



March 19, 2015

Re: SIP/Gain Share program (SB 129)

Dear Senator Devlin:

The Hillsboro Chamber supports the improvements to the Strategic Investment Program/Gain Share provided by Senate Bill 129. This proposal is critical to Oregon's economic health, producing jobs that support public services statewide in addition to supporting local businesses and spawning new companies needed to support the bigger ones.

Oregon leans heavily on local communities for economic development, primarily through the Strategic Investment Program (SIP), which relies on cities and counties to assume risks and up-front costs. While the program has been hugely successful, it wouldn't enjoy that measure of success without the vital component of Gain Share, which provides communities with the certainty needed to encourage their participation and an incentive to share in some of the income tax revenue these investments produce.

The program has attracted and retained companies in Oregon that could have located anywhere in the world, bringing some of the state's biggest employers – including Intel and Genentech in the Portland metro area, along with wind farms in rural Eastern Oregon and the Wauna paper mill near the coast – providing well-paying jobs that benefit all Oregonians.

Attracting investment is critical to our ability to do business. Growth at the companies participating in the program spawns additional businesses and investments in existing companies, such as the cluster of high-tech businesses that work with Intel, and manufacturers of products related to wind energy facilities elsewhere in the state. For example, for every job created by an investment at Intel, three additional jobs are created elsewhere in the state.

The program's benefits apply to all Oregonians. For example, Intel's investment in Oregon generates \$650 million in tax revenue – enough to supply half of the education funding increase proposed in the co-chairs' budget for the biennium.

Under Senate Bill SB 129, jurisdictions that would receive the most money from Gain Share will share the proceeds by dedicating funds for local and statewide education and for economic development in distressed counties. These changes are anticipated to double the state's current resources available for economic development in rural Oregon, adding an estimated \$19 million to the Oregon Opportunity Fund for distressed counties on a biennial basis, as well as providing millions more to the state's K-12 schools.

I respectfully request that you support SB 129. We need it to continue economic development efforts that provide benefits for all Oregonians.

Sincerely,

A handwritten signature in black ink that reads 'Deanna Palm'.

Deanna Palm
President