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## Hydraulic Fracturing Legislation Overwhelmingly Passes the House

Legislation Would Generate 50,000 jobs, Hundreds of Millions of Dollars in Revenue and Preserve the Environment

SPRINGFIELD, IL - The GROW-IL (Growing Resources and Opportunity for the Workforce in Illinois) coalition applauds the members of the Illinois House of Representatives for overwhelmingly passing compromise legislation to regulate the practice of hydraulic fracturing in Illinois. The legislation, SB 1715, passed the House by a strong margin culminating in months of negotiations and is now headed to the Senate.

"Today's vote in the House of Representatives was an example of what happens when industry, labor, the environment and Representatives from both sides of the aisle come together and compromise," said Mark Denzler, Vice President & COO, Illinois Manufacturers' Association and co-chair of GROW-IL. "This legislation will create thousands of jobs, generate much needed revenue for the state and places strong environmental safeguards in place. It's critical the Senate pass this legislation before the end of the month."

"With such an overwhelming, bipartisan vote, we urge the Senate to take this up with haste so that we can get folks working in Illinois right away," said Michael Carrigan, President, Illinois AFL-CIO and co-chair of GROW-IL. "This remains a tough economy for working families and we believe this legislation will go a long way in spurring economic growth."

SB 1715 has earned the support of a diverse group of elected officials and industry representatives including Governor Pat Quinn, Attorney General Lisa Madigan, the business community, energy companies, transportation groups, labor unions, Sierra Club, Natural Resources Defense Council, Illinois Environmental Council, Farm Bureau, Illinois EPA, and Department of Natural Resources. The final compromise represents an unprecedented group of stakeholders coming together to create a solution unique to Illinois.

## The legislation has several important highlights:

- ≤ Studies indicate that 50,000 jobs may be created in manufacturing, mining, trucking, rail, engineering, road building, construction, and other sectors, many of which will be represented by organized labor.
- Millions of dollars from the taxes on production, increased economic activity, and fees to permit drilling will be generated by this legislation. An initial tax rate of 3 percent in the first two years of production will be followed by a graduated rate between 3 and 6 percent creating substantial revenue for Illinois.
- Strong safeguards exist in the legislation mandating standards on well construction, closed loop water storage, extensive chemical disclosure, air pollution protections and testing of ground and surface water before and after fracking occurs.
- Producers will pay a \$13,500 initial fee on every permit application submitted to the Department of Natural Resources. The Illinois EPA and Department of Natural Resources will share the revenue to hire sufficient staff to review and process permits, ensure compliance, and inspect well sites.
- Incentives in the bill exist to encourage the hiring of Illinois residents.
- The bill requires residents to be notified in advance so that they may engage in the entire process by submitting public comments prior to the permit, appeal issued permits, and file citizen lawsuits to enforce the law.

For a full list of coalition members visit: http://grow-il.org/coalition-members/

## ABOUT GROW-IL

GROW-IL is a diverse coalition of more than two dozen business, labor, construction, transportation and agricultural organizations focused on enacting common sense hydraulic fracturing legislation in Springfield and are led by three co-chairs: Illinois Manufacturers' Association, Illinois AFL-CIO and the Illinois Petroleum Council. For more information, visit <a href="https://www.grow-il.org">www.grow-il.org</a>.