

Submitter: Devon Lawson
On Behalf Of:
Committee: Senate Committee On Finance and Revenue
Measure, Appointment or Topic: SB1586

Chair Broadman, Vice-Chair McLane, and Members of the Committee,

My name is Devon Lawson. I am a 19-year-old resident of Springfield, a student of History and Economics at Lane Community College, and I am writing to you today to urge a NO vote on SB 1586.

While this bill is presented as the "Oregon JOBS Act," a closer examination of its mechanics reveals it to be something far more damaging. It is a massive transfer of public wealth into private hands and a direct attack on the funding mechanisms of our public schools. As a student of economics, I see this not as market stimulation but as State Monopoly Capitalism, where the state government steps in to guarantee the profits of massive corporations at the expense of the working class and local communities.

I urge you to oppose this bill. SB 1586 expands the Research & Development (R&D) tax credit, specifically making a 25% refundable credit available to companies with 3,000 or more employees. A "refundable" credit means that if these massive monopolies pay zero dollars in taxes, the state of Oregon effectively writes them a check from the General Fund. This is a direct subsidy from Oregon taxpayers to the shareholders of the world's most profitable corporations. The bill explicitly doubles the certification limits for these credits from \$80 million to \$160 million per biennium. You know the constraints of our state budget. Allocating \$160 million to "incentivize" companies to do research they are already compelled to do by market competition is fiscally irresponsible. That is \$160 million diverted from housing, infrastructure, and public safety. This is the government picking winners and losers. Why should a multinational corporation with 3,000 employees get a refundable handout while small businesses in Central Oregon struggle with payroll taxes? This consolidates power in the hands of the few.

Perhaps the most insidious provision in this bill is found in Sections 10-13 regarding the School Support Fee. Currently, when corporations receive property tax exemptions through Enterprise Zones, they are often required to pay a fee to the local school district to offset the revenue loss. SB 1586 makes this fee optional. This allows local governments, often desperate for investment, to waive the fee entirely in a "race to the bottom." Senator Patterson, as a champion for social services, you understand that we cannot claim to support "workforce development" while defunding the schools that train that workforce. By making this fee optional, the state is signaling that corporate tax breaks are more important than K-12 funding. The

burden of funding these schools will shift entirely onto working-class homeowners and renters.

Sections 19-21 mandate the expansion of the Urban Growth Boundary (UGB) in Washington County to include "rural reserves" for high-tech use. The bill states "Notwithstanding ORS chapter 197," explicitly bypassing Oregon's land use planning laws. Senator Anderson, you are representing a coastal and rural district; you understand the value of our land and the importance of local control. This bill sets a dangerous precedent that if a corporation is big enough, the state will strip protections from rural land and pave over it, regardless of local planning processes or the agricultural value of that land.

SB 1586 is a "hostage exchange," not a jobs bill. It bribes capital to stay in Oregon by gutting our tax base and overriding our land use laws. We should not be doubling down on subsidies for industries that are already highly profitable; we should be investing in the people of Oregon. I stand with Tax Fairness Oregon, 1000 Friends of Oregon, and the small farmers who have registered their opposition to this bill. I urge you to join them.

Vote NO on SB 1586.

Thank you.

While I am a member of the Higher Education Coordinating Commission, my testimony today represents only my personal view and not the position of the HECC