



March 8, 2019

House Committee on Revenue  
Oregon State Legislature  
900 Court St NE  
Salem, OR 97301

**RE: Opposition of HB 2144**

Dear Committee Chair Nathanson and members of the House Committee on Revenue,

I write on behalf of Redmond Economic Development, Inc. (REDI), in opposition of House Bill 2144. This bill, effectively disconnects Oregon from the Federal Tax Code under the Opportunity Zone Program (capital gains tax deferral/exemption). This bill puts Oregon at a further disadvantage in several investment circles by effectively telling them their dollars will go farther in other states.

Oregon Governor, Kate Brown, has recognized and certified 86 census tracts eligible for Opportunity Zone activity across Oregon with the Department of Treasury. These zones are in economically distressed and rurally challenged areas.

Redmond has one of these certified census tracts and has attracted a half dozen investment interests from local and national investors. The projects these investors are targeting include traded sector job creation, industrial park development, essential workforce housing, and downtown place making and tourism. Each of these projects would leverage outside capital to build taxable investment, job creating operations, construction and scalable enterprises for Oregon.

Even California, who is historically known for being tax burdensome, is marketing "California is Open for Business" as Governor Gavin Newsom has announced that they are "Conforming California with the Federal tax advantages of this program" as recorded on video at [www.oppsites.com](http://www.oppsites.com), by State Treasurer, Fiona Ma.

By voting "No" on this bill, we have our own opportunity to tell the investment community that "Oregon Cares" about sustainable economic growth. A no vote also retains the existing capital and attracts new investments in our State.

REDI has been involved in business, workforce and community development in Central Oregon for more than 30 years. In addition to its traded-sector business recruitment efforts, REDI has provided technical support and resources to many of Redmond's existing employers that account for a large percentage of the community's family wage jobs and taxable investment.

We thank you for the opportunity to share our perspective and ask that you vote "No" on this legislation. If you have any questions regarding our opposition or our remarks, please feel free to reach out to me directly.

Signature,

A handwritten signature in black ink that reads 'Jon Stark'.

Jon Stark  
Sr. Director  
Redmond Economic Development, Inc.