

House Committee on Economic Development
900 Court Street NE, Rm 333
Salem OR 97301

February 6, 2019

RE: HB 2053, Clarification language for five economic development business incentive programs
Please Support

Chair Lively and Members of the Committee,

As the EDCO Director (Economic Development for Central Oregon) and Enterprise Zone Manager in Jefferson County, I ask that you please support HB 2053 and pass out of Committee with subsequent referral to Revenue.

In our large, rural County, Extended Enterprise Zones have been our best incentive in attracting *new* traded-sector companies and employees. We have also used the Business Retention & Expansion Program (BEP) for companies and have submitted our application for the City of Madras Airport-Industrial Park to be designated a Regionally Significant Industrial Site (RSIS). I also tried a first in the state, approving both an Extended and Long-term Rural Enterprise Zone for a company, as they met all the requirements for the Long-term Ezone but didn't know if they could meet the high bar of the employment number at claim time. It ended up they could not, we voided the Long-term and they moved forward with the Extended Ezone. It was *very* complicated.

In using four of the five programs in this bill, I know firsthand the clarifications are appreciated, particularly regarding the Enterprise Zones and Regionally Significant Industrial Site programs. The enterprise zone is the best, and most widely used, tax incentive I have to offer in my work with traded-sector companies and I'm looking forward to working with the RSIS program as well. Simplifying the language regarding average wage and number of employees will be very helpful.

Ezones and all their processes are very transparent, requiring companies file claims and county assessors file reports. Clarifying and standardizing the average wage and employment language will help in calculating the numbers for these reports.

I'm pleased to see the State take this step to look at definitions and ORS's of economic development incentives and programs to streamline, clarify and simplify. Someone put a heck of a lot of work into this and deserves kudos! Maybe this can happen in other departments as well. I know my Zone Sponsors and companies I work with also appreciate this.

Please support HB 2053 and pass out of Committee with subsequent referral to Revenue. Thank you for your time; please let me know if you have any questions.

My best,

