



OREGON ECONOMIC
DEVELOPMENT ASSOCIATION

OREGON'S CHAMPION

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February 22, 2025

House Committee On Economic Development, Small Business, and Trade
Oregon State Legislature
900 Court St, NE
Salem, OR 97301

RE: Support HB 3049

Chair Nguyen and Members of the Committee:

OEDA is a statewide non-profit organization dedicated to the service and support of Oregon's economic development practitioners on the front lines of diversifying and expanding Oregon's economy. Our association represents members and stakeholders from more than 180 public and private entities from economic development corporations, cities, counties, ports, utilities, tribes, and many other organizations interested in attracting and retaining investment here in Oregon.

Our members seek to support mechanisms that facilitate business growth and development throughout our state. We support HB 3049 and its proposal to simplify the Oregon Investment Advantage tax-subtraction, expand its applicability throughout the state, and do so without revenue implications. The changes reflected in HB 3049 will hopefully increase participation in this program, while slightly reducing its usage by larger C Corporations. More opportunities, particularly in rural areas are the types of tools our members look to support and leverage in creating a stronger tax base, long-term sustainable jobs, and economic viability that benefits all Oregonians.

As noted by Business Oregon, HB 3049 would Establish a new eligibility methodology to consistently allow this tax-subtraction in half of Oregon counties. The bill would simplify payroll requirements when analyzing wage data. The bill would clarify the applicably exemption period for the subtraction (which is currently unclear for some operations). Finally, the changes would impose a maximum exemption for corporate income per year, which, upon analysis by Legislative Revenue, will allow expansion of the program in order to maintain revenue neutrality in the coming biennium.

We urge your committee to support these common sense changes to the program and vote "yes" on HB 3049.

Thank you,

A handwritten signature in blue ink that reads "Caitlyn Q".

Caitlyn Quwenikov
Executive Director, Oregon Economic Development Association (OEDA)