

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 1. Short title. This Act may be cited as the  
5 Illinois Titanium Powdered Metals Development Act.

6 Section 5. Purpose. The purpose of this Act is to assist in  
7 the development of the titanium powdered metals industry in  
8 Illinois. The industry is growing but under the current  
9 economic climate and conditions needs State assistance to  
10 further promote and develop itself. The State's assistance will  
11 help the industry to grow, stabilize, and create jobs. The  
12 production of titanium powder is an energy efficient process  
13 that reduces the use of energy. Titanium powder, when used in  
14 manufacturing processes, helps to create energy efficient  
15 products. Furthermore, the State's assistance will help  
16 provide additional needed resources to existing and new  
17 research programs while also giving the industry the ability to  
18 partner with Illinois' world class higher educational  
19 institutions. This will enable Illinois' titanium powdered  
20 metals industry to become a world class leader.

21 Section 10. Definition. As used in this Act, "titanium  
22 powdered metals" means a powdered metalworking process through

1 solid-state reduction, atomization, electrolysis, or chemical  
2 processing whereby the final product has been manufactured  
3 using at least 50% titanium tetrachloride (TiCl<sub>4</sub>).

4 "Department" means the Department of Commerce and Economic  
5 Opportunity.

6 "Director" means the Director of Commerce and Economic  
7 Opportunity.

8 Section 15. Creation of the Advisory Committee. The  
9 Illinois Titanium Powdered Metals Development Advisory  
10 Committee is hereby created within the Department of Commerce  
11 and Economic Opportunity. The Advisory Committee shall be  
12 composed of the following voting members: the Director of  
13 Commerce and Economic Opportunity, who shall be Chairman of the  
14 Advisory Committee, and 4 members of the General Assembly (one  
15 each appointed by the President of the Senate, the Senate  
16 Minority Leader, the Speaker of the House of Representatives,  
17 and the House Minority Leader). Members appointed by a  
18 legislative leader shall serve for the duration of the General  
19 Assembly for which he or she is appointed, so long as the  
20 member remains a member of that General Assembly.

21 The Advisory Committee shall meet at the call of the  
22 Chairman. At any time, the majority of the Advisory Committee  
23 may petition the Chairman for a meeting of the Committee. Three  
24 members of the Advisory Committee shall constitute a quorum.

1 Section 20. Powers and duties of the Advisory Committee.  
2 The Advisory Committee shall have the following powers and  
3 duties:

4 (1) to develop an annual agenda to assist the growth  
5 and development of the titanium powdered metals industry  
6 within Illinois that may include, but is not limited to,  
7 research, marketing, and promotional methodologies  
8 conducted for the purpose of increasing the use of titanium  
9 powdered metals produced, used, or transported by Illinois  
10 companies with an emphasis on the following areas:  
11 maintaining and increasing employment of Illinois workers  
12 in the titanium powdered metals industry, titanium  
13 powdered metals preparation and characterization,  
14 marketing, public awareness and education, and  
15 environmental impacts;

16 (2) to support and coordinate titanium powdered metals  
17 research, marketing, and promotion in Illinois;

18 (3) to make recommendations to the Department  
19 concerning direct loans or grants to companies in Illinois  
20 that produce, manufacture, or substantially use titanium  
21 powdered metals for the promotion, research, manufacture,  
22 infrastructure, and research and development of titanium  
23 powdered metals, including engineering, legal, or design  
24 qualified experts, and for any other purpose in fulfillment  
25 of this Act;

26 (4) to seek the assistance, help, and expertise of the

1 staff of the Department as the Advisory Committee deems  
2 necessary to accomplish its goals under this Act;

3 (5) to cooperate to the fullest extent possible with  
4 State and federal agencies and departments, independent  
5 organizations, and other interested groups, public and  
6 private, for the purposes of promoting Illinois titanium  
7 powdered metal resources;

8 (6) to focus on (i) existing titanium powdered metals  
9 research, marketing, and promotion efforts, (ii) ways to  
10 make use of existing facilities in Illinois or other  
11 institutions carrying out research, marketing, and  
12 promotion of titanium powdered metals, and (iii) make  
13 maximum use of the facilities available in Illinois,  
14 including universities and colleges located within the  
15 State;

16 (7) to create a consortium that conducts, coordinates,  
17 and supports titanium powdered metals research, promotion,  
18 and marketing activities in the State of Illinois;  
19 programmatic activities of the consortium or center shall  
20 be subject to approval by the Advisory Committee and shall  
21 be consistent with the purposes of this Section;

22 (8) to adopt, amend, or repeal rules, regulations, and  
23 bylaws governing the Advisory Committee's organization and  
24 conduct of business;

25 (9) to search for and make recommendations to the  
26 Department on the securing of gifts or grants in any form

1 from any public agency or any other source;

2 (10) to publish, from time to time, the results of  
3 titanium powdered metals research, marketing, and  
4 promotion projects supported by the Advisory Committee.

5 Section 25. Other functions of the Advisory Committee. The  
6 Advisory Committee shall also:

7 (1) create and maintain current and accurate records on  
8 all markets for and actual uses of titanium powdered metals  
9 processed, used, or transported in Illinois and ways of  
10 making those records available to the public upon request;

11 (2) identify all current and anticipated future  
12 technical, economic, institutional, market, environmental,  
13 regulatory, and other impediments to the use of titanium  
14 powdered metals and the titanium powdered metal industry in  
15 Illinois;

16 (3) identify alternative plans or actions that would  
17 maintain or increase the use of titanium powdered metals  
18 and the titanium powdered metal industry in Illinois;

19 (4) develop strategies and policies to promote  
20 responsible uses of titanium powdered metals and the  
21 titanium powdered industry in Illinois.

22 Section 30. Titanium Powdered Metals Development Fund;  
23 creation. The Titanium Powdered Metals Development Fund is  
24 hereby created as a special fund in the State Treasury. All

1 moneys collected under this Act shall be deposited into the  
2 Titanium Powdered Metals Development Fund. Moneys in the Fund  
3 may be used by the Department solely for the purposes of this  
4 Act.

5 Section 60. The Illinois Enterprise Zone Act is amended by  
6 changing Section 5.5 as follows:

7 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

8 Sec. 5.5. High Impact Business.

9 (a) In order to respond to unique opportunities to assist  
10 in the encouragement, development, growth and expansion of the  
11 private sector through large scale investment and development  
12 projects, the Department is authorized to receive and approve  
13 applications for the designation of "High Impact Businesses" in  
14 Illinois subject to the following conditions:

15 (1) such applications may be submitted at any time  
16 during the year;

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

20 (3) the business intends to do one or more of the  
21 following:

22 (A) the business intends to make a minimum  
23 investment of \$12,000,000 which will be placed in  
24 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 retained jobs at a designated location in  
6 Illinois. 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

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; or and

19 (F) the business intends to make a minimum  
20 investment of \$3,000,000 in titanium powdered metals  
21 manufacturing which will be placed in service in  
22 qualified property and intends to create or retain a  
23 minimum of 15 full-time equivalent jobs in titanium  
24 powdered metals manufacturing at a location in  
25 Illinois; the business must certify in writing that the  
26 investments would not be placed in service in qualified

1           property and the job creation or job retention would  
2           not occur without the tax credits and exemptions set  
3           forth in subsection (b) of this Section. The terms  
4           "placed in service" and "qualified property" have the  
5           same meanings as described in subsection (h) of Section  
6           201 of the Illinois Income Tax Act; and

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

11          (b) Businesses designated as High Impact Businesses  
12          pursuant to subdivision (a) (3) (A) or (a) (3) (F) of this Section  
13          shall qualify for the credits and exemptions described in the  
14          following Acts: Section 9-222 and Section 9-222.1A of the  
15          Public Utilities Act, subsection (h) of Section 201 of the  
16          Illinois Income Tax Act, and Section 1d of the Retailers'  
17          Occupation Tax Act; provided that these credits and exemptions  
18          described in these Acts shall not be authorized until the  
19          minimum investments set forth in subdivision (a) (3) (A) of this  
20          Section have been placed in service in qualified properties  
21          and, in the case of the exemptions described in the Public  
22          Utilities Act and Section 1d of the Retailers' Occupation Tax  
23          Act, the minimum full-time equivalent jobs or full-time  
24          retained jobs set forth in subdivision (a) (3) (A) of this  
25          Section have been created or retained. Businesses designated as  
26          High Impact Businesses under this Section shall also qualify

1 for the exemption described in Section 51 of the Retailers'  
2 Occupation Tax Act. The credit provided in subsection (h) of  
3 Section 201 of the Illinois Income Tax Act shall be applicable  
4 to investments in qualified property as set forth in  
5 subdivision (a) (3) (A) of this Section.

6 (b-5) Businesses designated as High Impact Businesses  
7 pursuant to subdivisions (a) (3) (B), (a) (3) (B-5), (a) (3) (C),  
8 and (a) (3) (D) of this Section shall qualify for the credits and  
9 exemptions described in the following Acts: Section 51 of the  
10 Retailers' Occupation Tax Act, Section 9-222 and Section  
11 9-222.1A of the Public Utilities Act, and subsection (h) of  
12 Section 201 of the Illinois Income Tax Act; however, the  
13 credits and exemptions authorized under Section 9-222 and  
14 Section 9-222.1A of the Public Utilities Act, and subsection  
15 (h) of Section 201 of the Illinois Income Tax Act shall not be  
16 authorized until the new electric generating facility, the new  
17 gasification facility, the new transmission facility, or the  
18 new, expanded, or reopened coal mine is operational, except  
19 that a new electric generating facility whose primary fuel  
20 source is natural gas is eligible only for the exemption under  
21 Section 51 of the Retailers' Occupation Tax Act.

22 (b-6) Businesses designated as High Impact Businesses  
23 pursuant to subdivision (a) (3) (E) of this Section shall qualify  
24 for the exemptions described in Section 51 of the Retailers'  
25 Occupation Tax Act; any business so designated as a High Impact  
26 Business being, for purposes of this Section, a "Wind Energy

1 Business".

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

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

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

21 (f) Except for businesses contemplated under subdivision  
22 (a) (3) (E) of this Section, in the event that a business is  
23 designated a High Impact Business and it is later determined  
24 after reasonable notice and an opportunity for a hearing as  
25 provided under the Illinois Administrative Procedure Act, that  
26 the business would have placed in service in qualified property

1 the investments and created or retained the requisite number of  
2 jobs without the benefits of the High Impact Business  
3 designation, the Department shall be required to immediately  
4 revoke the designation and notify the Director of the  
5 Department of Revenue who shall begin proceedings to recover  
6 all wrongfully exempted State taxes with interest. The business  
7 shall also be ineligible for all State funded Department  
8 programs for a period of 10 years.

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

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

1 (Source: P.A. 96-28, eff. 7-1-09; 97-905, eff. 8-7-12.)

2 Section 65. The State Finance Act is amended by adding  
3 Section 5.826 as follows:

4 (30 ILCS 105/5.826 new)

5 Sec. 5.826. The Titanium Powdered Metals Development Fund.

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