



Testimony of the City of Salem In Opposition to HB 2675

House Business and Labor Committee - February 27, 2013

The City of Salem opposes HB 2675 to amend ORS 279C.800 to redefine the definition of "public works" to include a major renovation of a privately owned road, building, structure, or improvement valued at or above \$5 million located in an enterprise zone and receives tax abatement benefits.

The City of Salem supports competitive wages for professional services, however, redefining ORS 279C.800 so that private property investments of a firm that qualifies for enterprise zone temporary property tax abatement incentives are required to pay prevailing wage in the construction of these improvements will offset the benefit of the enterprise program. The City of Salem has actively promoted the use of the Enterprise Zone program to attract new development and to retain and expand existing traded sector manufacturing companies in our global competition to create jobs and investment. Exit interviews with business that have located or expanded their operations in Salem have expressed the importance of the enterprise zone program as a contributing factor to their decision to locate in Oregon rather than another state or expand their operations in Oregon. Requiring private businesses to track prevailing wage costs and the associated legal processes will add another layer of complexity to conducting business in Oregon and could result in firms electing to locate or expand elsewhere.

Thank you.

A handwritten signature in blue ink, appearing to read "Douglas R. Rux", is written over a horizontal line.

Douglas R. Rux
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URBAN DEVELOPMENT DEPARTMENT

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