

SUBCOMMITTEE RECOMMENDATION

Item 44: Business Development Department Regionally Significant Industrial Sites

To: Emergency Board Full Committee
From: Joint Emergency Board Subcommittee on Education
Carrier: Senator Frederick

The Education Subcommittee recommends that the Emergency Board increase the Other Funds expenditure limitation for the Oregon Business Development Department by \$10,000,000 for the payment of state income tax reimbursements to local governments under the Oregon Industrial Site Readiness Program, with the understanding that \$5,456,611 of that amount will be unscheduled by the Department of Administrative Services, pending certification of the following year's transfer amount.

The Oregon Industrial Site Readiness Program provides a mechanism for a local government to recover the costs associated with the preparation of an industrial site for use through the receipt of up to 50% of the state income tax paid by employees working at that site whose median wage is at least 150% of the county or state median wage, whichever is less. The program is limited to providing \$10 million per year in total payment to local governments. The sum of all payments to local governments cannot exceed their total cost of site development. The expenditure limitation requested includes roughly \$4.5 million in currently due certified reimbursements, with the remainder available for anticipated reimbursements prior to the end of the biennium.

The Subcommittee recommends approval.