

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 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.

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;

16 (2) such business is not located, at the time of
17 designation, in an enterprise zone designated pursuant to
18 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

1 full-time equivalent jobs at a designated location in
2 Illinois or intends to make a minimum investment of
3 \$30,000,000 which will be placed in service in
4 qualified property and intends to retain 1,500
5 full-time jobs at a designated location in Illinois.
6 The business must certify in writing that the
7 investments would not be placed in service in qualified
8 property and the job creation or job retention would
9 not occur without the tax credits and exemptions set
10 forth in subsection (b) of this Section. The terms
11 "placed in service" and "qualified property" have the
12 same meanings as described in subsection (h) of Section
13 201 of the Illinois Income Tax Act; or

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

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

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

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

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

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

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

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

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

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

23 (b) Businesses designated as High Impact Businesses
24 pursuant to subdivision (a) (3) (A) of this Section shall qualify
25 for the credits and exemptions described in the following Acts:
26 Section 9-222 and Section 9-222.1A of the Public Utilities Act,

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

17 (b-5) Businesses designated as High Impact Businesses
18 pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C),
19 and (a)(3)(D) of this Section shall qualify for the credits and
20 exemptions described in the following Acts: Section 51 of the
21 Retailers' Occupation Tax Act, Section 9-222 and Section
22 9-222.1A of the Public Utilities Act, and subsection (h) of
23 Section 201 of the Illinois Income Tax Act; however, the
24 credits and exemptions authorized under Section 9-222 and
25 Section 9-222.1A of the Public Utilities Act, and subsection
26 (h) of Section 201 of the Illinois Income Tax Act shall not be

1 authorized until the new electric generating facility, the new
2 gasification facility, the new transmission facility, or the
3 new, expanded, or reopened coal mine is operational, except
4 that a new electric generating facility whose primary fuel
5 source is natural gas is eligible only for the exemption under
6 Section 51 of the Retailers' Occupation Tax Act.

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

13 (c) High Impact Businesses located in federally designated
14 foreign trade zones or sub-zones are also eligible for
15 additional credits, exemptions and deductions as described in
16 the following Acts: Section 9-221 and Section 9-222.1 of the
17 Public Utilities Act; and subsection (g) of Section 201, and
18 Section 203 of the Illinois Income Tax Act.

19 (d) Except for businesses contemplated under subdivision
20 (a) (3) (E) of this Section, existing ~~Existing~~ Illinois
21 businesses which apply for designation as a High Impact
22 Business must provide the Department with the prospective plan
23 for which 1,500 full-time jobs would be eliminated in the event
24 that the business is not designated.

25 (e) Except for new wind power facilities contemplated under
26 subdivision (a) (3) (E) of this Section, new ~~New~~ proposed

1 facilities which apply for designation as High Impact Business
2 must provide the Department with proof of alternative
3 non-Illinois sites which would receive the proposed investment
4 and job creation in the event that the business is not
5 designated as a High Impact Business.

6 (f) Except for businesses contemplated under subdivision
7 (a) (3) (E) of this Section, in ~~in~~ the event that a business is
8 designated a High Impact Business and it is later determined
9 after reasonable notice and an opportunity for a hearing as
10 provided under the Illinois Administrative Procedure Act, that
11 the business would have placed in service in qualified property
12 the investments and created or retained the requisite number of
13 jobs without the benefits of the High Impact Business
14 designation, the Department shall be required to immediately
15 revoke the designation and notify the Director of the
16 Department of Revenue who shall begin proceedings to recover
17 all wrongfully exempted State taxes with interest. The business
18 shall also be ineligible for all State funded Department
19 programs for a period of 10 years.

20 (g) The Department shall revoke a High Impact Business
21 designation if the participating business fails to comply with
22 the terms and conditions of the designation. However, the
23 penalties for new wind power facilities or Wind Energy
24 Businesses for failure to comply with any of the terms or
25 conditions of the Illinois Prevailing Wage Act shall be only
26 those penalties identified in the Illinois Prevailing Wage Act,

1 and the Department shall not revoke a High Impact Business
2 designation as a result of the failure to comply with any of
3 the terms or conditions of the Illinois Prevailing Wage Act in
4 relation to a new wind power facility or a Wind Energy
5 Business.

6 (h) Prior to designating a business, the Department shall
7 provide the members of the General Assembly and Commission on
8 Government Forecasting and Accountability with a report
9 setting forth the terms and conditions of the designation and
10 guarantees that have been received by the Department in
11 relation to the proposed business being designated.

12 (Source: P.A. 94-65, eff. 6-21-05; 95-18, eff. 7-30-07.)

13 Section 10. The Prevailing Wage Act is amended by changing
14 Section 2 as follows:

15 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)

16 Sec. 2. This Act applies to the wages of laborers,
17 mechanics and other workers employed in any public works, as
18 hereinafter defined, by any public body and to anyone under
19 contracts for public works. This includes any maintenance,
20 repair, assembly, or disassembly work performed on equipment
21 whether owned, leased, or rented.

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

24 "Public works" means all fixed works constructed by any

1 public body, other than work done directly by any public
2 utility company, whether or not done under public supervision
3 or direction, or paid for wholly or in part out of public
4 funds. "Public works" as defined herein includes all projects
5 financed in whole or in part with bonds issued under the
6 Industrial Project Revenue Bond Act (Article 11, Division 74 of
7 the Illinois Municipal Code), the Industrial Building Revenue
8 Bond Act, the Illinois Finance Authority Act, the Illinois
9 Sports Facilities Authority Act, or the Build Illinois Bond
10 Act, and all projects financed in whole or in part with loans
11 or other funds made available pursuant to the Build Illinois
12 Act. "Public works" also includes all projects financed in
13 whole or in part with funds from the Fund for Illinois' Future
14 under Section 6z-47 of the State Finance Act, funds for school
15 construction under Section 5 of the General Obligation Bond
16 Act, funds authorized under Section 3 of the School
17 Construction Bond Act, funds for school infrastructure under
18 Section 6z-45 of the State Finance Act, and funds for
19 transportation purposes under Section 4 of the General
20 Obligation Bond Act. "Public works" also includes all projects
21 financed in whole or in part with funds from the Department of
22 Commerce and Economic Opportunity under the Illinois Renewable
23 Fuels Development Program Act for which there is no project
24 labor agreement. "Public works" also includes all projects at
25 leased facility property used for airport purposes under
26 Section 35 of the Local Government Facility Lease Act. "Public

1 works" also includes the construction of a new wind power
2 facility by a business designated as a High Impact Business
3 under Section 5.5(a)(3)(E) of the Illinois Enterprise Zone Act.

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.

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

21 "Public body" means the State or any officer, board or
22 commission of the State or any political subdivision or
23 department thereof, or any institution supported in whole or in
24 part by public funds, and includes every county, city, town,
25 village, township, school district, irrigation, utility,
26 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 fringe benefits for training and apprenticeship programs
8 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. 94-750, eff. 5-9-06; 95-341, eff. 8-21-07.)

14 Section 99. Effective date. This Act takes effect July 1,
15 2009.