



Chair Broadman, Vice-Chair McLane, and members of the Senate Committee on Finance and Revenue,

Thank you for the opportunity to provide testimony in support of SB 1586. For background, Oregon REALTORS® is an industry association comprised of roughly 17,000 members who work as real estate brokers, principal real estate brokers, real estate property managers, and affiliated industry professionals. In turn, our members represent hundreds of thousands of Oregonians in real property transactions across the state.

SB 1586 is potentially the most significant opportunity in recent decades for the legislature to demonstrate Oregon's commitment to promoting economic growth, attracting and retaining businesses, and creating living-wage jobs for Oregonians.

Yet, almost as important as the potential economic benefits of SB 1586 is the message passing it would send to your constituents – “Your elected leaders are committed to addressing the cost of living in Oregon by finding ways to increase revenues besides just raising your taxes.”

This is because SB 1586 is more than just a bill to advance economic growth. It's a commitment that Oregon will find ways to pay for public services, state-funded projects, and the government's financial liabilities without breaking the already-strained budgets of everyday Oregonians.

At the state level – according to an [analysis by ECONorthwest](#) – the economy activity resulting from SB 1586 could increase the state's gross domestic product (GDP) by well over half a trillion dollars, generate \$21.9 billion in gross revenue to the state, and create tens of thousands of jobs over the next 20 years. At the local level, the economy activity resulting from SB 1586 could generate \$175 million in property tax revenue by 2045, even after accounting for Strategic Investment Program (SIP) tax abatements, in addition to \$266 million in community service fees. After SIP agreements expire in 2045, property tax revenues could generate \$75 million annually and community service fees would generate another \$32 million per year.

This is exactly the kind of growth that Governor Kotek envisioned in her Prosperity Roadmap. SB 1586 will help the state “retain and grow Oregon businesses, catalyze job creation, and accelerate Oregon's economic growth ([Governor Kotek Announces Strategy to Focus on State's Economic Development Efforts](#)).”

There is no good reason to oppose SB 1586. Naysayers may argue it “costs the state too much land”, but in reality, the land impacted by SB 1586 accounts for less than 0.0027% of the land in Oregon. They may argue it costs too much in foregone revenue, but in reality, it grows state revenues to an extent Oregon's budget writers could only dream of until now.

Oregon REALTORS® urge you to vote YES because SB 1586 is critical to ensuring a successful future for our great state.

Thank you for your time and consideration of our testimony.