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HOUSE OF REPRESENTATIVES

Memorandum

Date: December 13, 2012
To: Joint Special Committee on Economic Development
From: Representative Lew Frederick
Subject: House Bill 4200, 2012 1st Special Session

Co-chairs Barnhart, Burdick and Berger, and members of the Committee:

Passing laws under duress is never a good way to do business. If we are to pass this, it must have reasonable limits and safeguards, and provide for a more thorough vetting of underlying issues during a regular session.

I write in support of the following Amendments to HB 4200:

- 40, to shorten the maximum term of authorized contracts from 40 years to 10 years.
- 41, to require that if a corporation granted such a contract fails to meet its obligations under the contract, it shall pay a penalty *equal to* the taxes that would be owed absent the contract.
- 42, to sunset the law on October 31, 2013; if the law stands up to the scrutiny of a regular legislative deliberation, it would be reauthorized by that time.
- 50, to require that a corporation receiving the considerations authorized in this law may only count a job as “new” for purposes of meeting its obligations under an authorized contract if the same job did not exist in another facility controlled by the same corporation in the United States.
- 49, to require the Oregon Business Development Department to adopt reporting requirements to enable the Department to determine whether the contracted corporation has complied with all of the requirements of its contract relating to the employment of additional full-time equivalent employees in this state.
- 54, to require reporting and disclosure. Each corporation receiving consideration under the Qualifying Investment Incentive and Safe Harbor Act shall file a disclosure report no later than February 1st of each year, including disclosure of number of full-time equivalent jobs created, compensation and benefits paid, and total corporate taxes paid to the State of Oregon.