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"2002 Award of Excellence"

April 29, 2019



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Senate Committee on Workforce

Oregon State Capitol 900 Court Se. NE Salem, OR 97301

RE: Written Testimony for HB2408-A

Chair Taylor and Members of the Senate Workforce Committee:

The City of Harrisburg is firmly opposed to HB 2408-A which would apply prevailing wage rate requirements to private construction.

The Harrisburg Enterprise Zone is one of very few economic development tools we have in our region to attract private investment and job creation. The Harrisburg Enterprise Zone has allowed us to be competitive for private investments especially when companies are choosing between Oregon and other states. We believe HB 2408-A would create additional cost and administrative burden for companies causing the benefits of the enterprise zone to be of little or no value. By diminishing the value of the enterprise zone benefits, companies may decide to locate elsewhere, causing us to lose potential job creation for construction trades that work on the project and losing the permanent long-term jobs created through the enterprise zone.

Over the past five years the Harrisburg Enterprise Zone has been able to help companies such as Cosmos Creations, Hot Tech Industries, and Gheen Irrigation greatly expand their existing operations, creating over 50 local jobs and investing over \$15 million dollars. We've also been able to recruit Winnebago and Northern Gold Foods to our region bringing over 300 new jobs and \$21 million in private investments. While we understand the threshold for the prevailing wage requirement is \$20 million dollars, there is no guarantee this threshold will remain in future legislative session. Additionally, we do not want to discourage larger investments in our region with this requirement.

Privately invested projects should not be subject to undergo public procurement requirements like prevailing wage. Please do not restrict the Harrisburg Enterprise Zone with HB2408-A. Allow us to continue to compete, attract private investments, and promote job growth in our communities. Please protect this valuable economic development tool and oppose HB 2408-A.

Sincerely,

Brian Latta City Administrator City of Harrisburg