to include two or more adjacent counties from which workers may be accessible for work on such construction.

"Public body" means the State or any officer, board or commission of the State or any political subdivision or department thereof, or any institution supported in whole or in part by public funds, and includes every county, city, town, village, township, school district, irrigation, utility, reclamation improvement or other district and every other

- 1 political subdivision, district or municipality of the state
- 2 whether such political subdivision, municipality or district
- 3 operates under a special charter or not.
- 4 The terms "general prevailing rate of hourly wages",
- 5 "general prevailing rate of wages" or "prevailing rate of
- 6 wages" when used in this Act mean the hourly cash wages plus
- 7 annualized fringe benefits for training and apprenticeship
- 8 programs approved by the U.S. Department of Labor, Bureau of
- 9 Apprenticeship and Training, health and welfare, insurance,
- 10 vacations and pensions paid generally, in the locality in which
- 11 the work is being performed, to employees engaged in work of a
- 12 similar character on public works.
- 13 (Source: P.A. 97-502, eff. 8-23-11; 98-109, eff. 7-25-13;
- 14 98-482, eff. 1-1-14; 98-740, eff. 7-16-14; 98-756, eff.
- 15 7-16-14.)
- 16 (Text of Section after amendment by P.A. 100-1177)
- 17 Sec. 2. This Act applies to the wages of laborers,
- 18 mechanics and other workers employed in any public works, as
- 19 hereinafter defined, by any public body and to anyone under
- 20 contracts for public works. This includes any maintenance,
- 21 repair, assembly, or disassembly work performed on equipment
- 22 whether owned, leased, or rented.
- 23 As used in this Act, unless the context indicates
- 24 otherwise:
- 25 "Public works" means all fixed works constructed or

demolished by any public body, or paid for wholly or in part 1 2 out of public funds. "Public works" as defined herein includes 3 all projects financed in whole or in part with bonds, grants, loans, or other funds made available by or through the State or 5 any of its political subdivisions, including but not limited to: bonds issued under the Industrial Project Revenue Bond Act 6 7 (Article 11, Division 74 of the Illinois Municipal Code), the 8 Industrial Building Revenue Bond Act, the Illinois Finance 9 Authority Act, the Illinois Sports Facilities Authority Act, or 10 the Build Illinois Bond Act; loans or other funds made 11 available pursuant to the Build Illinois Act; loans or other 12 funds made available pursuant to the Riverfront Development Fund under Section 10-15 of the River Edge Redevelopment Zone 13 Act; or funds from the Fund for Illinois' Future under Section 14 6z-47 of the State Finance Act, funds for school construction 15 16 under Section 5 of the General Obligation Bond Act, funds 17 authorized under Section 3 of the School Construction Bond Act, funds for school infrastructure under Section 6z-45 of the 18 19 State Finance Act, and funds for transportation purposes under Section 4 of the General Obligation Bond Act. "Public works" 20 also includes (i) all projects financed in whole or in part 21 22 with funds from the Department of Commerce and Economic 23 Opportunity under the Illinois Renewable Fuels Development 24 Program Act for which there is no project labor agreement; (ii) 25 all work performed pursuant to a public private agreement under 26 the Public Private Agreements for the Illiana Expressway Act or

the Public-Private Agreements for the South Suburban Airport 1 2 Act; and (iii) all projects undertaken under a public-private 3 under the Public-Private Partnerships agreement for Transportation Act. "Public works" also includes all projects 5 at leased facility property used for airport purposes under Section 35 of the Local Government Facility Lease Act. "Public 6 7 works" also includes the construction of a new wind power 8 facility by a business designated as a High Impact Business 9 under Section 5.5(a)(3)(E) and a new utility-scale solar 10 facility under Section 5.5 (a) (3) (G) of the Illinois Enterprise 11 Zone Act. "Public works" does not include work done directly by 12 any public utility company, whether or not done under public 13 supervision or direction, or paid for wholly or in part out of public funds. "Public works" also includes any corrective 14 15 action performed pursuant to Title XVI of the Environmental 16 Protection Act for which payment from the Underground Storage 17 Tank Fund is requested. "Public works" does not include projects undertaken by the owner at 18 an owner-occupied 19 single-family residence or at an owner-occupied unit of a 20 multi-family residence. "Public works" does not include work 21 performed for soil and water conservation purposes 22 agricultural lands, whether or not done under 23 supervision or paid for wholly or in part out of public funds, 24 done directly by an owner or person who has legal control of 25 those lands.

"Construction" means all work on public works involving

laborers, workers or mechanics. This includes any maintenance, repair, assembly, or disassembly work performed on equipment

whether owned, leased, or rented.

"Locality" means the county where the physical work upon public works is performed, except (1) that if there is not available in the county a sufficient number of competent skilled laborers, workers and mechanics to construct the public works efficiently and properly, "locality" includes any other county nearest the one in which the work or construction is to be performed and from which such persons may be obtained in sufficient numbers to perform the work and (2) that, with respect to contracts for highway work with the Department of Transportation of this State, "locality" may at the discretion of the Secretary of the Department of Transportation be construed to include two or more adjacent counties from which workers may be accessible for work on such construction.

"Public body" means the State or any officer, board or commission of the State or any political subdivision or department thereof, or any institution supported in whole or in part by public funds, and includes every county, city, town, village, township, school district, irrigation, utility, reclamation improvement or other district and every other political subdivision, district or municipality of the state whether such political subdivision, municipality or district operates under a special charter or not.

"Labor organization" means an organization that is the

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exclusive representative of an employer's employees recognized or certified pursuant to the National Labor Relations Act.

The terms "general prevailing rate of hourly wages",

"general prevailing rate of wages" or "prevailing rate of

wages" when used in this Act mean the hourly cash wages plus

annualized fringe benefits for training and apprenticeship

programs approved by the U.S. Department of Labor, Bureau of

Apprenticeship and Training, health and welfare, insurance,

vacations and pensions paid generally, in the locality in which

the work is being performed, to employees engaged in work of a

similar character on public works.

12 (Source: P.A. 100-1177, eff. 6-1-19.)

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.