

March 23, 2015

To the Honorable Elected Officials of the Oregon State Legislature:

Hillsboro School District is pleased to offer its support for Senate Bill 129, which intends to formalize an equitable distribution system for Gain Share dollars.

As you know, Gain Share is a revenue-sharing mechanism for the additional personal income tax dollars collected at the state level as a result of large corporations' infrastructure investments through Strategic Investment Program (SIP) agreements at a local level.

Local jurisdictions assume a great deal of risk when entering into SIPs, with the knowledge and understanding that both the positive economic impact of the investment itself and the return of some of the lost revenue through Gain Share distributions will make the initial tax abatement worthwhile.

Local jurisdictions and other tax-supported agencies, such as the local school districts, are the ones who bear the brunt of the impact of these SIPs—services still need to be provided, in many cases at an increased rate, without the accompanying tax revenue to pay for those services. Ultimately, though, those agreements are made with the long-term goal in mind of growing both the local and state economy.

It only makes sense, then, that a higher proportion of the Gain Share funds generated come back to the local jurisdictions and schools in which they were first abated.

The revenue-sharing structure outlined in SB129 provides long-term certainty and fairness to local jurisdictions and schools, while also offering specific support to economically distressed communities.

All schools in Oregon will benefit from a robust economy that effects higher tax revenue at a state level. We urge your support of Senate Bill 129. Please let us know if we can answer any questions or provide additional information.

Thank you,



Adam Stewart, Chief Financial Officer

