



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB1868

Introduced 2/17/2021, by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

20 ILCS 655/4	from Ch. 67 1/2, par. 604
20 ILCS 655/4.1	
20 ILCS 655/5.1	from Ch. 67 1/2, par. 606
20 ILCS 655/5.2	from Ch. 67 1/2, par. 607
20 ILCS 655/5.3	from Ch. 67 1/2, par. 608
20 ILCS 655/5.4	from Ch. 67 1/2, par. 609
20 ILCS 655/5.5	from Ch. 67 1/2, par. 609.1
20 ILCS 655/8.1	
20 ILCS 655/12-9	from Ch. 67 1/2, par. 626
20 ILCS 655/13	

Amends the Illinois Enterprise Zone Act. Adds requirements concerning enterprise zone applications and provisional certification and decertification of enterprise zones. Modifies the criteria for determining Enterprise Zones and underserved areas under the Act. Modifies reporting requirements under the Act. Makes conforming and other changes.

LRB102 14693 RJF 20046 b

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Enterprise Zone Act is amended by
5 changing Sections 4, 4.1, 5.1, 5.2, 5.3, 5.4, 5.5, 8.1, 12-9,
6 and 13 as follows:

7 (20 ILCS 655/4) (from Ch. 67 1/2, par. 604)

8 Sec. 4. Qualifications for enterprise zones.

9 (1) An area is qualified to become an enterprise zone
10 which:

11 (a) is a contiguous area, provided that a zone area
12 may exclude wholly surrounded territory within its
13 boundaries;

14 (b) comprises a minimum of one-half square mile and
15 not more than 12 square miles, or 15 square miles if the
16 zone is located within the jurisdiction of 4 or more
17 counties or municipalities, in total area, exclusive of
18 lakes and waterways; however, in such cases where the
19 enterprise zone is a joint effort of three or more units of
20 government, or two or more units of government if situated
21 in a township which is divided by a municipality of
22 1,000,000 or more inhabitants, and where the certification
23 has been in effect at least one year, the total area shall

1 comprise a minimum of one-half square mile and not more
2 than thirteen square miles in total area exclusive of
3 lakes and waterways;

4 (c) (blank);

5 (d) (blank);

6 (e) is (1) entirely within a municipality or (2)
7 entirely within the unincorporated areas of a county,
8 except where reasonable need is established for such zone
9 to cover portions of more than one municipality or county
10 or (3) both comprises (i) all or part of a municipality and
11 (ii) an unincorporated area of a county; and

12 (f) meets 3 or more of the following criteria:

13 (1) all or part of the local labor market area has
14 had an annual average unemployment rate of at least
15 120% of the State's annual average unemployment rate
16 for the most recent calendar year or the most recent
17 fiscal year as reported by the Department of
18 Employment Security;

19 (2) designation will result in the development of
20 substantial employment opportunities by creating or
21 retaining a minimum aggregate of 1,000 full-time
22 equivalent jobs due to an aggregate investment of
23 \$100,000,000 or more, and will help alleviate the
24 effects of poverty and unemployment within the local
25 labor market area;

26 (3) all or part of the local labor market area has

1 a poverty rate of at least 20% according to the
2 American Community Survey; 35% or more of families
3 with children in the area are living below 130% of the
4 poverty line, according to the latest American
5 Community Survey; ~~latest federal decennial census, 50%~~
6 ~~or more of children in the local labor market area~~
7 ~~participate in the federal free lunch program~~
8 ~~according to reported statistics from the State Board~~
9 ~~of Education,~~ or 20% or more households in the local
10 labor market area receive food stamps or assistance
11 under Supplemental Nutrition Assistance Program
12 ("SNAP") according to the latest American Community
13 Survey ~~federal decennial census;~~

14 (4) an abandoned coal mine, a brownfield (as
15 defined in Section 58.2 of the Environmental
16 Protection Act), or an inactive nuclear-powered
17 electrical generation facility where spent nuclear
18 fuel is stored on-site is located in the proposed zone
19 area, or all or a portion of the proposed zone was
20 declared a federal disaster area in the 3 years
21 preceding the date of application;

22 (5) the local labor market area contains a
23 presence of large employers that have downsized over
24 the years, the labor market area has experienced plant
25 closures in the 5 years prior to the date of
26 application affecting more than 50 workers, or the

1 local labor market area has experienced State or
2 federal facility closures in the 5 years prior to the
3 date of application affecting more than 50 workers;

4 (6) based on data from Multiple Listing Service
5 information or other suitable sources, the local labor
6 market area contains a high floor vacancy rate of
7 industrial or commercial properties, vacant or
8 demolished commercial and industrial structures are
9 prevalent in the local labor market area, or
10 industrial structures in the local labor market area
11 are not used because of age, deterioration, relocation
12 of the former occupants, or cessation of operation;

13 (7) the applicant demonstrates a substantial plan
14 for using the designation to improve the State and
15 local government tax base, including income, sales,
16 and property taxes;

17 (8) significant public infrastructure is present
18 in the local labor market area in addition to a plan
19 for infrastructure development and improvement;

20 (9) high schools or community colleges located
21 within the local labor market area are engaged in ACT
22 Work Keys, Manufacturing Skills Standard
23 Certification, or other industry-based credentials
24 that prepare students for careers;

25 (10) the change in equalized assessed valuation of
26 industrial and/or commercial properties in the 5 years

1 prior to the date of application is equal to or less
2 than 50% of the State average change in equalized
3 assessed valuation for industrial and/or commercial
4 properties, as applicable, for the same period of
5 time; or

6 (11) the applicant demonstrates a substantial plan
7 for using the designation to encourage: (i)
8 participation by businesses owned by minorities,
9 women, and persons with disabilities, as those terms
10 are defined in the Business Enterprise for Minorities,
11 Women, and Persons with Disabilities Act; and (ii) the
12 hiring of minorities, women, and persons with
13 disabilities.

14 As provided in Section 10-5.3 of the River Edge
15 Redevelopment Zone Act, upon the expiration of the term of
16 each River Edge Redevelopment Zone in existence on August 7,
17 2012 (the effective date of Public Act 97-905), that River
18 Edge Redevelopment Zone will become available for its previous
19 designee or a new applicant to compete for designation as an
20 enterprise zone. No preference for designation will be given
21 to the previous designee of the zone.

22 (2) Any criteria established by the Department or by law
23 which utilize the rate of unemployment for a particular area
24 shall provide that all persons who are not presently employed
25 and have exhausted all unemployment benefits shall be
26 considered unemployed, whether or not such persons are

1 actively seeking employment.

2 (Source: P.A. 100-838, eff. 8-13-18; 100-1149, eff. 12-14-18;
3 101-81, eff. 7-12-19.)

4 (20 ILCS 655/4.1)

5 Sec. 4.1. Department recommendations.

6 (a) For all applications that qualify under Section 4 of
7 this Act, the Department shall issue recommendations by
8 assigning a score to each applicant. The scores will be
9 determined by the Department, based on the extent to which an
10 applicant meets the criteria points under subsection (f) of
11 Section 4 of this Act. Scores will be determined using the
12 following scoring system:

13 (1) Up to 50 points for the extent to which the
14 applicant meets or exceeds the criteria in item (1) of
15 subsection (f) of Section 4 of this Act, with points
16 awarded according to the severity of the unemployment.

17 (2) Up to 50 points for the extent to which the
18 applicant meets or exceeds the criteria in item (2) of
19 subsection (f) of Section 4 of this Act, with points
20 awarded in accordance with the number of jobs created and
21 the aggregate amount of investment promised.

22 (3) Up to 40 points for the extent to which the
23 applicant meets or exceeds the criteria in item (3) of
24 subsection (f) of Section 4 of this Act, with points
25 awarded in accordance with the severity of the

1 unemployment rate according to the latest American
2 Community Survey ~~federal decennial census~~.

3 (4) Up to 30 points for the extent to which the
4 applicant meets or exceeds the criteria in item (4) of
5 subsection (f) of Section 4 of this Act, with points
6 awarded in accordance with the severity of the
7 environmental impact of the abandoned coal mine,
8 brownfield, or federal disaster area.

9 (5) Up to 50 points for the extent to which the
10 applicant meets or exceeds the criteria in item (5) of
11 subsection (f) of Section 4 of this Act, with points
12 awarded in accordance with the severity of the applicable
13 facility closures or downsizing.

14 (6) Up to 40 points for the extent to which the
15 applicant meets or exceeds the criteria in item (6) of
16 subsection (f) of Section 4 of this Act, with points
17 awarded in accordance with the severity and extent of the
18 high floor vacancy or deterioration.

19 (7) Up to 30 points for the extent to which the
20 applicant meets or exceeds the criteria in item (7) of
21 subsection (f) of Section 4 of this Act, with points
22 awarded in accordance with the extent to which the
23 application addresses a plan to improve the State and
24 local government tax base.

25 (8) Up to 50 points for the extent to which the
26 applicant meets or exceeds the criteria in item (8) of

1 subsection (f) of Section 4 of this Act, with points
2 awarded in accordance with the existence of significant
3 public infrastructure.

4 (9) Up to 40 points for the extent to which the
5 applicant meets or exceeds the criteria in item (9) of
6 subsection (f) of Section 4 of this Act, with points
7 awarded in accordance with the extent to which educational
8 programs exist for career preparation.

9 (10) Up to 40 points for the extent to which the
10 applicant meets or exceeds the criteria in item (10) of
11 subsection (f) of Section 4 of this Act, with points
12 awarded according to the severity of the change in
13 equalized assessed valuation.

14 (11) Up to 40 points for the extent to which the
15 applicant meets or exceeds the criteria in item (11) of
16 subsection (f) of Section 4 of this Act.

17 (b) After assigning a score for each of the individual
18 criteria using the point system as described in subsection
19 (a), the Department shall then take the sum of the scores for
20 each applicant and assign a final score. The Department shall
21 then submit this information to the Board, as required in
22 subsection (c) of Section 5.2, as its recommendation.

23 (Source: P.A. 100-838, eff. 8-13-18.)

24 (20 ILCS 655/5.1) (from Ch. 67 1/2, par. 606)

25 Sec. 5.1. Application to Department.

1 (a) A county or municipality which has adopted an
2 ordinance designating an area as an enterprise zone shall make
3 written application to the Department to have such proposed
4 enterprise zone certified by the Department as an Enterprise
5 Zone. The application shall include:

6 (i) a certified copy of the ordinance designating the
7 proposed zone;

8 (ii) a map of the proposed enterprise zone, showing
9 existing streets and highways;

10 (iii) an analysis, and any appropriate supporting
11 documents and statistics, demonstrating that the proposed
12 zone area is qualified in accordance with Section 4;

13 (iv) a statement detailing any tax, grant, and other
14 financial incentives or benefits, and any programs, to be
15 provided by the municipality or county to business
16 enterprises within the zone, other than those provided in
17 the designating ordinance, which are not to be provided
18 throughout the municipality or county;

19 (v) a statement setting forth the economic development
20 and planning objectives for the zone;

21 (vi) a statement describing the functions, programs,
22 and services to be performed by designated zone
23 organizations within the zone;

24 (vii) an estimate of the economic impact of the zone,
25 considering all of the tax incentives, financial benefits
26 and programs contemplated, upon the revenues of the

1 municipality or county;

2 (viii) a transcript of all public hearings on the
3 zone;

4 (ix) in the case of a joint application, a statement
5 detailing the need for a zone covering portions of more
6 than one municipality or county and a description of the
7 agreement between joint applicants; and

8 (x) such additional information as the Department by
9 regulation may require.

10 (b) The Department may provide for provisional
11 certification of substantially complete applications pending
12 the receipt of any of the items identified in subsection (a) or
13 any additional information requested by the Department.

14 (Source: P.A. 82-1019.)

15 (20 ILCS 655/5.2) (from Ch. 67 1/2, par. 607)

16 Sec. 5.2. Department Review of Enterprise Zone
17 Applications.

18 (a) All applications which are to be considered and acted
19 upon by the Department during a calendar year must be received
20 by the Department no later than December 31 of the preceding
21 calendar year.

22 Any application received after December 31 of any calendar
23 year shall be held by the Department for consideration and
24 action during the following calendar year.

25 Each enterprise zone application shall include a specific

1 definition of the applicant's local labor market area.

2 (a-5) The Department shall, no later than July 31, 2013,
3 develop an application process for an enterprise zone
4 application. The Department has emergency rulemaking authority
5 for the purpose of application development only until 12
6 months after the effective date of this amendatory Act of the
7 97th General Assembly.

8 (b) Upon receipt of an application from a county or
9 municipality the Department shall review the application to
10 determine whether the designated area qualifies as an
11 enterprise zone under Section 4 of this Act.

12 (c) No later than June 30, the Department shall notify all
13 applicant municipalities and counties of the Department's
14 determination of the qualification of their respective
15 designated enterprise zone areas, and shall send qualifying
16 applications, including the applicant's scores for items (1)
17 through (10) of subsection (a) of Section 4.1 and the
18 applicant's final score under that Section, to the Board for
19 the Board's consideration, along with supporting documentation
20 of the basis for the Department's decision.

21 (d) If any such designated area is found to be qualified to
22 be an enterprise zone by the Department under subsection (c)
23 of this Section, the Department shall, no later than July 15,
24 send a letter of notification to each member of the General
25 Assembly whose legislative district or representative district
26 contains all or part of the designated area and publish a

1 notice in at least one newspaper of general circulation within
2 the proposed zone area to notify the general public of the
3 application and their opportunity to comment. Such notice
4 shall include a description of the area and a brief summary of
5 the application and shall indicate locations where the
6 applicant has provided copies of the application for public
7 inspection. The notice shall also indicate appropriate
8 procedures for the filing of written comments from zone
9 residents, business, civic and other organizations and
10 property owners to the Department. The Department and the
11 Board may consider written comments submitted pursuant to this
12 Section or any other information regarding a pending
13 enterprise zone application submitted after the deadline for
14 enterprise zone application and received prior to the Board's
15 decision on all pending applications.

16 (e) (Blank).

17 (f) (Blank).

18 (g) (Blank).

19 (h) (Blank).

20 (Source: P.A. 97-905, eff. 8-7-12; 98-109, eff. 7-25-13.)

21 (20 ILCS 655/5.3) (from Ch. 67 1/2, par. 608)

22 Sec. 5.3. Certification of Enterprise Zones; effective
23 date.

24 (a) Certification of Board-approved designated Enterprise
25 Zones shall be made by the Department by certification of the

1 designating ordinance. The Department shall promptly issue a
2 certificate for each Enterprise Zone upon approval by the
3 Board. The certificate shall be signed by the Director of the
4 Department, shall make specific reference to the designating
5 ordinance, which shall be attached thereto, and shall be filed
6 in the office of the Secretary of State. A certified copy of
7 the Enterprise Zone Certificate, or a duplicate original
8 thereof, shall be recorded in the office of recorder of deeds
9 of the county in which the Enterprise Zone lies.

10 (b) An Enterprise Zone certified prior to January 1, 2016
11 or on or after January 1, 2017 shall be effective on January 1
12 of the first calendar year after Department certification. An
13 Enterprise Zone certified on or after January 1, 2016 and on or
14 before December 31, 2016 shall be effective on the date of the
15 Department's certification. The Department shall transmit a
16 copy of the certification to the Department of Revenue, and to
17 the designating municipality or county.

18 Upon certification of an Enterprise Zone, the terms and
19 provisions of the designating ordinance shall be in effect,
20 and may not be amended or repealed except in accordance with
21 Section 5.4.

22 (c) With the exception of Enterprise Zones scheduled to
23 expire before December 31, 2018, an Enterprise Zone designated
24 before the effective date of this amendatory Act of the 97th
25 General Assembly shall be in effect for 30 calendar years, or
26 for a lesser number of years specified in the certified

1 designating ordinance. Notwithstanding the foregoing, any
2 Enterprise Zone in existence on the effective date of this
3 amendatory Act of the 98th General Assembly that has a term of
4 20 calendar years may be extended for an additional 10
5 calendar years upon amendment of the designating ordinance by
6 the designating municipality or county and submission of the
7 ordinance to the Department. The amended ordinance must be
8 properly recorded in the Office of Recorder of Deeds of each
9 county in which the Enterprise Zone lies. Each Enterprise Zone
10 in existence on the effective date of this amendatory Act of
11 the 97th General Assembly that is scheduled to expire before
12 July 1, 2016 may have its termination date extended until July
13 1, 2016 upon amendment of the designating ordinance by the
14 designating municipality or county extending the termination
15 date to July 1, 2016 and submission of the ordinance to the
16 Department. The amended ordinance must be properly recorded in
17 the Office of Recorder of Deeds of each county in which the
18 Enterprise Zone lies. An Enterprise Zone designated on or
19 after the effective date of this amendatory Act of the 97th
20 General Assembly shall be in effect for a term of 15 calendar
21 years, or for a lesser number of years specified in the
22 certified designating ordinance. An enterprise zone designated
23 on or after the effective date of this amendatory Act of the
24 97th General Assembly shall be subject to review by the Board
25 after 13 years for an additional 10-year designation beginning
26 on the expiration date of the enterprise zone. During the

1 review process, the Board shall consider the costs incurred by
2 the State and units of local government as a result of tax
3 benefits received by the enterprise zone. Enterprise Zones
4 shall terminate at midnight of December 31 of the final
5 calendar year of the certified term, except as provided in
6 Section 5.4.

7 (d) No more than 12 Enterprise Zones may be certified by
8 the Department in calendar year 1984, no more than 12
9 Enterprise Zones may be certified by the Department in
10 calendar year 1985, no more than 13 Enterprise Zones may be
11 certified by the Department in calendar year 1986, no more
12 than 15 Enterprise Zones may be certified by the Department in
13 calendar year 1987, and no more than 20 Enterprise Zones may be
14 certified by the Department in calendar year 1990. In other
15 calendar years, no more than 13 Enterprise Zones may be
16 certified by the Department. The Department may also designate
17 up to 8 additional Enterprise Zones outside the regular
18 application cycle if warranted by the extreme economic
19 circumstances as determined by the Department. The Department
20 may also designate one additional Enterprise Zone outside the
21 regular application cycle if an aircraft manufacturer agrees
22 to locate an aircraft manufacturing facility in the proposed
23 Enterprise Zone. Notwithstanding any other provision of this
24 Act, no more than 89 Enterprise Zones may be certified by the
25 Department for the 10 calendar years commencing with 1983. The
26 7 additional Enterprise Zones authorized by Public Act 86-15

1 shall not lie within municipalities or unincorporated areas of
2 counties that abut or are contiguous to Enterprise Zones
3 certified pursuant to this Section prior to June 30, 1989. The
4 7 additional Enterprise Zones (excluding the additional
5 Enterprise Zone which may be designated outside the regular
6 application cycle) authorized by Public Act 86-1030 shall not
7 lie within municipalities or unincorporated areas of counties
8 that abut or are contiguous to Enterprise Zones certified
9 pursuant to this Section prior to February 28, 1990. Beginning
10 in calendar year 2004 and until December 31, 2008, one
11 additional enterprise zone may be certified by the Department.
12 In any calendar year, the Department may not certify more than
13 3 Zones located within the same municipality. The Department
14 may certify Enterprise Zones in each of the 10 calendar years
15 commencing with 1983. The Department may not certify more than
16 a total of 18 Enterprise Zones located within the same county
17 (whether within municipalities or within unincorporated
18 territory) for the 10 calendar years commencing with 1983.
19 Thereafter, the Department may not certify any additional
20 Enterprise Zones, but may amend and rescind certifications of
21 existing Enterprise Zones in accordance with Section 5.4.

22 (e) Notwithstanding any other provision of law, if (i) the
23 county board of any county in which a current military base is
24 located, in part or in whole, or in which a military base that
25 has been closed within 20 years of the effective date of this
26 amendatory Act of 1998 is located, in part or in whole, adopts

1 a designating ordinance in accordance with Section 5 of this
2 Act to designate the military base in that county as an
3 enterprise zone and (ii) the property otherwise meets the
4 qualifications for an enterprise zone as prescribed in Section
5 4 of this Act, then the Department may certify the designating
6 ordinance or ordinances, as the case may be.

7 (f) Applications for Enterprise Zones that are scheduled
8 to expire in 2016, including Enterprise Zones that have been
9 extended until 2016 by this amendatory Act of the 97th General
10 Assembly, shall be submitted to the Department no later than
11 December 31, 2014. At that time, the Zone becomes available
12 for either the previously designated area or a different area
13 to compete for designation. No preference for designation as a
14 Zone will be given to the previously designated area.

15 For Enterprise Zones that are scheduled to expire on or
16 after January 1, 2017 and prior to January 1, 2023, an
17 application process shall begin 2 years prior to the year in
18 which the Zone expires. At that time, the Zone becomes
19 available for either the previously designated area or a
20 different area to compete for designation. No preference for
21 designation as a Zone will be given to the previously
22 designated area.

23 For Enterprise Zones that are scheduled to expire on or
24 after January 1, 2023, an application process shall begin 5
25 years prior to the year in which the Zone expires. At that
26 time, the Zone becomes available for either the previously

1 designated area or a different area to compete for
2 designation. No preference for designation as a Zone will be
3 given to the previously designated area.

4 Each Enterprise Zone that reapplies for certification but
5 does not receive a new certification shall expire on its
6 scheduled termination date.

7 (Source: P.A. 98-109, eff. 7-25-13; 99-615, eff. 7-22-16.)

8 (20 ILCS 655/5.4) (from Ch. 67 1/2, par. 609)

9 Sec. 5.4. Amendment and Decertification of Enterprise
10 Zones.

11 (a) The terms of a certified enterprise zone designating
12 ordinance may be amended to

13 (i) alter the boundaries of the Enterprise Zone, or

14 (ii) expand, limit or repeal tax incentives or
15 benefits provided in the ordinance, or

16 (iii) alter the termination date of the zone, or

17 (iv) make technical corrections in the enterprise zone
18 designating ordinance; but such amendment shall not be
19 effective unless the Department issues an amended
20 certificate for the Enterprise Zone, approving the amended
21 designating ordinance. Upon the adoption of any ordinance
22 amending or repealing the terms of a certified enterprise
23 zone designating ordinance, the municipality or county
24 shall promptly file with the Department an application for
25 approval thereof, containing substantially the same

1 information as required for an application under Section
2 5.1 insofar as material to the proposed changes. The
3 municipality or county must hold a public hearing on the
4 proposed changes as specified in Section 5 and, if the
5 amendment is to effectuate the limitation of tax
6 abatements under Section 5.4.1, then the public notice of
7 the hearing shall state that property that is in both the
8 enterprise zone and a redevelopment project area may not
9 receive tax abatements unless within 60 days after the
10 adoption of the amendment to the designating ordinance the
11 municipality has determined that eligibility for tax
12 abatements has been established,

13 (v) include an area within another municipality or
14 county as part of the designated enterprise zone provided
15 the requirements of Section 4 are complied with, or

16 (vi) effectuate the limitation of tax abatements under
17 Section 5.4.1.

18 (b) The Department shall approve or disapprove a proposed
19 amendment to a certified enterprise zone within 90 days of its
20 receipt of the application from the municipality or county.
21 The Department may not approve changes in a Zone which are not
22 in conformity with this Act, as now or hereafter amended, or
23 with other applicable laws. If the Department issues an
24 amended certificate for an Enterprise Zone, the amended
25 certificate, together with the amended zone designating
26 ordinance, shall be filed, recorded and transmitted as

1 provided in Section 5.3.

2 (c) An Enterprise Zone may be decertified by joint action
3 of the Department and the designating county or municipality
4 in accordance with this Section. The designating county or
5 municipality shall conduct at least one public hearing within
6 the zone prior to its adoption of an ordinance of
7 de-designation. The mayor of the designating municipality or
8 the chairman of the county board of the designating county
9 shall execute a joint decertification agreement with the
10 Department. A decertification of an Enterprise Zone shall not
11 become effective until at least 6 months after the execution
12 of the decertification agreement, which shall be filed in the
13 office of the Secretary of State.

14 (d) An Enterprise Zone may be decertified for cause by the
15 Department in accordance with this Section. Prior to
16 decertification: (1) the Department shall notify the chief
17 elected official of the designating county or municipality in
18 writing of the specific deficiencies which provide cause for
19 decertification; (2) the Department shall place the
20 designating county or municipality on probationary status for
21 at least 6 months during which time corrective action may be
22 achieved in the enterprise zone by the designating county or
23 municipality; and, (3) the Department shall conduct at least
24 one public hearing within the zone. If such corrective action
25 is not achieved during the probationary period, the Department
26 shall issue an amended certificate signed by the Director of

1 the Department decertifying the enterprise zone, which
2 certificate shall be filed in the office of the Secretary of
3 State. A certified copy of the amended enterprise zone
4 certificate, or a duplicate original thereof, shall be
5 recorded in the office of recorder of the county in which the
6 enterprise zone lies, and shall be provided to the chief
7 elected official of the designating county or municipality.
8 Decertification of an Enterprise Zone shall not become
9 effective until 60 days after the date of filing.

10 (d-5) The Department shall provisionally decertify any
11 Enterprise Zone that fails to file a report or fails to report
12 any capital investment, job creation, or retention, or State
13 tax expenditures for 3 consecutive calendar years. Prior to
14 provisional decertification: (i) the Department shall notify
15 the chief elected official of the designating county or
16 municipality in writing of the specific deficiencies which
17 provide cause for decertification; (ii) the Department shall
18 place the designating county or municipality on probationary
19 status for at least 6 months during which time corrective
20 action may be achieved in the Enterprise Zone by the
21 designating county or municipality; and (iii) the Department
22 shall conduct at least one public hearing within the Zone. If
23 such corrective action is not achieved during the probationary
24 period, the Department shall issue an amended certificate
25 signed by the Director of the Department provisionally
26 decertifying the Enterprise Zone as of the scheduled

1 termination date of the then-current designation. If the
2 provisionally-decertified Zone was approved and designated
3 after January 13, 2021 (the end of the 101st General Assembly)
4 and has been in existence for less than 15 years, such Zone
5 shall not be eligible for an additional 10-year designation
6 after the expiration date of the original Zone set forth in
7 subsection (c) of Section 5.3. Further, if such corrective
8 action is not achieved during the probationary period for in
9 this Section, following such probationary period the Zone
10 becomes available for a different area to compete for
11 designation.

12 (e) In the event of a decertification, provisional
13 decertification, or an amendment reducing the length of the
14 term or the area of an Enterprise Zone or the adoption of an
15 ordinance reducing or eliminating tax benefits in an
16 Enterprise Zone, all benefits previously extended within the
17 Zone pursuant to this Act or pursuant to any other Illinois law
18 providing benefits specifically to or within Enterprise Zones
19 shall remain in effect for the original stated term of the
20 Enterprise Zone, with respect to business enterprises within
21 the Zone on the effective date of such decertification,
22 provisional decertification, or amendment, and with respect to
23 individuals participating in urban homestead programs under
24 this Act.

25 (f) Except as otherwise provided in Section 5.4.1, with
26 respect to business enterprises (or expansions thereof) which

1 are proposed or under development within a Zone at the time of
2 a decertification or an amendment reducing the length of the
3 term of the Zone, or excluding from the Zone area the site of
4 the proposed enterprise, or an ordinance reducing or
5 eliminating tax benefits in a Zone, such business enterprise
6 shall be entitled to the benefits previously applicable within
7 the Zone for the original stated term of the Zone, if the
8 business enterprise establishes:

9 (i) that the proposed business enterprise or expansion
10 has been committed to be located within the Zone;

11 (ii) that substantial and binding financial
12 obligations have been made towards the development of such
13 enterprise; and

14 (iii) that such commitments have been made in
15 reasonable reliance on the benefits and programs which
16 were to have been applicable to the enterprise by reason
17 of the Zone, including in the case of a reduction in term
18 of a zone, the original length of the term.

19 In declaratory judgment actions under this paragraph, the
20 Department and the designating municipality or county shall be
21 necessary parties defendant.

22 (Source: P.A. 90-258, eff. 7-30-97.)

23 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

24 Sec. 5.5. High Impact Business.

25 (a) In order to respond to unique opportunities to assist

1 in the encouragement, development, growth, and expansion of
2 the private sector through large scale investment and
3 development projects, the Department is authorized to receive
4 and approve applications for the designation of "High Impact
5 Businesses" in Illinois subject to the following conditions:

6 (1) such applications may be submitted at any time
7 during the year;

8 (2) such business is not located, at the time of
9 designation, in an enterprise zone designated pursuant to
10 this Act;

11 (3) the business intends to do one or more of the
12 following:

13 (A) the business intends to make a minimum
14 investment of \$12,000,000 which will be placed in
15 service in qualified property and intends to create
16 500 full-time equivalent jobs at a designated location
17 in Illinois or intends to make a minimum investment of
18 \$30,000,000 which will be placed in service in
19 qualified property and intends to retain 1,500
20 full-time retained jobs at a designated location in
21 Illinois. The business must certify in writing that
22 the investments would not be placed in service in
23 qualified property and the job creation or job
24 retention would not occur without the tax credits and
25 exemptions set forth in subsection (b) of this
26 Section. The terms "placed in service" and "qualified

1 property" have the same meanings as described in
2 subsection (h) of Section 201 of the Illinois Income
3 Tax Act; or

4 (B) the business intends to establish a new
5 electric generating facility at a designated location
6 in Illinois. "New electric generating facility", for
7 purposes of this Section, means a newly-constructed
8 electric generation plant or a newly-constructed
9 generation capacity expansion at an existing electric
10 generation plant, including the transmission lines and
11 associated equipment that transfers electricity from
12 points of supply to points of delivery, and for which
13 such new foundation construction commenced not sooner
14 than July 1, 2001. Such facility shall be designed to
15 provide baseload electric generation and shall operate
16 on a continuous basis throughout the year; and (i)
17 shall have an aggregate rated generating capacity of
18 at least 1,000 megawatts for all new units at one site
19 if it uses natural gas as its primary fuel and
20 foundation construction of the facility is commenced
21 on or before December 31, 2004, or shall have an
22 aggregate rated generating capacity of at least 400
23 megawatts for all new units at one site if it uses coal
24 or gases derived from coal as its primary fuel and
25 shall support the creation of at least 150 new
26 Illinois coal mining jobs, or (ii) shall be funded

1 through a federal Department of Energy grant before
2 December 31, 2010 and shall support the creation of
3 Illinois coal-mining jobs, or (iii) shall use coal
4 gasification or integrated gasification-combined cycle
5 units that generate electricity or chemicals, or both,
6 and shall support the creation of Illinois coal-mining
7 jobs. The business must certify in writing that the
8 investments necessary to establish a new electric
9 generating facility would not be placed in service and
10 the job creation in the case of a coal-fueled plant
11 would not occur without the tax credits and exemptions
12 set forth in subsection (b-5) of this Section. The
13 term "placed in service" has the same meaning as
14 described in subsection (h) of Section 201 of the
15 Illinois Income Tax Act; or

16 (B-5) the business intends to establish a new
17 gasification facility at a designated location in
18 Illinois. As used in this Section, "new gasification
19 facility" means a newly constructed coal gasification
20 facility that generates chemical feedstocks or
21 transportation fuels derived from coal (which may
22 include, but are not limited to, methane, methanol,
23 and nitrogen fertilizer), that supports the creation
24 or retention of Illinois coal-mining jobs, and that
25 qualifies for financial assistance from the Department
26 before December 31, 2010. A new gasification facility

1 does not include a pilot project located within
2 Jefferson County or within a county adjacent to
3 Jefferson County for synthetic natural gas from coal;
4 or

5 (C) the business intends to establish production
6 operations at a new coal mine, re-establish production
7 operations at a closed coal mine, or expand production
8 at an existing coal mine at a designated location in
9 Illinois not sooner than July 1, 2001; provided that
10 the production operations result in the creation of
11 150 new Illinois coal mining jobs as described in
12 subdivision (a)(3)(B) of this Section, and further
13 provided that the coal extracted from such mine is
14 utilized as the predominant source for a new electric
15 generating facility. The business must certify in
16 writing that the investments necessary to establish a
17 new, expanded, or reopened coal mine would not be
18 placed in service and the job creation would not occur
19 without the tax credits and exemptions set forth in
20 subsection (b-5) of this Section. The term "placed in
21 service" has the same meaning as described in
22 subsection (h) of Section 201 of the Illinois Income
23 Tax Act; or

24 (D) the business intends to construct new
25 transmission facilities or upgrade existing
26 transmission facilities at designated locations in

1 Illinois, for which construction commenced not sooner
2 than July 1, 2001. For the purposes of this Section,
3 "transmission facilities" means transmission lines
4 with a voltage rating of 115 kilovolts or above,
5 including associated equipment, that transfer
6 electricity from points of supply to points of
7 delivery and that transmit a majority of the
8 electricity generated by a new electric generating
9 facility designated as a High Impact Business in
10 accordance with this Section. The business must
11 certify in writing that the investments necessary to
12 construct new transmission facilities or upgrade
13 existing transmission facilities would not be placed
14 in service without the tax credits and exemptions set
15 forth in subsection (b-5) of this Section. The term
16 "placed in service" has the same meaning as described
17 in subsection (h) of Section 201 of the Illinois
18 Income Tax Act; or

19 (E) the business intends to establish a new wind
20 power facility at a designated location in Illinois.
21 For purposes of this Section, "new wind power
22 facility" means a newly constructed electric
23 generation facility, or a newly constructed expansion
24 of an existing electric generation facility, placed in
25 service on or after July 1, 2009, that generates
26 electricity using wind energy devices, and such

1 facility shall be deemed to include all associated
2 transmission lines, substations, and other equipment
3 related to the generation of electricity from wind
4 energy devices. For purposes of this Section, "wind
5 energy device" means any device, with a nameplate
6 capacity of at least 0.5 megawatts, that is used in the
7 process of converting kinetic energy from the wind to
8 generate electricity; or

9 (F) the business commits to (i) make a minimum
10 investment of \$500,000,000, which will be placed in
11 service in a qualified property, (ii) create 125
12 full-time equivalent jobs at a designated location in
13 Illinois, (iii) establish a fertilizer plant at a
14 designated location in Illinois that complies with the
15 set-back standards as described in Table 1: Initial
16 Isolation and Protective Action Distances in the 2012
17 Emergency Response Guidebook published by the United
18 States Department of Transportation, (iv) pay a
19 prevailing wage for employees at that location who are
20 engaged in construction activities, and (v) secure an
21 appropriate level of general liability insurance to
22 protect against catastrophic failure of the fertilizer
23 plant or any of its constituent systems; in addition,
24 the business must agree to enter into a construction
25 project labor agreement including provisions
26 establishing wages, benefits, and other compensation

1 for employees performing work under the project labor
2 agreement at that location; for the purposes of this
3 Section, "fertilizer plant" means a newly constructed
4 or upgraded plant utilizing gas used in the production
5 of anhydrous ammonia and downstream nitrogen
6 fertilizer products for resale; for the purposes of
7 this Section, "prevailing wage" means the hourly cash
8 wages plus fringe benefits for training and
9 apprenticeship programs approved by the U.S.
10 Department of Labor, Bureau of Apprenticeship and
11 Training, health and welfare, insurance, vacations and
12 pensions paid generally, in the locality in which the
13 work is being performed, to employees engaged in work
14 of a similar character on public works; this paragraph
15 (F) applies only to businesses that submit an
16 application to the Department within 60 days after
17 July 25, 2013 (the effective date of Public Act
18 98-109) ~~this amendatory Act of the 98th General~~
19 ~~Assembly~~; and

20 (4) no later than 90 days after an application is
21 submitted, the Department shall notify the applicant of
22 the Department's determination of the qualification of the
23 proposed High Impact Business under this Section.

24 (b) Businesses designated as High Impact Businesses
25 pursuant to subdivision (a)(3)(A) of this Section shall
26 qualify for the credits and exemptions described in the

1 following Acts: Section 9-222 and Section 9-222.1A of the
2 Public Utilities Act, subsection (h) of Section 201 of the
3 Illinois Income Tax Act, and Section 1d of the Retailers'
4 Occupation Tax Act; provided that these credits and exemptions
5 described in these Acts shall not be authorized until the
6 minimum investments set forth in subdivision (a)(3)(A) of this
7 Section have been placed in service in qualified properties
8 and, in the case of the exemptions described in the Public
9 Utilities Act and Section 1d of the Retailers' Occupation Tax
10 Act, the minimum full-time equivalent jobs or full-time
11 retained jobs set forth in subdivision (a)(3)(A) of this
12 Section have been created or retained. Businesses designated
13 as High Impact Businesses under this Section shall also
14 qualify for the exemption described in Section 51 of the
15 Retailers' Occupation Tax Act. The credit provided in
16 subsection (h) of Section 201 of the Illinois Income Tax Act
17 shall be applicable to investments in qualified property as
18 set forth in subdivision (a)(3)(A) of this Section.

19 (b-5) Businesses designated as High Impact Businesses
20 pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C),
21 and (a)(3)(D) of this Section shall qualify for the credits
22 and exemptions described in the following Acts: Section 51 of
23 the Retailers' Occupation Tax Act, Section 9-222 and Section
24 9-222.1A of the Public Utilities Act, and subsection (h) of
25 Section 201 of the Illinois Income Tax Act; however, the
26 credits and exemptions authorized under Section 9-222 and

1 Section 9-222.1A of the Public Utilities Act, and subsection
2 (h) of Section 201 of the Illinois Income Tax Act shall not be
3 authorized until the new electric generating facility, the new
4 gasification facility, the new transmission facility, or the
5 new, expanded, or reopened coal mine is operational, except
6 that a new electric generating facility whose primary fuel
7 source is natural gas is eligible only for the exemption under
8 Section 51 of the Retailers' Occupation Tax Act.

9 (b-6) Businesses designated as High Impact Businesses
10 pursuant to subdivision (a)(3)(E) of this Section shall
11 qualify for the exemptions described in Section 51 of the
12 Retailers' Occupation Tax Act; any business so designated as a
13 High Impact Business being, for purposes of this Section, a
14 "Wind Energy Business".

15 (b-7) Beginning on January 1, 2021, businesses designated
16 as High Impact Businesses by the Department shall qualify for
17 the High Impact Business construction jobs credit under
18 subsection (h-5) of Section 201 of the Illinois Income Tax Act
19 if the business meets the criteria set forth in subsection (i)
20 of this Section. The total aggregate amount of credits awarded
21 under the Blue Collar Jobs Act (Article 20 of Public Act 101-9
22 ~~this amendatory Act of the 101st General Assembly~~) shall not
23 exceed \$20,000,000 in any State fiscal year.

24 (c) High Impact Businesses located in federally designated
25 foreign trade zones or sub-zones are also eligible for
26 additional credits, exemptions and deductions as described in

1 the following Acts: Section 9-221 and Section 9-222.1 of the
2 Public Utilities Act; and subsection (g) of Section 201, and
3 Section 203 of the Illinois Income Tax Act.

4 (d) Except for businesses contemplated under subdivision
5 (a) (3) (E) of this Section, existing Illinois businesses which
6 apply for designation as a High Impact Business must provide
7 the Department with the prospective plan for which 1,500
8 full-time retained jobs would be eliminated in the event that
9 the business is not designated.

10 (e) Except for new wind power facilities contemplated
11 under subdivision (a) (3) (E) of this Section, new proposed
12 facilities which apply for designation as High Impact Business
13 must provide the Department with proof of alternative
14 non-Illinois sites which would receive the proposed investment
15 and job creation in the event that the business is not
16 designated as a High Impact Business.

17 (f) Except for businesses contemplated under subdivision
18 (a) (3) (E) of this Section, in the event that a business is
19 designated a High Impact Business and it is later determined
20 after reasonable notice and an opportunity for a hearing as
21 provided under the Illinois Administrative Procedure Act, that
22 the business would have placed in service in qualified
23 property the investments and created or retained the requisite
24 number of jobs without the benefits of the High Impact
25 Business designation, the Department shall be required to
26 immediately revoke the designation and notify the Director of

1 the Department of Revenue who shall begin proceedings to
2 recover all wrongfully exempted State taxes with interest. The
3 business shall also be ineligible for all State funded
4 Department programs for a period of 10 years.

5 (g) The Department shall revoke a High Impact Business
6 designation if the participating business fails to comply with
7 the terms and conditions of the designation. However, the
8 penalties for new wind power facilities or Wind Energy
9 Businesses for failure to comply with any of the terms or
10 conditions of the Illinois Prevailing Wage Act shall be only
11 those penalties identified in the Illinois Prevailing Wage
12 Act, and the Department shall not revoke a High Impact
13 Business designation as a result of the failure to comply with
14 any of the terms or conditions of the Illinois Prevailing Wage
15 Act in relation to a new wind power facility or a Wind Energy
16 Business.

17 (h) Prior to designating a business, the Department shall
18 provide the members of the General Assembly and Commission on
19 Government Forecasting and Accountability with a report
20 setting forth the terms and conditions of the designation and
21 guarantees that have been received by the Department in
22 relation to the proposed business being designated.

23 (i) High Impact Business construction jobs credit.
24 Beginning on January 1, 2021, a High Impact Business may
25 receive a tax credit against the tax imposed under subsections
26 (a) and (b) of Section 201 of the Illinois Income Tax Act in an

1 amount equal to 50% of the amount of the incremental income tax
2 attributable to High Impact Business construction jobs credit
3 employees employed in the course of completing a High Impact
4 Business construction jobs project. However, the High Impact
5 Business construction jobs credit may equal 75% of the amount
6 of the incremental income tax attributable to High Impact
7 Business construction jobs credit employees if the High Impact
8 Business construction jobs credit project is located in an
9 underserved area.

10 The Department shall certify to the Department of Revenue:
11 (1) the identity of taxpayers that are eligible for the High
12 Impact Business construction jobs credit; and (2) the amount
13 of High Impact Business construction jobs credits that are
14 claimed pursuant to subsection (h-5) of Section 201 of the
15 Illinois Income Tax Act in each taxable year. Any business
16 entity that receives a High Impact Business construction jobs
17 credit shall maintain a certified payroll pursuant to
18 subsection (j) of this Section.

19 As used in this subsection (i):

20 "High Impact Business construction jobs credit" means an
21 amount equal to 50% (or 75% if the High Impact Business
22 construction project is located in an underserved area) of the
23 incremental income tax attributable to High Impact Business
24 construction job employees. The total aggregate amount of
25 credits awarded under the Blue Collar Jobs Act (Article 20 of
26 Public Act 101-9 ~~this amendatory Act of the 101st General~~

1 Assembly) shall not exceed \$20,000,000 in any State fiscal
2 year

3 "High Impact Business construction job employee" means a
4 laborer or worker who is employed by an Illinois contractor or
5 subcontractor in the actual construction work on the site of a
6 High Impact Business construction job project.

7 "High Impact Business construction jobs project" means
8 building a structure or building or making improvements of any
9 kind to real property, undertaken and commissioned by a
10 business that was designated as a High Impact Business by the
11 Department. The term "High Impact Business construction jobs
12 project" does not include the routine operation, routine
13 repair, or routine maintenance of existing structures,
14 buildings, or real property.

15 "Incremental income tax" means the total amount withheld
16 during the taxable year from the compensation of High Impact
17 Business construction job employees.

18 "Underserved area" means a geographic area that meets one
19 or more of the following conditions:

20 (1) the area has a poverty rate of at least 20%
21 according to the latest American Community Survey ~~federal~~
22 ~~decennial census~~;

23 (2) 35% ~~75%~~ or more of the families with children in
24 the area are living below 130% of the poverty line,
25 according to the latest American Community Survey ~~children~~
26 ~~in the area participate in the federal free lunch program~~

1 ~~according to reported statistics from the State Board of~~
2 ~~Education;~~

3 (3) at least 20% of the households in the area receive
4 assistance under the Supplemental Nutrition Assistance
5 Program (SNAP); or

6 (4) the area has an average unemployment rate, as
7 determined by the Illinois Department of Employment
8 Security, that is more than 120% of the national
9 unemployment average, as determined by the U.S. Department
10 of Labor, for a period of at least 2 consecutive calendar
11 years preceding the date of the application.

12 (j) Each contractor and subcontractor who is engaged in
13 and executing a High Impact Business Construction jobs
14 project, as defined under subsection (i) of this Section, for
15 a business that is entitled to a credit pursuant to subsection
16 (i) of this Section shall:

17 (1) make and keep, for a period of 5 years from the
18 date of the last payment made on or after June 5, 2019 (the
19 effective date of Public Act 101-9) ~~this amendatory Act of~~
20 ~~the 101st General Assembly~~ on a contract or subcontract
21 for a High Impact Business Construction Jobs Project,
22 records for all laborers and other workers employed by the
23 contractor or subcontractor on the project; the records
24 shall include:

25 (A) the worker's name;

26 (B) the worker's address;

1 (C) the worker's telephone number, if available;
2 (D) the worker's social security number;
3 (E) the worker's classification or
4 classifications;
5 (F) the worker's gross and net wages paid in each
6 pay period;
7 (G) the worker's number of hours worked each day;
8 (H) the worker's starting and ending times of work
9 each day;
10 (I) the worker's hourly wage rate; and
11 (J) the worker's hourly overtime wage rate;
12 (2) no later than the 15th day of each calendar month,
13 provide a certified payroll for the immediately preceding
14 month to the taxpayer in charge of the High Impact
15 Business construction jobs project; within 5 business days
16 after receiving the certified payroll, the taxpayer shall
17 file the certified payroll with the Department of Labor
18 and the Department of Commerce and Economic Opportunity; a
19 certified payroll must be filed for only those calendar
20 months during which construction on a High Impact Business
21 construction jobs project has occurred; the certified
22 payroll shall consist of a complete copy of the records
23 identified in paragraph (1) of this subsection (j), but
24 may exclude the starting and ending times of work each
25 day; the certified payroll shall be accompanied by a
26 statement signed by the contractor or subcontractor or an

1 officer, employee, or agent of the contractor or
2 subcontractor which avers that:

3 (A) he or she has examined the certified payroll
4 records required to be submitted by the Act and such
5 records are true and accurate; and

6 (B) the contractor or subcontractor is aware that
7 filing a certified payroll that he or she knows to be
8 false is a Class A misdemeanor.

9 A general contractor is not prohibited from relying on a
10 certified payroll of a lower-tier subcontractor, provided the
11 general contractor does not knowingly rely upon a
12 subcontractor's false certification.

13 Any contractor or subcontractor subject to this
14 subsection, and any officer, employee, or agent of such
15 contractor or subcontractor whose duty as an officer,
16 employee, or agent it is to file a certified payroll under this
17 subsection, who willfully fails to file such a certified
18 payroll on or before the date such certified payroll is
19 required by this paragraph to be filed and any person who
20 willfully files a false certified payroll that is false as to
21 any material fact is in violation of this Act and guilty of a
22 Class A misdemeanor.

23 The taxpayer in charge of the project shall keep the
24 records submitted in accordance with this subsection on or
25 after June 5, 2019 (the effective date of Public Act 101-9)
26 ~~this amendatory Act of the 101st General Assembly~~ for a period

1 of 5 years from the date of the last payment for work on a
2 contract or subcontract for the High Impact Business
3 construction jobs project.

4 The records submitted in accordance with this subsection
5 shall be considered public records, except an employee's
6 address, telephone number, and social security number, and
7 made available in accordance with the Freedom of Information
8 Act. The Department of Labor shall accept any reasonable
9 submissions by the contractor that meet the requirements of
10 this subsection (j) and shall share the information with the
11 Department in order to comply with the awarding of a High
12 Impact Business construction jobs credit. A contractor,
13 subcontractor, or public body may retain records required
14 under this Section in paper or electronic format.

15 (k) Upon 7 business days' notice, each contractor and
16 subcontractor shall make available for inspection and copying
17 at a location within this State during reasonable hours, the
18 records identified in this subsection (j) to the taxpayer in
19 charge of the High Impact Business construction jobs project,
20 its officers and agents, the Director of the Department of
21 Labor and his or her deputies and agents, and to federal,
22 State, or local law enforcement agencies and prosecutors.

23 (Source: P.A. 101-9, eff. 6-5-19; revised 7-12-19.)

24 (20 ILCS 655/8.1)

25 Sec. 8.1. Accounting.

1 (a) Any business receiving tax incentives due to its
2 location within an Enterprise Zone or its designation as a
3 High Impact Business must annually report to the Department of
4 Revenue information reasonably required by the Department of
5 Revenue to enable the Department to verify and calculate the
6 total Enterprise Zone or High Impact Business tax benefits for
7 property taxes and taxes imposed by the State that are
8 received by the business, broken down by incentive category
9 and enterprise zone, if applicable. Reports will be due no
10 later than May 31 of each year and shall cover the previous
11 calendar year. The first report will be for the 2012 calendar
12 year and will be due no later than May 31, 2013. Failure to
13 report data may result in ineligibility to receive incentives.
14 To the extent that a business receiving tax incentives has
15 obtained an Enterprise Zone Building Materials Exemption
16 Certificate or a High Impact Business Building Materials
17 Exemption Certificate, that business is required to report
18 those building materials exemption benefits only under
19 subsection (a-5) of this Section. No additional reporting for
20 those building materials exemption benefits is required under
21 this subsection (a). In addition, if the Department determines
22 that 80% or more of the businesses receiving tax incentives
23 because of their location within a particular Enterprise Zone
24 failed to submit the information required under this
25 subsection (a) to the Department in any calendar year, then
26 the Enterprise Zone may be decertified by the Department. If

1 the Department is able to determine that specific businesses
2 are failing to submit the information required under this
3 subsection (a) to the Department in any calendar year to the
4 Zone Administrator, regardless of the Administrator's efforts
5 to enforce reporting, the Department may, at its discretion,
6 suspend the benefits to the specific business rather than an
7 outright decertification of the particular Enterprise Zone.

8 The Department, in consultation with the Department of
9 Revenue, is authorized to adopt rules governing ineligibility
10 to receive exemptions, including the length of ineligibility.
11 Factors to be considered in determining whether a business is
12 ineligible shall include, but are not limited to, prior
13 compliance with the reporting requirements, cooperation in
14 discontinuing and correcting violations, the extent of the
15 violation, and whether the violation was willful or
16 inadvertent.

17 (a-5) Each contractor or other entity that has been issued
18 an Enterprise Zone Building Materials Exemption Certificate
19 under Section 5k of the Retailers' Occupation Tax Act or a High
20 Impact Business Building Materials Exemption Certificate under
21 Section 5l of the Retailers' Occupation Tax Act shall annually
22 report to the Department of Revenue the total value of the
23 Enterprise Zone or High Impact Business building materials
24 exemption from State taxes. Reports shall contain information
25 reasonably required by the Department of Revenue to enable it
26 to verify and calculate the total tax benefits for taxes

1 imposed by the State, and shall be broken down by Enterprise
2 Zone. Reports are due no later than May 31 of each year and
3 shall cover the previous calendar year. The first report will
4 be for the 2013 calendar year and will be due no later than May
5 31, 2014. Failure to report data may result in revocation of
6 the Enterprise Zone Building Materials Exemption Certificate
7 or High Impact Business Building Materials Exemption
8 Certificate issued to the contractor or other entity.

9 The Department of Revenue is authorized to adopt rules
10 governing revocation determinations, including the length of
11 revocation. Factors to be considered in revocations shall
12 include, but are not limited to, prior compliance with the
13 reporting requirements, cooperation in discontinuing and
14 correcting violations, and whether the certificate was used
15 unlawfully during the preceding year.

16 (b) Each person required to file a return under the Gas
17 Revenue Tax Act, the Gas Use Tax Act, the Electricity Excise
18 Tax Act, or the Telecommunications Excise Tax Act shall file,
19 on or before May 31 of each year, a report with the Department
20 of Revenue, in the manner and form required by the Department
21 of Revenue, containing information reasonably required by the
22 Department of Revenue to enable the Department of Revenue to
23 calculate the amount of the deduction for taxes imposed by the
24 State that is taken under each Act, respectively, due to the
25 location of a business in an Enterprise Zone or its
26 designation as a High Impact Business. The report shall be

1 itemized by business and the business location address.

2 (c) Employers shall report their job creation, retention,
3 and capital investment numbers within the zone annually to the
4 Department of Revenue no later than May 31 of each calendar
5 year. High Impact Businesses shall report their job creation,
6 retention, and capital investment numbers to the Department of
7 Revenue no later than May 31 of each year.

8 (d) The Department of Revenue will aggregate and collect
9 the tax, job, and capital investment data by Enterprise Zone
10 and High Impact Business and report this information,
11 formatted to exclude company-specific proprietary information,
12 to the Department and the Board by August 1, 2013, and by
13 August 1 of every calendar year thereafter. The Department
14 will include this information in their required reports under
15 Section 6 of this Act. The Board shall consider this
16 information during the reviews required under subsection (d-5)
17 of Section 5.4 of this Act and subsection (c) of Section 5.3 of
18 this Act.

19 (e) The Department of Revenue, in its discretion, may
20 require that the reports filed under this Section be submitted
21 electronically.

22 (f) The Department of Revenue shall have the authority to
23 adopt rules as are reasonable and necessary to implement the
24 provisions of this Section.

25 (Source: P.A. 97-905, eff. 8-7-12; 98-109, eff. 7-25-13.)

1 (20 ILCS 655/12-9) (from Ch. 67 1/2, par. 626)

2 Sec. 12-9. Report. On January 1 of each year, the
3 Department shall report on its operation of the Fund for the
4 preceding fiscal year to the Governor and the General
5 Assembly. For any fiscal year in which no operations are
6 conducted by the Department because no funds were appropriated
7 to the Fund, the report outlined by this Section is not
8 required.

9 (Source: P.A. 84-165.)

10 (20 ILCS 655/13)

11 Sec. 13. Enterprise Zone construction jobs credit.

12 (a) Beginning on January 1, 2021, a business entity in a
13 certified Enterprise Zone that makes a capital investment of
14 at least \$10,000,000 in an Enterprise Zone construction jobs
15 project may receive an Enterprise Zone construction jobs
16 credit against the tax imposed under subsections (a) and (b)
17 of Section 201 of the Illinois Income Tax Act in an amount
18 equal to 50% of the amount of the incremental income tax
19 attributable to Enterprise Zone construction jobs credit
20 employees employed in the course of completing an Enterprise
21 Zone construction jobs project. However, the Enterprise Zone
22 construction jobs credit may equal 75% of the amount of the
23 incremental income tax attributable to Enterprise Zone
24 construction jobs credit employees if the project is located
25 in an underserved area.

1 (b) A business entity seeking a credit under this Section
2 must submit an application to the Department and must receive
3 approval from the designating municipality or county and the
4 Department for the Enterprise Zone construction jobs credit
5 project. The application must describe the nature and benefit
6 of the project to the certified Enterprise Zone and its
7 potential contributors. The total aggregate amount of credits
8 awarded under the Blue Collar Jobs Act (Article 20 of Public
9 Act 101-9 ~~this amendatory Act of the 101st General Assembly~~)
10 shall not exceed \$20,000,000 in any State fiscal year.

11 Within 45 days after receipt of an application, the
12 Department shall give notice to the applicant as to whether
13 the application has been approved or disapproved. If the
14 Department disapproves the application, it shall specify the
15 reasons for this decision and allow 60 days for the applicant
16 to amend and resubmit its application. The Department shall
17 provide assistance upon request to applicants. Resubmitted
18 applications shall receive the Department's approval or
19 disapproval within 30 days after the application is
20 resubmitted. Those resubmitted applications satisfying initial
21 Department objectives shall be approved unless reasonable
22 circumstances warrant disapproval.

23 On an annual basis, the designated zone organization shall
24 furnish a statement to the Department on the programmatic and
25 financial status of any approved project and an audited
26 financial statement of the project.

1 The Department shall certify to the Department of Revenue
2 the identity of taxpayers who are eligible for the credits and
3 the amount of credits that are claimed pursuant to
4 subparagraph (8) of subsection (f) of Section 201 the Illinois
5 Income Tax Act.

6 The Enterprise Zone construction jobs credit project must
7 be undertaken by the business entity in the course of
8 completing a project that complies with the criteria contained
9 in Section 4 of this Act and is undertaken in a certified
10 Enterprise Zone. The Department shall adopt any necessary
11 rules for the implementation of this subsection (b).

12 (c) Any business entity that receives an Enterprise Zone
13 construction jobs credit shall maintain a certified payroll
14 pursuant to subsection (d) of this Section.

15 (d) Each contractor and subcontractor who is engaged in
16 and is executing an Enterprise Zone construction jobs credit
17 project for a business that is entitled to a credit pursuant to
18 this Section shall:

19 (1) make and keep, for a period of 5 years from the
20 date of the last payment made on or after June 5, 2019 (the
21 effective date of Public Act 101-9) ~~this amendatory Act of~~
22 ~~the 101st General Assembly~~ on a contract or subcontract
23 for an Enterprise Zone construction jobs credit project,
24 records for all laborers and other workers employed by
25 them on the project; the records shall include:

26 (A) the worker's name;

- 1 (B) the worker's address;
- 2 (C) the worker's telephone number, if available;
- 3 (D) the worker's social security number;
- 4 (E) the worker's classification or
- 5 classifications;
- 6 (F) the worker's gross and net wages paid in each
- 7 pay period;
- 8 (G) the worker's number of hours worked each day;
- 9 (H) the worker's starting and ending times of work
- 10 each day;
- 11 (I) the worker's hourly wage rate; and
- 12 (J) the worker's hourly overtime wage rate;
- 13 (2) no later than the 15th day of each calendar month,
- 14 provide a certified payroll for the immediately preceding
- 15 month to the taxpayer in charge of the project; within 5
- 16 business days after receiving the certified payroll, the
- 17 taxpayer shall file the certified payroll with the
- 18 Department of Labor and the Department of Commerce and
- 19 Economic Opportunity; a certified payroll must be filed
- 20 for only those calendar months during which construction
- 21 on an Enterprise Zone construction jobs project has
- 22 occurred; the certified payroll shall consist of a
- 23 complete copy of the records identified in paragraph (1)
- 24 of this subsection (d), but may exclude the starting and
- 25 ending times of work each day; the certified payroll shall
- 26 be accompanied by a statement signed by the contractor or

1 subcontractor or an officer, employee, or agent of the
2 contractor or subcontractor which avers that:

3 (A) he or she has examined the certified payroll
4 records required to be submitted by the Act and such
5 records are true and accurate; and

6 (B) the contractor or subcontractor is aware that
7 filing a certified payroll that he or she knows to be
8 false is a Class A misdemeanor.

9 A general contractor is not prohibited from relying on a
10 certified payroll of a lower-tier subcontractor, provided the
11 general contractor does not knowingly rely upon a
12 subcontractor's false certification.

13 Any contractor or subcontractor subject to this
14 subsection, and any officer, employee, or agent of such
15 contractor or subcontractor whose duty as an officer,
16 employee, or agent it is to file a certified payroll under this
17 subsection, who willfully fails to file such a certified
18 payroll on or before the date such certified payroll is
19 required by this paragraph to be filed and any person who
20 willfully files a false certified payroll that is false as to
21 any material fact is in violation of this Act and guilty of a
22 Class A misdemeanor.

23 The taxpayer in charge of the project shall keep the
24 records submitted in accordance with this subsection on or
25 after June 5, 2019 (the effective date of Public Act 101-9)
26 ~~this amendatory Act of the 101st General Assembly~~ for a period

1 of 5 years from the date of the last payment for work on a
2 contract or subcontract for the project.

3 The records submitted in accordance with this subsection
4 shall be considered public records, except an employee's
5 address, telephone number, and social security number, and
6 made available in accordance with the Freedom of Information
7 Act. The Department of Labor shall accept any reasonable
8 submissions by the contractor that meet the requirements of
9 this subsection and shall share the information with the
10 Department in order to comply with the awarding of Enterprise
11 Zone construction jobs credits. A contractor, subcontractor,
12 or public body may retain records required under this Section
13 in paper or electronic format.

14 Upon 7 business days' notice, the contractor and each
15 subcontractor shall make available for inspection and copying
16 at a location within this State during reasonable hours, the
17 records identified in paragraph (1) of this subsection to the
18 taxpayer in charge of the project, its officers and agents,
19 the Director of Labor and his or her deputies and agents, and
20 to federal, State, or local law enforcement agencies and
21 prosecutors.

22 (e) As used in this Section:

23 "Enterprise Zone construction jobs credit" means an amount
24 equal to 50% (or 75% if the project is located in an
25 underserved area) of the incremental income tax attributable
26 to Enterprise Zone construction jobs credit employees.

1 "Enterprise Zone construction jobs credit employee" means
2 a laborer or worker who is employed by an Illinois contractor
3 or subcontractor in the actual construction work on the site
4 of an Enterprise Zone construction jobs credit project.

5 "Enterprise Zone construction jobs credit project" means
6 building a structure or building or making improvements of any
7 kind to real property commissioned and paid for by a business
8 that has applied and been approved for an Enterprise Zone
9 construction jobs credit pursuant to this Section. "Enterprise
10 Zone construction jobs credit project" does not include the
11 routine operation, routine repair, or routine maintenance of
12 existing structures, buildings, or real property.

13 "Incremental income tax" means the total amount withheld
14 during the taxable year from the compensation of Enterprise
15 Zone construction jobs credit employees.

16 "Underserved area" means a geographic area that meets one
17 or more of the following conditions:

18 (1) the area has a poverty rate of at least 20%
19 according to the latest American Community Survey ~~federal~~
20 ~~decennial census~~;

21 (2) 35% ~~75%~~ or more of the families with children in
22 the area are living below 130% of the poverty line,
23 according to the latest American Community Survey ~~children~~
24 ~~in the area participate in the federal free lunch program~~
25 ~~according to reported statistics from the State Board of~~
26 ~~Education~~;

1 (3) at least 20% of the households in the area receive
2 assistance under the Supplemental Nutrition Assistance
3 Program (SNAP); or

4 (4) the area has an average unemployment rate, as
5 determined by the Illinois Department of Employment
6 Security, that is more than 120% of the national
7 unemployment average, as determined by the U.S. Department
8 of Labor, for a period of at least 2 consecutive calendar
9 years preceding the date of the application.

10 (Source: P.A. 101-9, eff. 6-5-19; revised 7-12-19.)