

SB 333 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 5/3

WHAT THE MEASURE DOES:

Directs Oregon Business Development Department to obtain employment and wage information from Employment Department for eligible employer at regionally significant industrial site and to determine annual amount of estimated incremental income tax revenues generated by eligible employer per tax year. Requires Oregon Business Development Department to request that Oregon Department of Administrative Services certify amounts determined to be estimated incremental income tax revenues.

Adds minimum employment requirements to sites that are developed under the program. Removes the requirement that the sponsor have a contract with the industry locating on the site and removes reporting requirement from the industry on the amount of taxes paid by employees. Provides for the distribution of personal income tax revenue from the general fund to the local government sponsor after one year.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

The Industrial Site Readiness Program is an economic incentive for local governments to build infrastructure for traded-sector industries by providing half of income tax revenue attributable to the businesses that locate on site back to local government sponsors. This can be up to the full cost of providing the infrastructure or half of the cost of providing the infrastructure if a loan is issued to the sponsor. Currently, income tax revenues are redistributed to the sponsor after 5 years of industry operation. The measure would change this waiting period to one year.