



April 8, 2015

House Committee on Revenue  
Oregon State Capitol  
900 Court Street NE  
Salem, Oregon 97301

TO: Representative Barnhart and Committee Members

**RE: Opposition to HB 2070: Relating to Share Services Distributions**

The City of Hillsboro would like to express opposition to HB 2070, which advances the sunset date of the Gain Share program. Gain Share is an effective state and local partnership, which is part of the successful Strategic Investment Program (SIP).

The SIP is a valuable economic development tool that provides great opportunity for high-tech firms, high-tech suppliers and other capital-intensive industries to invest in Oregon. The SIP is implemented at the local level and requires local jurisdictions to forego property tax revenue. The SIP investments by local jurisdictions result in financial benefits that are spread across the entire state. The fundamental principle underlying SIP and Gain Share is recognition that local jurisdictions shoulder the financial risk and make the necessary investments in planning and infrastructure in pursuit of the state's economic development.

The reason Gain Share has received so much attention is because the SIP/Gain Share programs have been successful beyond anyone's imagination. Currently, there is a bipartisan and bicameral legislative workgroup that has reviewed Gain Share and made recommended changes to the program to share even more of the benefits of the program statewide.

Due to the work of the workgroup and the progress they have made in modifying Gain Share we strongly oppose HB 2070. Gain Share was sound policy when it was enacted and it remains sound policy today. It is the combined success of SIP and Gain Share that now has us reviewing the distribution of the Gain Share funds; not the underlying policy. The efforts of the bi-partisan, bi-cameral work group can be found in Senate Bill 129A and that should remain the focus.

Sincerely,

CITY OF HILLSBORO

A handwritten signature in black ink, appearing to read 'Jerry W. Willey', is written over a circular stamp or seal.

Jerry W. Willey  
Mayor