



Rep. Kathleen A. Ryg

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1 AMENDMENT TO HOUSE BILL 3767

2 AMENDMENT NO. _____. Amend House Bill 3767 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Business Location Efficiency Incentive Act.

6 Section 5. Definitions. In this Act:

7 "Location efficient" means a project that maximizes the use
8 of existing investments in infrastructure, avoids or minimizes
9 additional government expenditures for new infrastructure, and
10 has nearby housing affordable to the permanent workforce of the
11 project or has accessible and affordable mass transit or its
12 equivalent or some combination of both.

13 "Location efficiency report" means a report that is
14 prepared by an applicant for increased State economic
15 development assistance under Section 10 and follows this Act
16 and any related Department guidelines, and that describes the
17 existence of (i) affordable workforce housing or (ii)
18 accessible and affordable mass transit or its equivalent.

19 "Employee housing or transportation remediation plan"
20 means a plan to increase affordable housing or transportation
21 options, or both, for employees earning up to the median annual
22 salary of the workforce at the project. The plan may include,
23 but is not limited to, an employer-financed or assisted housing
24 program that can be supplemented by State or federal grants,

1 shuttle services between the place of employment and existing
2 transit stops or other reasonably accessible places,
3 facilitation of employee carpooling, or similar services.

4 "Accessible and affordable mass transit" means access to
5 transit stops with regular and frequent service within one mile
6 from the project site and pedestrian access to transit stops.

7 "Affordable workforce housing" means owner-occupied or
8 rental housing that costs, based on current census data for the
9 municipality where the project is located or any municipality
10 within 3 miles of the municipality where the project is
11 located, no more than 35% of the median salary at the project
12 site, exclusive of the highest 10% of the site's salaries. If
13 the project is located in an unincorporated area, "affordable
14 workforce housing" means no more than 35% of the median salary
15 at the project site, excluding the highest 10% of the site's
16 salaries, based on the median cost of rental or of
17 owner-occupied housing in the county where the unincorporated
18 area is located.

19 "Department" means the Department of Commerce and Economic
20 Opportunity (DCEO) or its successor agency.

21 "Applicant" means a company or its representative that
22 negotiates or applies for economic development assistance from
23 DCEO.

24 "Economic development assistance" means State tax credits
25 and tax exemptions given as an incentive to an eligible company
26 after certification by DCEO under the Economic Development for
27 a Growing Economy Tax Credit Act (EDGE).

28 "Existence of infrastructure" means the existence within
29 1,500 feet of the proposed site of roads, sewers, sidewalks,
30 and other utilities and a description of the investments or
31 improvements, if any, that an applicant expects State or local
32 government to make to that infrastructure.

33 Section 10. Economic development assistance awards.

1 (a) An applicant that also wants to be considered for
2 increased economic development assistance under this Act shall
3 submit a location efficiency report.

4 (b) DCEO shall give an applicant an increased tax credit or
5 extension if the applicant's location efficiency report
6 demonstrates that the applicant is seeking assistance for a
7 project to be located in an area that satisfies this Act's
8 standards for affordable workforce housing or affordable and
9 accessible mass transit. If the Department determines from the
10 location efficiency report that the applicant is seeking
11 assistance in an area that is not location efficient, the
12 Department shall award an increase in State economic
13 development assistance if an applicant (i) submits, and the
14 Department accepts, an applicant's employee housing and
15 transportation remediation plan or (ii) creates jobs in a labor
16 surplus area as defined by the Department of Employment
17 Security at the end of each calendar year.

18 (c) Applicants locating or expanding at location-efficient
19 sites, with approved location efficiency plans, or creating
20 jobs in labor surplus areas can receive (i) up to 10% more than
21 the maximum allowable tax credits for which they are eligible
22 under the Economic Development for a Growing Economy Tax Credit
23 Act (EDGE), but not to equal or exceed 100% of the applicant's
24 tax liability, or (ii) such other adjustment of those tax
25 credits, including but not limited to extensions, as the
26 Department deems appropriate.

27 (d) The Department may provide technical assistance to
28 employers requesting assistance in developing an appropriate
29 employee housing or transportation plan.

30 Section 15. Summaries; progress reports.

31 (a) DCEO shall include summaries of the initial employee
32 housing or transportation plans for each assisted project in
33 the annual compilation and publication of project progress

1 reports required under subsection (d) of Section 20 of the
2 Corporate Accountability for Tax Expenditures Act. Companies
3 that fail to do so or that make inadequate progress shall have
4 their increased tax credit or extension eliminated. Applicants
5 and submitted data are subject to all disclosure, reporting,
6 and recapture provisions set forth in Public Act 93-552.

7 (b) By June 1, 2007 and by June 1 of each year thereafter
8 through 2010, the Department shall include, when appropriate,
9 data on the outcomes or status of approved employee housing or
10 transportation plans in the project progress reports required
11 under the Corporate Accountability for Tax Expenditure Act.

12 Section 20. Duration of incentives; report to General
13 Assembly.

14 (a) Any multi-year incentive awarded under this Act shall
15 continue for the time period called for in the agreement with
16 the Department and shall not be altered by the repeal of this
17 Act.

18 (b) By January 1, 2010, the Department shall submit to the
19 Speaker of the House of Representatives and the President of
20 the Senate, for assignment to the appropriate committees, a
21 report on the incentives awarded under this Act and the
22 Department's activities, findings, and recommendations with
23 respect to this Act and its extension, amendment, or repeal.
24 The report, when acted upon by those committees, shall be
25 distributed to each member of the General Assembly.

26 Section 25. Repeal. This Act is repealed on December 31,
27 2010.

28 Section 99. Effective date. This Act takes effect January
29 1, 2006."