



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4127

Introduced 2/27/2009, by Rep. John D. Cavaletto

SYNOPSIS AS INTRODUCED:

New Act

Creates the Employ Illinois Job Renewal Act. Requires the Department of Commerce and Economic Opportunity to develop application procedures to certify certain areas in the State as Job Renewal Zones. Sets forth the qualifications for certification as a Job Renewal Zone. Sets forth tax incentives for businesses located inside Job Renewal Zones. Requires the Department to certify all Job Renewal Zones by July 1, 2011 and provides that all zones expire on June 30, 2021. Requires the Department to report to the General Assembly and Governor no later than January 1, 2022 concerning the program. Effective immediately.

LRB096 10063 JDS 20228 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning economic development.

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

4 Section 1. Short title. This Act may be cited as the Employ
5 Illinois Job Renewal Act.

6 Section 5. Definitions. As used in this Act:

7 "Department" means the Department of Commerce and Economic
8 Opportunity.

9 "Local government entity" means a county or a municipality.

10 Section 10. Qualifications for Job Renewal Zones. A local
11 government entity is qualified to become a Job Renewal Zone if:

12 (1) it has no more than 200,000 residents according to
13 the latest data available from the U.S. Census Bureau; and

14 (2) it has experienced unemployment rates over the last
15 5 years that are higher than at least 75% of all Illinois
16 local government entities.

17 Section 15. Certification of Job Renewal Zones by the
18 Department.

19 (a) The Department must develop an application for Job
20 Renewal Zone certification, contact local government entities
21 that may qualify as a Job Renewal Zone under Section 10, and

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

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

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

17 (2) The poverty of residents of the local government
18 entity applicant relative to other local government
19 entities that are eligible for Job Renewal Zone
20 certification.

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

1 certification.

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

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

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

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

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

18 (2) the State's portion of the State use or occupation
19 taxes.

20 (b) Any business located in a Job Renewal Zone from which
21 the Department has determined at least 51% of its products or
22 services are exported outside of the State shall automatically
23 qualify for EDGE job creation assistance, as provided under the
24 Economic Development for a Growing Economy Tax Credit Act (35
25 ILCS 10).

1 Section 30. Deadline for zone certification; expiration.

2 (a) The Department must set a deadline for its receipt of
3 applications for all zone certifications. The Department must
4 certify all Job Renewal Zones by July 1, 2011.

5 (b) All Job Renewal Zones expire on June 30, 2023.

6 Section 35. Report required; extension of program.

7 (a) By January 1, 2022, the Department must prepare a
8 report to the Governor and the General Assembly detailing the
9 effects of the Job Renewal program on the local government
10 entities. The report must include, without limitation,
11 information concerning:

12 (1) employment growth and unemployment decline;

13 (2) population change;

14 (3) changes in poverty rates;

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

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

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

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

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

1 (b) If the General Assembly extends the expiration date of
2 this program, the Department shall consider the progress of
3 economic development of each zone then designated and
4 surrounding areas when deciding whether the current 10 Job
5 Renewal Zones will be re-extended.

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