

# Umatilla County

Department of Assessment & Taxation

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May 20, 2019

Dear Members of the Senate Workforce Committee:

My main concern on this matter is simply the means of trying to administer how this concept will work. In section 2(1)(a)(C) it would appear the tax credits and or tax abatements would somehow be magically calculated prior to construction. This is contrary to any ethical appraisal standard as we value what is rather than what could be. The concept also certainly opens the possibility of appeals of which there is no direction or clarity.

The economic windfall received by the State of Oregon was good news and reflects the booming business growth in parts of Oregon. Unfortunately, such prosperity has yet to find its way to Eastern Oregon.

Despite talk of helping to assure that "all Oregonians" are able to prosper, there seems to be a growing tendency by the Legislature to erect roadblocks in the form of legislation that removes some of the few tools available to those seeking to advance the well-being of those parts of the state needing assistance.

HB2408 is a perfect example. One of the greatest potential benefits to companies looking at Eastern Oregon is a reduced cost of doing business. The Enterprise Zone program has been one of the most successful tools to attract economic growth across our state, but particularly in rural areas during the 29 years I have been working in the Assessor's Office. I have help draft many 3 to 5 year exemptions for Umatilla County over the last 25 years as Director.

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Rural Oregon, much of which is based on agriculture, has been the mainstay of our economic stability. With the passage of Measure 5 in 1990 and Measure 47/50 in 1997, our only true growth has been tied to offering the enterprise zone benefit to potential businesses.

The prevailing wage measures you are considering will cripple economic growth in rural areas and limit the ability of rural sites to offer an attractive alternative. Companies I deal with on a regular basis looking to relocate refer to the fact the bottom-line is the final determinant. This legislation will have a huge negative impact on the bottom line.

I am hopeful you will see the economic life of rural Oregon lies in opposition to this bill. The ultimate outcome of HB2408 isn't about higher wages, it is about no wages. Employers who are looking to expand in rural Oregon for a competitive advantage will simply look elsewhere in Washington, Idaho, or other states where a business friendly atmosphere prevails.

Sadly, Oregon is losing its attraction as a place that cares about growing its economy.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Chalmers", written in a cursive style.

Paul Chalmers, Director of Tax & Assessment  
Umatilla County