

REVENUE: Revenue statement issued

FISCAL: No fiscal impact

Action: Do Pass and Be Referred to the Joint Committee on Tax Credits by prior reference

Vote: 8 - 0 - 1

Yeas: Bentz, Boone, Dembrow, Johnson, Reardon, Vega Pederson, Whitsett, Bailey

Nays: 0

Exc.: Weidner

Prepared By: Adam Crawford, Administrator

Meeting Dates: 2/19, 2/21, 2/26

WHAT THE MEASURE DOES: Extends sunset for renewable energy resource manufacturing from January 1, 2014 to January 1, 2020.

ISSUES DISCUSSED:

- History of Business Energy Tax Credit (BETC)
- BETC oversight and due diligence process
- Business outlook of solar manufacturing industry
- Other industries this tax credit could apply to

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: This tax credit is available to manufacturers of renewable energy components and is claimed primarily by businesses in the solar related manufacturing industry. This credit was used by the Business Oregon to attract this industry to the state for the purpose of economic growth and job creation. The solar related manufacturing industry currently directly employs 1,900 people in Oregon paying over \$12 million in state personal income taxes. Currently, over \$110 million in tax credits have been issued under this program with roughly \$39 million of that claimed through 2011.