

February 21, 2017

Senate Finance & Revenue Committee
900 Court Street Northeast
Salem, Oregon 97301

RE: Support for SB 174, Renewing the Research & Development Tax Credit

Chair Hass and Members of the Committee,

Innovation is the bedrock of our modern economy. Not too long ago, Oregon's economy was directly tied to the boom and bust cycles of the natural resource industry. Oregon has transitioned to a more diversified economy of not only wood chips but computer chips and new technologies. Today, Oregon has one of the strongest economies in the nation. This change did not happen overnight, however, it occurred as the result of a coordinated economic development strategy and private innovation.

Investments in innovation play an invaluable role in the competitive global economy. Locally, innovation in Oregon drives the creation of thousands of jobs, billions of dollars in private investments, downstream spending and support of the research industry. The high wage jobs provided by these activities, on average, are double the average private sector wage. Simply put, investments in innovation foster a business climate that contributes to the vibrant livability of our communities.

The Smart Growth Coalition, comprised of homegrown "blue chip" companies, is committed to sound fiscal policies that promote local investment and private innovation. Our members support policies that promote sustained growth in all business sectors. Since our inception in 1999, the coalition has supported the extension and expansion of Oregon's Research & Development Tax Credit as it plays a fundamental role in attracting new investments.

The Smart Growth Coalition strongly encourages the Committee to support local innovation by renewing the Research & Development Tax Credit.

Sincerely,

Jeff Newgard
Executive Director
Smart Growth Coalition