

April 18, 2025

The Honorable Nancy Nathanson
Presiding Co-Chair, Joint Committee on Information Management and Technology
Oregon Legislative Assembly
900 Court Street NE
Salem, OR 97301

Re: HB 3936; Relating To The Security of State Assets

Dear Co-Chair Nathanson:

On behalf of the Global Business Alliance (GBA), I am writing to **support** the proposed amendment to HB 3936. The proposed amendment, <u>HB 3936-1</u>, would clarify the original bill by removing the "foreign country" phrasing, allowing the bill to target specific corporate entities of concern as intended.

GBA represents nearly 200 of the most well-known international companies in the world, all of whom are major U.S. employers. International companies have invested over \$5 trillion into the U.S. economy, employing 8.4 million U.S. workers and offering salaries that are seven percent higher than the U.S. national average. GBA advocates for fair, non-discriminatory treatment of globally based companies that operate in the U.S. and promotes policies that will encourage such firms to grow their U.S. operations, increase American employment and support U.S. economic growth.

There are 806 international companies in Oregon that employ 68,200 American workers. Growth in employment at these firms rose by seven percent over the past five years, while the state's overall private-sector employment only increased by four percent. Nationally, these international companies pay American workers an average compensation of \$89,000 annually in wages and benefits, seven percent higher than the economy-wide average. Global investment helps strengthen Oregon's economic resiliency. See how international companies support the state.

As it pertains to the introduced version of HB 3936, GBA has concerns that the legislation lacks clear definitions specifying that it targets corporations connected to foreign adversaries or countries of concern. GBA recommends tightening the legislation by **including** the proposed amendment HB 3936-1 that removes the phrase "a corporate entity that is incorporated or

¹ Bureau of Economic Analysis (BEA), Survey of Current Business, Activities of U.S. Affiliates of Foreign Multinational Enterprises in 2020, released August 2024.

As the premier advocacy resource for international companies in the United States, the Global Business Alliance (GBA), actively promotes and defends an open economy that welcomes international companies to invest in America. Our members are American companies with global heritage and an indispensable part of our nation's economic success. When America is open for business, we all benefit.

<u>registered under the laws of a foreign country."</u> This change clarifies the scope and intent of the bill. GBA also recommends including the Bureau of Industry and Security (BIS) <u>Entity List</u> or referencing CFR (Code of Federal Regulation) Supplement No. 4 to Part 744, Title 15 of the Export Administration Regulations in the legislation, which provides for a comprehensive list of certain prohibited corporations that may act contrary to U.S. national security and/or foreign policy interests.

GBA urges the joint committee to amend HB 3936 by including the proposed amendment HB 3936-1 to clarify intent and avoid confusion while preserving the legislation's intended effect. Please contact me at kjohnson@globalbusiness.org or 202-770-5141 with any questions.

Thank you for your consideration,

Kelsey Johnson

Vice President, State Affairs

Global Business Alliance

cc: Members of the Joint Committee on Information Management and Technology



Foreign Direct Investment Strengthens

OREGON'S ECONOMY

HIGH-QUALITY JOBS **68,200** workers in Oregon are employed as a result of international investment.

MANUFACTURING

17,400 workers in Oregon - **26 percent** of all FDI jobs in the state - are in the **manufacturing sector**.

GLOBALLY CONNECTED

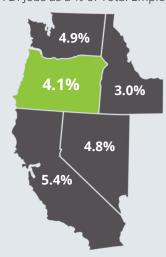
Among all international employers, those from the **United Kingdom**, **Japan** and **Germany** support the largest number of jobs in Oregon.

MANY EMPLOYERS

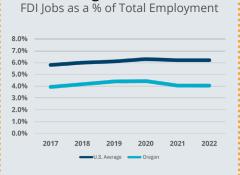
806 international employers have operations in Oregon.

INTERNATIONAL INVESTMENT CONTRIBUTES TO OREGON'S ECONOMY

Oregon vs. Its NeighborsFDI Jobs as a % of Total Employment



Oregon vs. USA



Oregon trails the national average in its portion of jobs supported by international investment.

From 2017 to 2022, Oregon's FDI employment...



while the state's overall private-sector employment



4%

DISCOVER THE FULL LIST OF GBA MEMBERS

Nearly 200 international companies comprise GBA's membership, representing a slice of the U.S. economy that provides 8.4 million high-quality jobs that pay an average of seven percent higher compensation than the economy-wide average. Our members are some of the largest international employers in the country. Browse through our membership list using the QR code.

