



SENATE MAJORITY OFFICE

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Senate votes for job creation by extending business expansion program

HB 2225A removes the sunset from the Oregon Business Retention and Expansion Program

SALEM—Today the Oregon Senate voted to make a successful business program a permanent fixture in the state's array of economic development tools. House Bill 2225A, which removes the sunset from the Oregon Business Retention and Expansion Program (OBREP), passed on a vote of 25-5.

“Programs like OBREP help businesses grow and expand right here in Oregon, offering more job opportunities for Oregonians still looking to get back to work,” said Senator Richard Devlin (D-Tualatin). “With this economic development incentive, we’ve been able to attract and keep companies like Salesforce.com and Oracle, which provide a lot of high-paying jobs. We need to build on this success.”

The Business Expansion Program provides an upfront award to a company planning to expand or locate in Oregon based on the estimated income tax revenues generated by new hires associated with the project over a two-year period. In addition, to qualify for the program, there must be at least 50 new hires associated with the project with wages that meet or exceed 150 percent of the state or county average, whichever is less.

Recently, OBREP has served as an important tool to attract two high-profile investments that create good-paying jobs. Salesforce.com announced plans to locate a high-tech facility in Hillsboro and hire 200 new workers. Oracle announced plans to bring manufacturing jobs back to Oregon from overseas, creating 75 jobs right here. Both companies cite support from OBREP as instrumental in making the decision to invest in Oregon's economy.

“Oregon's gross domestic product grew among the fastest in the nation in 2012, but we can do more to attract investment and good-paying jobs to our state,” said Senate Majority Leader Diane Rosenbaum (D-Portland). “Today we're ensuring that Oregon has the flexibility and mechanisms to keep and expand businesses here.”

House Bill 2225A now goes to Governor John A. Kitzhaber for his approval.

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