



*We Feed You*

## **SUPPORT HB 2164 -3 – INVESTING IN OREGON**

*HB 2164 -3 would continue incentivizing NEW investments into Oregon by providing a property tax deferral for the new machinery or equipment in an Oregon bakery, seafood, or fruit/vegetable processing facility. Food processing is a highly competitive national and international market which is Oregon's third largest manufacturing sector, providing \$1.27 billion in wages to 32,000 people in family wage jobs. HB 2164 -3 will continue to help local businesses free up money that helps pay employees above the national average, provide paid personal time off, and remaining close to our Oregon farmers. This bill is good for businesses, employees, and communities by promoting investments into Oregon.*

### **Investment Incentive Qualifications are Limited:**

- Applicants must be in the business of freezing, canning, dehydrating, concentrating, preserving, processing or repacking for human consumption raw or fresh fruit, vegetables, nuts, legumes, grains, bakery products, dairy products, eggs or seafood for human consumption.
- Machinery and equipment must be newly acquired and placed into service in Oregon.
- Machinery and Equipment must be directly part of an integrated food processing line and used for the primary processing of raw products prior to the first sale by a processor.
- Counties and Cities now have the ability to opt-out of this property tax incentive program or determine the level of the tax deferral.

### **Machinery and equipment that is not eligible:**

- Machinery or equipment of operations that produce alcohol or marijuana products.
- Buildings, facility systems, floors or floor surfaces, doors, ventilation, and catwalks, etc. that are not an integral part of the food processing system.
- Machinery or equipment maintenance, replacement parts, or other repairs.
- Machinery or equipment that only processes product purchased from another processor that is not in its raw or fresh form.

### **This Incentive Works:**

- Nearly 70 facilities in 16 Oregon counties took advantage and made significant investments.
- Despite the "Great Recession", with this investment incentive, food manufacturing was the ONLY sector of the Oregon economy that added jobs during that time
- From 2008 to 2014 industry employment grew by 16%

Oregon businesses have invested hundreds – of millions – of dollars under this program. This property tax deferral has proved to be a critical tool to encourage and sustain continued investment in the Oregon economy. Farmers, employees, cities and counties, and the state of Oregon benefit from those investments through higher wages, local food processing jobs, particularly in rural parts of the state.

**Please support HB 2164 -3 - Extending this important investment incentive.**