



Oregon's Economic State of Emergency

Action Plan

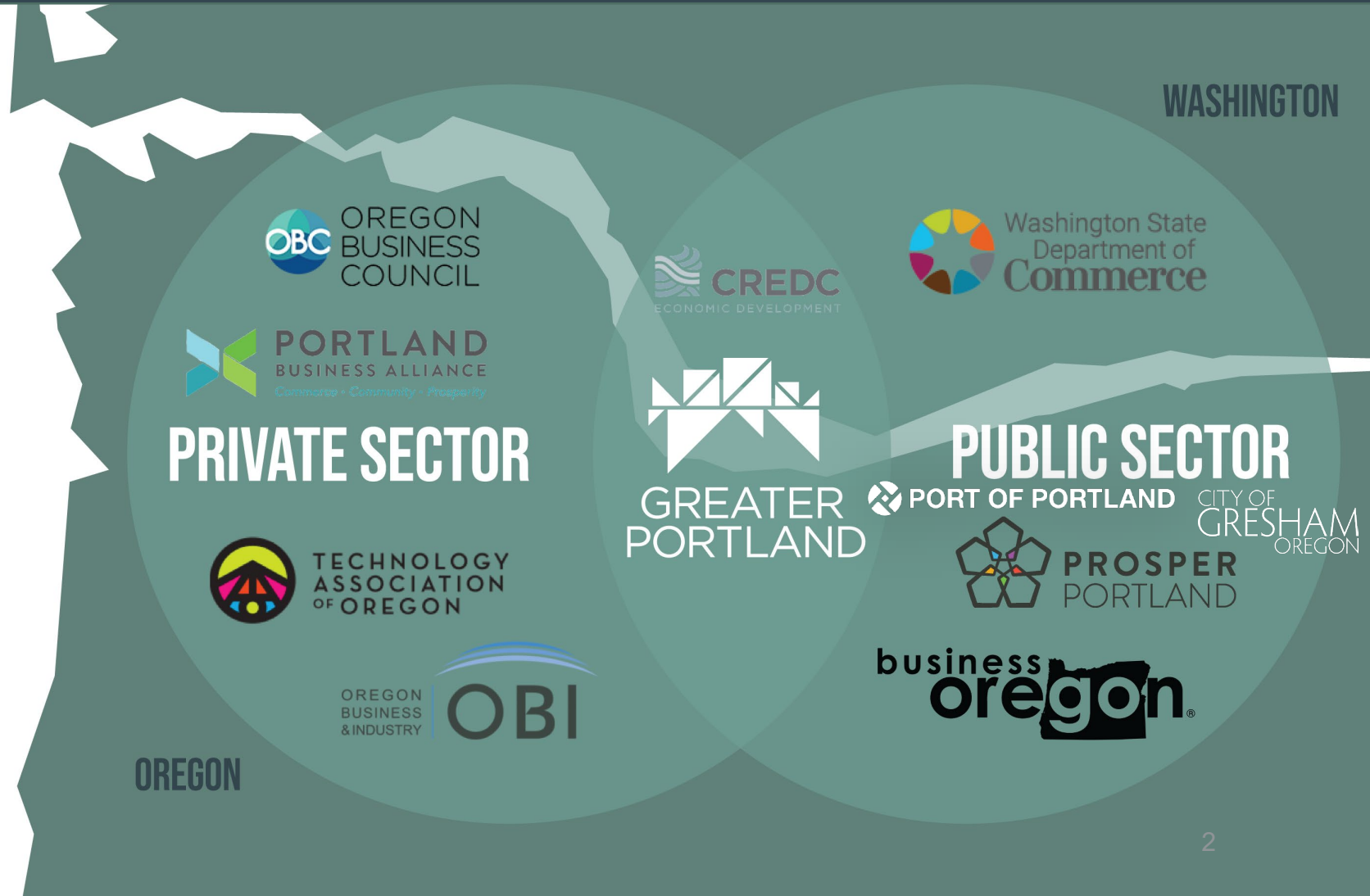
House Committee on
Economic Development, Small Business, and Trade



About GPI



Greater Portland Inc (GPI) is the only public-private partnership working to attract businesses to the entire Greater Portland region.



What We Do



GPI's Current Primary Functions

- Business Recruitment, Retention, and Expansion
- Regional Promotion
- Convening and Capacity Building
- Community Assistance and Research
- Comprehensive Economic Development Planning



Business Retention



According to the recent report *External Business Recruitment: Are businesses leaving Oregon, and if so, why?* prepared for Business Oregon by the Institute for Policy Research & Engagement at University of Oregon:

- 68% of businesses that had been contacted by recruiters did eventually expand out of state.
- In the past five years, **Oregon has lost thousands of potential jobs** and billions of potential private investments.
- **High taxes, regulatory challenges**, and market opportunities are key reasons businesses consider leaving.
- Every business is a **recruitment risk** and a **retention opportunity**.
- “Oregon faces **strong competition** from states like Texas, Arizona, and Nevada that aggressively recruit businesses with low taxes, less regulation, and robust infrastructure.”

External Business Recruitment: Are businesses leaving Oregon, and if so, why?



Photos courtesy of EDCC

January 2025

Final Report

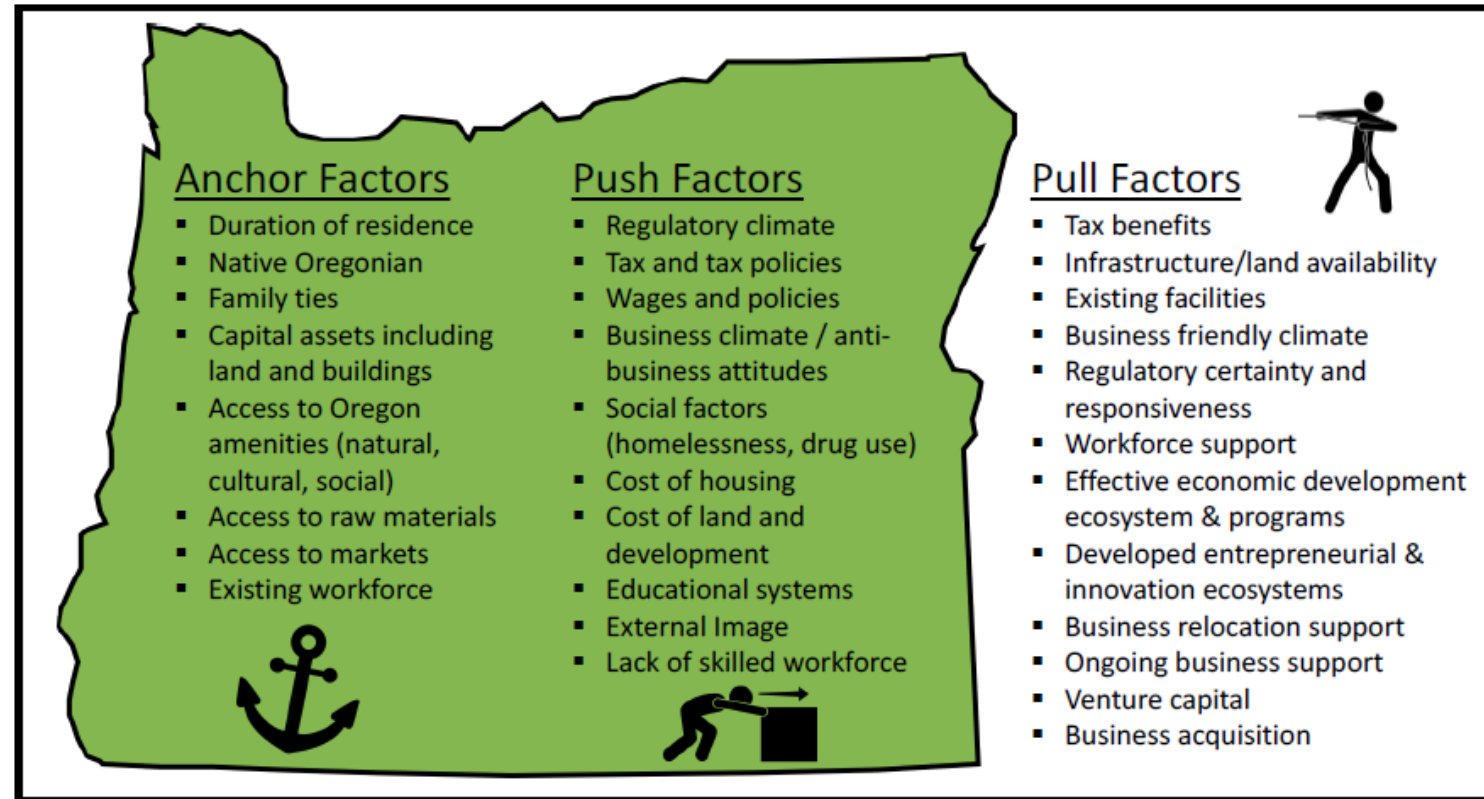
Prepared for
Business Oregon
775 Summer St., NE, Suite 200
Salem, Oregon 97301

Prepared by
Institute for Policy Research & Engagement
School of Planning, Public Policy, and Management
University of Oregon



Why Leave and Why Stay?

Exhibit 1. Push, Pull, Anchor Framework



Source: IPRE, 2025

News Headlines



“Tektronix’s new parent company chooses HQ far from Oregon”

Source: *The Oregonian*, March 11, 2025,

<https://www.oregonlive.com/silicon-forest/2025/03/tektronixs-new-parent-company-chooses-hq-far-from-oregon.html>

- “Businesses begin in a place because they have a connection. The better question today is if and why they stay.”
- “The combination of high taxes, poor services and poor schools isn’t a winning one, and that’s where we are. You put those pieces together and you have a place that’s not desirable for people if they’re starting or running a business.”

Don Vollum, Son of Tektronix co-founder Howard Vollum

- “We have so many regulations [that] it is very difficult to do business here. [We] need a public policy agenda that wants to lure, rather than lose, business investment.”

Jordan Pape, the president and CEO of The Papé Group, Eugene

Source: *Willamette Week*, June, 13, 2025,

<https://www.wweek.com/news/business/2025/06/13/the-departure-of-oregon-companies-speaks-to-a-bigger-problem-for-the-state/>

What are Other States Doing?

Dedicated Retention and Expansion Programs



South Carolina - [Existing Industry Program](#)

- A statewide retention and expansion program for manufacturers & other industries housed in the Department of Commerce with dedicated staff and services (assessments, training referrals, supply chain, emergency support).



Indiana – [Business Retention & Expansion Program](#)

- The Indiana Economic Development Corporation IEDC has a dedicated Business Retention & Expansion (BR&E) program to “strengthen, retain and grow your business in Indiana.” *Business Retention, Expansion & Attraction* is identified as a core service area with named staff.



Economic Development Corp.

North Carolina – [Keeping Life Sciences Growing in NC](#)

- An industry-focused program from the N.C. Biotech Center providing business expansion support, manufacturing best practices and process improvement, market research and analysis, supply chain connections, and workforce recruitment and customized training.

**North Carolina
Biotechnology Center®**

What are Other States Doing?

Incentives



Massachusetts – Economic Development Incentives Program

- Provides a tax credit of 40 percent of investment in Manufacturing Retention Projects retaining at least 50 jobs, and located areas affected by out-migration of manufacturing employment.

Kentucky - Kentucky Reinvestment Act (KRA)

- Allows discretionary awards of corporate income tax credits for up to 10 years, limited to either 50 percent of capital costs or 100 percent of retraining costs. Requires capital investment of \$2.5 million, and provides for a cushion in job retention obligations, requiring maintenance of at least 85 percent of the prior year's headcount.

Louisiana - Retention and Modernization Credit

- Provides an inducement for businesses to remain in the state, and modernize their existing operations in Louisiana. The credit is granted at the rate of up to five percent of the amount of qualified expenditures

Illinois – Economic Development for a Growing Economy.

- Allows discretionary corporate income tax credits for up to 100 percent of personal income tax withholdings. The maximum term is 10 years. Projects must retain at least 25 jobs with an average wage above the county average, and invest at least \$5 million in an existing facility.

Colorado – Advanced Industries: Early Stage Capital and Retention Grant

- Helps advanced industries technology businesses commercialize advanced technologies that will be created or manufactured in Colorado through grants up to \$250,000.

Short-Term Solutions

1. Enhance site marketing by increasing access to Oregon Prospector
 - Allow developers, brokers, and private sector to contribute.
2. Scale GPI's Soft Landing Program statewide and create the **Oregon Soft Landing Program** in partnership with Business Oregon.
 - Support international traded-sector firms as they explore the U.S. market by providing complimentary access to the program's workspace, digital resource library, professional networks, technical assistance, and more.

Long-Term Solutions

3. Analyze existing Business Oregon programs and reallocate funding and develop new incentives focused specifically on business retention/expansion activities.



Oregon's Economic State of Emergency *Action Plan*

House Committee on
Economic Development, Small Business, and Trade

