

# STRENGTHENING THE ILLINOIS BUSINESS CLIMATE

TO CREATE MORE JOBS AND OPPORTUNITY

Investing in entrepreneurs in every corner of Illinois, bringing fairness to the state's legal climate, and supporting policies that strengthen Scott Air Force Base will make the Metro East more attractive to talent and prospective businesses.

## TOPLINE

- Ensure geographic diversity in the state's \$1 billion+ Illinois Growth and Innovation Fund.
- End frivolous and costly lawsuits caused by the Biometric Information Privacy Act (BIPA)
- Update and make permanent Illinois' research and development tax credit.
- Protect and enhance the capabilities of Scott Air Force Base and make the state more welcoming for its civilian and military personnel.

As of year-end 2021\*, Illinois Growth and Innovation (ILGIF) managers invested in nearly 1,500 companies. Of those 1,500 companies, 401 are Illinois-based, representing \$25.4 billion in invested capital. Since 2016, over 5,000 new full-time jobs have been created in Illinois, with over 78 companies opening offices in Illinois after receiving an investment from ILGIF managers. Yet nearly all the investments the fund makes are inside the Chicagoland area.



ACTION

To meet the ILGIF goals of "driving economic development" and "foster a more connected, inclusive and engaged entrepreneurial and venture community," the General Assembly should ensure geographic diversity in the state's \$1 billion+ ILGIF investment fund. ILGIF and its partners should be required to more equitably distribute investments throughout Illinois to grow technology-enabled businesses and their workforce.

*\*Latest available data.*



**Biometric  
Information  
Privacy Act**

Since 2019, over 1,500 Biometric Information Privacy Act (BIPA) class action lawsuits have been filed in Illinois, even when no actual damages have occurred, with an average settlement of \$1.2 million. Business recruitment and retention is one of Greater St. Louis, Inc.'s most important functions. Frequently, we hear from business owners that the legal climate is a barrier to growth in Illinois — which impacts talent attraction.

The General Assembly should work to find compromises to a law that has had a negative impact on business and talent attraction. For example, the General Assembly should consider changes to BIPA that would not allow lawsuits to be filed if the violation was cured within a certain amount of time and no actual damage occurs.

ACTION

Illinois' Research & Development tax credit has helped companies throughout the state create and innovate. According to the National Bureau of Economic Research, R&D credits lower the cost of capital and the incremental expense of research, encouraging investment in innovation and generating spillover gains. By updating and extending Illinois' R&D Tax Credit program, the General Assembly can enhance Illinois' competitiveness in attracting entrepreneurs, resulting in new businesses and job creation, while spurring research growth by existing businesses.



**RESEARCH &  
DEVELOPMENT**

ACTION

The General Assembly should update the state's current program to make the credit permanent, and base research and development activities on an increase over 50% (currently 100%) of the average of the qualifying expenditures for each year in the base period. This change modernizes the credit to match the federal R&D credit.



## SCOTT AIR FORCE BASE

Scott Air Force Base is one the largest employers in Southwestern Illinois and the broader St. Louis metro, employing 13,000+ civilian and military personnel. The General Assembly must continue to support policies that make Illinois a more friendly place for servicemembers and advocate for the attraction and retention of missions to the base.



### S.A.F.B FACTS

#### PERSONNEL

5,000 Active Duty  
1,500 Reserve  
1,100 Guard  
5,300 Civilians  
12,900 Total Working Force



#### ECONOMIC IMPACT

\$3 billion



Largest employer in  
Southwest Illinois

Top-10 employer in STL metro