



TECHNOLOGY  
ASSOCIATION  
OF OREGON



February 4, 2016

Representative Phil Barnhart, Chair  
House Revenue Committee  
900 Court St. NE, Room 143  
Salem, OR 97301

Re: HB 4072 – The University Venture Development Fund Tax Credit

Dear Representative Barnhart:

We are writing in support of HB 4072 which would renew the University Venture Development Fund (UVDF) tax credit. Since 2007 this tax credit has helped to convert the research conducted at Oregon’s public universities into new businesses while providing student experiential education. Over the last eight years universities have raised nearly \$8 million from private sources to transfer new technologies developed at university labs into commercially viable products and startup companies. It is an important tool for moving innovations out of the lab and into the economy.

The tax credits also generate new state income tax revenues due to increased employment. New companies supported by the tax credit have created approximately 270 high wage jobs that generate \$1.45 million in annual Oregon income tax revenues. Total revenues generated over the last five years are estimated at \$4.35 million. This figure will continue to grow and is currently equivalent to the value of the revenues foregone by the state due to the tax credit.

The UVDF tax credit is unique among all state tax credits because, in addition to generating new income taxes, universities repay the state treasury with revenues generated by successful companies. This feature has resulted in a return of over \$580,000 to the state treasury. The universities will continue to repay the treasury throughout the life of the tax credit.

We urge your favorable consideration of this important legislation. We have attached information regarding the tax credit, which includes a description of HB 4072 and a brief synopsis of the companies created by the UVDF tax credit.

Sincerely,

DJ Vogt  
Vice President, Government Affairs  
**Oregon Business Association**

Jay Clemens  
President & CEO  
**Associated Oregon Industries**

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Shane Jackson  
**Portland Seed Fund**

Skip Newberry  
President  
**Technology Association of Oregon**

Jeremy Rogers  
Director  
**Oregon Business Plan**

Sandra McDonough  
President & CEO  
**Portland Business Alliance**

Dennis McNannay  
Executive Director  
**Oregon Bioscience Association**

Chad Freeman  
Government Affairs Committee Chair  
**Oregon Economic Development Association**

cc: Rep. Cliff Bentz  
Rep. John Davis  
Rep. Ken Helm  
Rep. Mark Johnson  
Rep. Ann Lininger  
Rep. Rob Nosse  
Rep. Barbara Smith Warner  
Rep. Gail Whitsett  
Sen. Mark Hass  
Rep. Peter Buckley  
Sen. Richard Devlin  
Chris Allanach  
Paul Warner

Enclosure: UVDF Fact Sheet