



March 27, 2023

Oregon House Committee on Revenue  
Oregon State Capitol  
900 Court Street NE  
Salem, Oregon 97301

**RE: Letter of Support – Extending Sunsets for Oregon Enterprise Zone Tax Abatement Program, presently in SB 134, SB 135, HB 2060, HB 2061 and HB 2199**

Dear Chair Nathanson and members of the Committee,

Economic Development for Central Oregon (EDCO) strongly supports these and other bills which collectively extend the sunsets for the Oregon Enterprise Zone program and the Long-Term Rural Enterprise Zone program. These programs are the most effective economic development incentives we have that promote traded-sector job growth in Oregon. EDCO has helped hundreds of companies in Central Oregon leverage this program to create well-paying jobs by providing a temporary tax abatement during critical operational growth periods.

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 (four rural, one urban) in the region via our local offices.

A 2022 study commissioned by Business Oregon measured the return on investment (ROI) from 287 companies who have participated in the Enterprise Zone program by looking at:

- Total output through direct jobs at participating firms,
- Indirect jobs from suppliers, and
- Induced jobs from employee household spending in the community.

Remarkably, the study found that the economic benefit was 29 times the initial investment (temporary exempted tax value) for the standard 3–5-year Enterprise Zone program. As zone managers, EDCO has 74 companies with active authorizations who have projected the creation of 1,049 jobs and over \$1.6 billion in capital investment. The calculations of the potential ROI from these investments are staggering.

Proof of the ROI is evidenced by Crook County’s climb from worst to first when considering employment recovery in Oregon. During the Great Recession, prior to the designation of their Enterprise Zone, Crook County was the last of all 36 Oregon counties to recover job losses. Contrast that to their recovery from the Global Pandemic, following creation of their Enterprise Zone, and Crook County had the largest net gains after losses (February 2020 through August 2022) as a percentage of employment. There may be no better example of how a community has effectively utilized the Enterprise Zone program as a primary tool to stimulate investment and create resilience.

**Economic Development  
for Central Oregon**

705 SW Bonnett Way, Suite 1000  
Bend, OR 97702

541.388.3236

[www.edcoinfo.com](http://www.edcoinfo.com)



The bills presented in both the Senate and the House this session, which propose to extend the Oregon Enterprise Zone program, are a top priority for EDCO, the companies we support and the communities we serve.

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 Enterprise Zone program has a proven record of doing just that. We hope you will join us 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. We appreciate the opportunity to share our perspective.

Sincerely,

A handwritten signature in black ink that reads "Jon Stark". The signature is written in a cursive style with a horizontal line underneath.

Jon Stark, CEO  
Economic Development for Central Oregon

**Economic Development  
for Central Oregon**

705 SW Bonnett Way, Suite 1000  
Bend, OR 97702

541.388.3236  
[www.edcoinfo.com](http://www.edcoinfo.com)