News...

...from the Illinois House of Representatives

FOR IMMEDIATE RELEASE

October 14, 2009

FOR MORE INFORMATION:

State Rep. Careen Gordon (815) 555-5555

Gordon Passes Bill to Boost State's Manufacturing Industry

SPRINGFIELD, IL – In an effort to stimulate the state's manufacturing industry and spur the creation of jobs, an Illinois House Committee on Wednesday approved a proposal from state Rep. Careen Gordon (D-Morris) that would provide a vital business incentive to help manufacturers with the costliest component of the manufacturing process—electric and gas utility expenses.

"Many communities throughout Illinois have struggled with the loss of manufacturing companies, which has left thousands unemployed and local economies in despair," Gordon said. "It is imperative that we do what we can to help support local manufacturers and create an environment that is conducive to economic growth and the development of new jobs. For the sake of competing with our neighboring states, Illinois must have this economic development tool in place so that our manufacturers don't see greener pastures in other states."

The Grundy County lawmaker points out that several states currently provide a sales tax exemption for the electric and gas utility expenses incurred by manufacturers, including Wisconsin, Iowa, Indiana, Kentucky, Missouri and Michigan. Gordon's bill would exempt manufacturers from paying the Gas Use Tax, the Gas Revenue Tax and the Electricity Excise Tax.

According to a 2008 report prepared by Moody's for the legislature's Committee on Government Forecasting and Accountability, manufacturing is the single largest contributing sector to the state's economy at roughly 13 percent of state Gross Domestic Product. Experts say that for every manufacturing job in Illinois, an additional 3.7 jobs are created to support industry.

Earlier this year, the U.S. Commerce Department reported Illinois ranked sixth among the states for exports in 2007 and sent \$48.7 billion in goods to countries around the world.

"Representative Gordon's leadership has been vital in helping reinvigorate the manufacturing sector," said Mark Denzler of the Illinois Manufacturers Association. "This energy tax credit will help Illinois join all its neighboring states in attracting and retaining companies."

Gordon's House Bill 4599 now moves to the full House for further consideration. Gordon represents the 75th District, which includes all of Grundy County, and portions of Will, LaSalle, Kankakee, Iroquois, and Livingston counties.