- 1 AMENDMENT TO SENATE BILL 603
- 2 AMENDMENT NO. \_\_\_\_. Amend Senate Bill 603 by replacing
- 3 everything after the enacting clause with the following:
- 4 "Section 1. Short title. This Act may be cited as the
- 5 State Economic Assistance Accountability Act.
- 6 Section 5. Definition. In this Act:
- 7 "Business organization" means a corporation, partnership,
- 8 limited liability company, joint venture, association, or
- 9 other enterprise that does business in this State.
- 10 "Department" means the Illinois Department of Commerce
- 11 and Community Affairs.
- 12 "Project" means any specific economic development
- 13 activity of a commercial, industrial, manufacturing,
- 14 agricultural, scientific, service, or other business, the
- result of which causes the creation or retention of jobs, and
- 16 may include the purchase or lease of machinery and equipment,
- 17 the lease or purchase of real property or funds for
- 18 infrastructure necessitated by site preparation, building
- 19 construction, or related purposes.
- 20 "State economic assistance" means: (1) tax credits and
- 21 tax exemptions given as an incentive to a business
- 22 organization pursuant to a certification or designation made

- 1 by the Department under the Economic Development for a
- 2 Growing Economy Tax Credit Act and the Illinois Enterprise
- 3 Zone Act, including the High Impact Business program; and (2)
- 4 grants or loans given as an incentive to a business
- 5 organization pursuant to the Large Business Development Act
- 6 (Article 10 of the Build Illinois Act). The term does not
- 7 include assistance (i) given for the purpose of job training,
- 8 (ii) for the purpose of road construction or improvements,
- 9 (iii) provided to units of local government, or (iv) for
- 10 which the funding source is federal.
- "Director" means the Director of Commerce and Community
- 12 Affairs.
- 13 Section 10. Written agreements containing performance
- 14 covenants and sanctions.
- 15 (a) State economic assistance provided by the Department
- 16 as an incentive to a business organization must be based on
- 17 the terms of a written incentive agreement between the
- 18 Department and the business organization.
- 19 (b) The incentive agreement must identify the specific
- 20 State economic assistance to be provided to the business
- 21 organization during the term of the agreement.
- 22 (c) The incentive agreement must also provide for the
- 23 following:
- 24 (1) The business organization is bound to make a
- 25 specified level of capital investment in a project and
- cause the creation or retention of a specified level of
- jobs within a specified time period.
- 28 (2) If the business organization either fails to
- 29 make the requisite level of capital investment in the
- 30 project or fails to create or retain the specified number
- of jobs within the specified time frame, as provided
- 32 under the Act authorizing such economic assistance, the
- 33 business organization shall be deemed to no longer

qualify for the State economic assistance.

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- (3) If the business organization receives State economic assistance in the form of a High Impact Business designation pursuant to Section 5.5 of the Illinois Enterprise Zone Act and the business receives the benefit of the exemption authorized under Section 51 of the Retailers' Occupation Tax Act (for the sale of building materials incorporated into a High Impact Business location) and the business organization fails to create or retain the requisite number of jobs, as determined by the Department, within the period of time specified by Department, the business organization shall be the required to pay to the State the full amount of the State tax exemption that it received as a result of the High Impact Business designation.
- (4) If the business organization receives a grant pursuant to the Large Business Development Act (Article of 10 the Build Illinois Act) and the business organization fails to create or retain the requisite number of jobs, as determined by the Department, within the period of time specified by the Department, the business organization shall be required to repay to the Department a pro-rata amount of the grant. That amount shall reflect the percentage of the deficiency between the promised number of jobs to be created or retained by the business organization and the actual number of those jobs in existence as of the date the Department determines the business organization is in breach of the job creation or retention covenants contained in the incentive agreement.
- (d) The Director may elect to waive enforcement of any contractual right arising out of the incentive agreement required by this Act based on a finding that the waiver will promote the viability of the project, will contribute to an

- 1 increase in employment associated with the project, or will
- 2 contribute to the retention of jobs in Illinois associated
- 3 with the project.
- 4 Section 15. Applicability. This Act applies to all State
- 5 economic assistance given by the Department on or after the
- 6 effective date of this Act.
- 7 Section 99. Effective date. This Act takes effect upon
- 8 becoming law.".