

Friday's Special Session!



State Representative Alissa Keny-Guyer



HD 46 * SE & NE Portland * Phone: 503-986-1446 * <http://www.leg.state.or.us/Keny-Guyer>

Dear Friends and Neighbors,

I'm touching base with you briefly during this busy holiday season with two important notes.

First, I want to express my deep sadness for all those affected by yesterday's shooting at Clackamas Town Center. I hope for your feedback and support as I work with colleagues to promote reasonable gun control as well as prevention and treatment of mental health issues.

Second, I welcome your feedback on the Governor's decision last Monday to call the Legislature into a Special Session this Friday to consider the [Economic Impact Investment Act \(EIIA\)](#).

The Act will grant the Governor the authority to negotiate a contract with companies. In return for making substantial investments in Oregon (a capital investment of at least \$150 million and the creation of at least 500 new family wage jobs over a five year period), companies will continue to pay taxes based on the current "single sales factor" for a fixed amount of time.

This bill is an extension of Oregon's existing tax code. It would not change Oregon's tax structure, nor prevent any future change to the state tax code, but would provide certainty for companies planning on making significant investments here in Oregon. Companies would still be subject to potential changes in payroll and property taxes.

Nike is poised to commit to an expansion that has the potential to bring more than 12,000 indirect new jobs to the state, in addition to at least 500 direct jobs. Projected revenue to the state is estimated at \$2 billion per year. Before moving forward with this expansion in Oregon (as opposed to other states it is considering), Nike wants a commitment that the company's "single-sales" tax rule will remain unchanged for a period of time.

Oregon's constitution states that any revenue bill must go into effect 91 days after adjournment of the session in which it was passed. If we wait until the start of the 2013 Legislative Session, the EIIA would not go into effect until October 2013, potentially letting a critical investment opportunity slip away. Passing this bill in a December Special Session will allow Nike to begin their expansion as early as April.

Frankly, I am torn. I desperately want to do all we can to stimulate the creation of family wage jobs and to raise the revenue needed to invest in education, public services and infrastructure. The timing of the Special Session allows us to move on those goals immediately, and with a guarantee that Nike will invest here as opposed to in another state.

On the other hand, the timing does not allow for a thoughtful debate among legislators and the public about the potential long-term use this economic development tool. In the limited time we

have to debate this, I have been working with several colleagues to offer amendments (many based on recommendations from constituent emails) that will shorten the duration of the contract and strengthen the side boards about the quality of the jobs, claw-back provision, and company disclosure.

I feel strongly that if this law is passed, it should sunset in October 2013, 91 days after the close of our regular Session. That would allow the legislature to decide whether to renew and possibly amend this law during our regular session.

This morning I testified at the Joint Special Committee on Economic Development. I shared my thoughts and heard other Oregon residents share their concerns. If you'd like to see more updates relating to the EIA and the Special Session, please click [here](#).

Thank you for your attention, and all the best to you during this busy season.

Alissa