

May 30, 2023

Oregon Joint Committee on Tax Expenditures
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97301

RE: Letter of Support for SB 1084

Dear Co-Chairs Meek and Nathanson,

Economic Development for Central Oregon (EDCO) is a private, non-profit organization serving the tri-county region of Crook, Deschutes and Jefferson Counties whose mission is to promote sustained job growth and prosperous communities. EDCO manages, on behalf of the cities and counties that are the zone sponsors, all five Enterprise Zones in the region via local offices.

EDCO assists nearly 800 traded-sector businesses in Central Oregon. The organization utilizes the tools outlined in SB 1084, including the Enterprise Zone, with which 74 local companies have active authorizations. These companies plan to invest \$1.6 billion in capital which will create 1,049 high wage jobs.

EDCO supports SB 1084 for the following reasons:

- The bill restores tax credits for research and development. This will create new commercialized products helping grow the economy and will support the semiconductor industry which is prioritized by the Governor's office and this Legislature.
- It extends the sunset of the Enterprise Zone program, one of the most effective tools our state has to compete for projects, and provides local communities the opportunity to invest in job-creating companies with temporary property tax exemptions in their jurisdictions.
- It extends the Long-Term Rural Enterprise Zone, which helps larger projects, particularly given the rising cost of materials and financing.
- It extends the Oregon Industrial Site Readiness program. Central Oregon has a significant inventory of larger industrially zoned properties, many requiring utility and transportation infrastructure. To compete with other states for private sector investment private developers and businesses cannot be expected to shoulder the cost of these improvements entirely. The program helps share a portion of the cost burden between local community infrastructure improvement investments and state funds derived from later income tax revenues.



EDCO views this bill as a way to retain and restore high value economic development tools that will help grow and expand traded sector industries, creating prosperity and a more sustainable economy in Oregon.

In a state like Oregon, which is inordinately dependent upon income tax as a primary source of revenue, there must be tools to create jobs. The programs supported in SB 1084 will do just that. Please join EDCO in supporting the extension of this important economic development tool.

If you have any questions regarding my comments, please feel free to reach out to me directly.

Sincerely,

A handwritten signature in black ink that reads "Jon Stark". The signature is written in a cursive style with a prominent initial "J".

Jon Stark, CEO
Economic Development for Central Oregon

**Economic Development
for Central Oregon**

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