



April 30, 2019

Senator Kathleen Taylor, Chair
Senate Committee on Workforce
Oregon State Capitol
900 Court St. NE, HR D
Salem, OR 97301

RE: Opposition to HB 2408 A

Chair Taylor and Members of the Committee:

The Hillsboro Chamber views the opportunity to offer local tax abatements to attract private investment and spur job creation as a critical tool to drive economic growth in our community as well as many others throughout Oregon.

In Hillsboro alone, more than 3,500 jobs have been created or retained by companies participating in the program with more than \$2 billion invested within the Hillsboro enterprise zone. Hillsboro currently has five additional enterprise zone applications pending which are not included in those numbers.

Mandating privately invested projects to endure the public procurement requirements like prevailing wage would significantly diminish local enterprise zone investments. House Bill 2408 would create an economic risk for Oregon enterprise zones by offsetting tax savings that would be received given the increases in construction, reporting and compliance costs due to prevailing wage requirements proposed in the bill. The Hillsboro Chamber urges you to oppose House Bill 2408 -A and maintain the ability for local jurisdictions like Hillsboro to offer targeted and effective investment incentives that foster job growth and increase investment in our communities.

As you know, this is not just a Hillsboro concern. Across the state, local economic development agencies and jurisdictions are sounding the alarm at the prospect of losing one of Oregon's best and only tools for expanding investment in economically distressed areas. Requiring the payment of prevailing wage on private construction projects offsets the very local economic development incentives provided by the tax abatement.

Beyond the business impact. There is a real community impact in Hillsboro. The City of Hillsboro has invested more than \$800,000 of the community service fees collected last year alone from companies applying for the enterprise zone incentive in local organizations developing workforce initiatives and small business programs targeted at economically distressed communities in which the enterprise zone businesses are located. Programs such as PCC's Future Connect Program, Prosperidad Economic Empowerment Center with Centro Cultural, and Cocinemos, which is a food entrepreneur program in partnership with Adelante Mujeres. These are important and effective programs for our community.

The Hillsboro Chamber strongly opposes HB 2408 A and respectfully requests that the Senate Committee on Workforce decline to move it forward.

Sincerely,

Deanna Palm
President