



Tom Chamberlain, President
Barbara Byrd, Secretary-Treasurer

2110 State Street 3645 SE 32nd Ave,
Salem, OR 97301 Portland, OR 97202
www.orafcio.org

503-585-6320 (Salem)

503-232-1195 (Portland)

afl-cio@orafcio.org

December 13, 2012

Committee Members:

The Oregon AFL-CIO supports your continued efforts to help bring good jobs to Oregon. The bill before you today offers Oregon an opportunity to encourage local companies to grow in our state without compromising our ability to provide basic services or our commitment to jobs that can support Oregon families.

We believe there are three ways that you could make this bill even stronger:

1. Currently, the bill suggests that the Governor consider wage rates when negotiating a contract with a company. We recommend that the bill be amended to ensure that the jobs created pay a median wage at or above the state average. While a family-supporting wage would likely be higher than that average, using the state average ensures we aren't subsidizing jobs that will lower Oregonians' standard of living, while also offering enough flexibility that our Governor will have room to negotiate the best deal for Oregon.
2. The current bill allows companies a contract of up to 40 years. While we understand the importance of stability for companies considering long-term investments, we'd ask the committee to consider the changes we have seen in Oregon in the last 40 years – since 1972. Binding our state to a contract for that long a period of time is imprudent and we would suggest allowing future legislatures the flexibility that a shorter-term contract would provide.
3. Finally, the current language allows a contract to include language requiring companies which break their end of a contract to pay back taxes but does not require it. If we, as a state, decide that an opportunity is important enough to forgo revenue to bring good jobs to Oregon, and the promised jobs or investment do not materialize, we should not be bound to forgo needed revenue – and the jobs, investments, and improvements that revenue would fund. This Legislature should require that companies who do not uphold their end of a contract to reimburse the state for taxes that, without the contract, would have been owed.

We appreciate your hard work to ensure that Oregon has the needed tools to recruit and retain high-quality jobs. We hope you will consider strengthening the bill before you to ensure that its focus is on those high-quality jobs which strengthen our state, build our economy, support good jobs, and leave a better future for our children, and we encourage your support for a strong bill.

Sincerely,

Tom Chamberlain
President, Oregon AFL-CIO

H