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May 16th, 2019

Senate Committee on Workforce
Oregon State Capitol
900 Court Se. NE
Salem, OR 97301

Re: HB 2408

Chair Taylor and Members of the Senate Workforce Committee:

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

Cities only have few economic development tools in their toolbox to attract private investment. One of the few tools local governments use are enterprise zones. Cities rely on local enterprise zone investments to revitalize communities, create jobs, generate additional state income tax and local property tax revenues, and invest in economically distressed and underserved areas. Enterprise zones allow cities to be competitive for private investments especially when companies are choosing between Oregon and elsewhere. HB 2408 would create additional cost and administrative burden for companies. If companies decide to locate elsewhere, we would see a loss in potential job creation for construction trades that work on the project and for the permanent long-term jobs created through the enterprise zone.

Brownsville recently adopted an enterprise zone with hopes of creating a strong economic future for the City. Adding another impediment is not in the best interest of the City, the State, or any private business. Furthermore, the City strongly feels that the State should focus on adjusting the BOLI prevailing wage law for cities and counties. The antiquated threshold amount of $50,000 burdens local taxpayers. The threshold should be adjusted so financially strapped communities can deliver public projects and amenities.

Privately invested projects should **not** be subject to undergo public procurement requirements like prevailing wage. Enterprise zones should not be restricted so that local governments can continue to compete, attract private investments, and promote job growth in our communities. Please protect this valuable economic development tool and oppose HB 2408.

Sincerely,

Don Ware
Mayor

c: File