



Testimony House Committee on Revenue
Keith Peal, Representing Hillsboro Chamber of Commerce
Wednesday, February 5, 2014
HB 4142

Chairman Barnhart and Members of the Committee, I am Keith Peal representing the Hillsboro Chamber of Commerce. The Hillsboro Chamber of Commerce strongly opposes HB 4142, which would amend the State's Strategic Investment Program (SIP) by reducing the applicability of the Rural SIP. This legislation would directly impact the ability of Hillsboro and other communities to create new, high paying manufacturing jobs.

The Oregon economy has improved markedly since the depths of the Great Recession – and yet we are still lagging the national economy's employment figures. Oregon's personal income per capita is 90% of the national average, down from 102% in 1979 and 97% in the mid-90s. This is a disturbing long term trend.

As a State we are operating in a very competitive environment – many states have discretionary funds and can write big checks to lure new industrial investment. Oregon does not have those kinds of resources. As a result, programs like the SIP (programs which do NOT) are essential if we are to stay competitive for new large-scale manufacturing investment. Importantly, these programs do NOT require the expenditure of public funds; they merely entail the foregoing of property tax revenues for a prescribed period of time. The Rural SIP was an important factor in Genentech's approximately \$300M investment in Hillsboro, which has resulted in nearly 300 high-paying jobs.

The Hillsboro Chamber is disappointed that a legislative approach has once again been sought. We do not believe that it would be appropriate or prudent for the Legislature to pit one Oregon community against another. We firmly believe that any job that is gained or retained is a direct benefit to all Oregon citizens and communities. Creating barriers for any one community potentially harms all others. Now is not the time to look at removing or diminishing any of the limited tools that we offer as incentives to business.