

**STAFF MEASURE SUMMARY**

**Senate Committee On Business and Transportation**

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

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**Action Date:** 04/01/15

**Action:** Do Pass And Refer To Finance And Revenue By Prior Reference.

**Meeting Dates:** 04/01

**Vote:**

Yeas: 5 - Beyer, Girod, Monroe, Riley, Thomsen

**Prepared By:** James LaBar, Committee Administrator

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**WHAT THE MEASURE DOES:**

Provides that cities and counties that meet certain criteria are considered job creation zones. Details criteria for zones that include at least one of the following: at least 25 percent of the residents of the city or county have had incomes below 75 percent of the median income of this state during the two most recent years; the rate of unemployment exceeded seven percent for the two most recent years; or the population of the city or county that has declined in the two most recent federal decennial censuses or for the five most recent years. Extends certain benefits to residents and employers in job creation zones, including no capital gains tax earned on investments made by residents of a job creation zone and that a job creation zone may waive any state regulation that inhibits job growth. Takes effect on 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

- Rural Oregon economic development
- Additional economic development tool for portions of Oregon hardest hit by economic recessions
- Possible concerns with waiving any state regulation that inhibits job growth in job creation zones

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

Senate Bill 807 is a direct attempt to address the hardest hit portions of Oregon by the economic challenges during the last thirty years as well as the most recent economic recession during the past decade. The criteria detailed in Senate Bill 807 are aimed at portions of Oregon that have not experienced the economic recovery experienced by other portions of the state during the previous few years.