



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3824

by Rep. Michael P. McAuliffe

SYNOPSIS AS INTRODUCED:

35 ILCS 16/30
35 ILCS 16/35

Amends the Film Production Services Tax Credit Act of 2008. Provides that, for accredited productions certified or renewed on or after the effective date of the amendatory Act, the applicant shall verify that no person hired on the applicant's production has, prior to the date of the application or renewal: (i) been convicted of or pled guilty to a hate crime; (ii) been convicted of or pled guilty to disorderly conduct for falsifying a police report of a hate crime; or (iii) participated in a deferred prosecution program for disorderly conduct or for falsifying a police report of a hate crime. Makes conforming changes prohibiting the Department of Commerce and Economic Opportunity from issuing a tax credit certificate to a production that fails to verify that information. Effective immediately.

LRB101 11880 HLH 58867 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 1. This Act may be cited as the Just Usage of State
5 Subsidies In Entertainment Act.

6 Section 5. The Film Production Services Tax Credit Act of
7 2008 is amended by changing Sections 30 and 35 as follows:

8 (35 ILCS 16/30)

9 Sec. 30. Review of application for accredited production
10 certificate.

11 (a) In determining whether to issue an accredited
12 production certificate, the Department must determine that a
13 preponderance of the following conditions exist:

14 (1) The applicant's production intends to make the
15 expenditure in the State required for certification.

16 (2) The applicant's production is economically sound
17 and will benefit the people of the State of Illinois by
18 increasing opportunities for employment and strengthen the
19 economy of Illinois.

20 (3) The applicant has filed a diversity plan with the
21 Department outlining specific goals (i) for hiring
22 minority persons and women, as defined in the Business

1 Enterprise for Minorities, Women, and Persons with
2 Disabilities Act, and (ii) for using vendors receiving
3 certification under the Business Enterprise for
4 Minorities, Women, and Persons with Disabilities Act; the
5 Department has approved the plan as meeting the
6 requirements established by the Department; and the
7 Department has verified that the applicant has met or made
8 good-faith efforts in achieving those goals. The
9 Department must adopt any rules that are necessary to
10 ensure compliance with the provisions of this item (3) and
11 that are necessary to require that the applicant's plan
12 reflects the diversity of this State.

13 (4) The applicant's production application indicates
14 whether the applicant intends to participate in training,
15 education, and recruitment programs that are organized in
16 cooperation with Illinois colleges and universities, labor
17 organizations, and the motion picture industry and are
18 designed to promote and encourage the training and hiring
19 of Illinois residents who represent the diversity of the
20 Illinois population.

21 (5) That, if not for the credit, the applicant's
22 production would not occur in Illinois, which may be
23 demonstrated by any means including, but not limited to,
24 evidence that the applicant has multi-state or
25 international location options and could reasonably and
26 efficiently locate outside of the State, or demonstration

1 that at least one other state or nation is being considered
2 for the production, or evidence that the receipt of the
3 credit is a major factor in the applicant's decision and
4 that without the credit the applicant likely would not
5 create or retain jobs in Illinois, or demonstration that
6 receiving the credit is essential to the applicant's
7 decision to create or retain new jobs in the State.

8 (6) Awarding the credit will result in an overall
9 positive impact to the State, as determined by the
10 Department using the best available data.

11 (a-5) For accredited productions certified or renewed on or
12 after the effective date of this amendatory Act of the 101st
13 General Assembly, the applicant shall verify that no person
14 hired on the applicant's production has, prior to the date of
15 the application or renewal: (i) been convicted of or pled
16 guilty to a hate crime under Illinois law or a substantially
17 similar law of another jurisdiction; (ii) been convicted of or
18 pled guilty to disorderly conduct for falsifying a police
19 report of a hate crime under Illinois law or a substantially
20 similar law of another jurisdiction; or (iii) participated in a
21 deferred prosecution program for disorderly conduct or for
22 falsifying a police report of a hate crime under Illinois law
23 or a substantially similar law of another jurisdiction.

24 (b) If any of the provisions in this Section conflict with
25 any existing collective bargaining agreements, the terms and
26 conditions of those collective bargaining agreements shall

1 control.

2 (Source: P.A. 100-391, eff. 8-25-17.)

3 (35 ILCS 16/35)

4 Sec. 35. Issuance of Tax Credit Certificate.

5 (a) In order to qualify for a tax credit under this Act, an
6 applicant must file an application, on forms prescribed by the
7 Department, providing information necessary to calculate the
8 tax credit, and any additional information as required by the
9 Department.

10 (b) Upon satisfactory review of the application, the
11 Department shall issue a Tax Credit Certificate stating the
12 amount of the tax credit to which the applicant is entitled.

13 (c) For accredited productions certified or renewed on or
14 after the effective date of this amendatory Act of the 101st
15 General Assembly, the Department shall not issue a tax credit
16 certificate to a production that fails to verify the
17 information required under subsection (a-5) of Section 30 of
18 this Act.

19 (Source: P.A. 95-720, eff. 5-27-08.)

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.