



March 1, 2021

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Dear Chair Jama and members of the Senate Committee on Housing and Development,

Thank you for the opportunity to express our SUPPORT for SB 330.

The Oregon State Chamber of Commerce represents 86 local chambers of commerce and more than 27,000 local businesses from every corner of the state. These local businesses are the life-blood of their communities and Oregon's economy.

This past year has been unprecedented and enormously difficult. The onset of COVID-19 resulted in widespread business closures and economic uncertainty for employers and workers alike. These closures meant lost jobs, lost customers, and lost income that ultimately made it difficult to meet financial obligations, including rent.

Consequently, this led to commercial property owners also suffering from income loss when businesses were unable to make rent payments. While protections have been extended for tenants, there is still a great deal of uncertainty for property owners. SB 330 would support local property owners by providing a tax credit for the rent they have forgiven over this past year, while also providing immediate relief to commercial tenants.

SB 330 is an important tool to help businesses and property owners get through the ongoing pandemic state of emergency. While rent relief is a great option, this legislation would offer a short-term, five-year tax credit for property owners that are willing to waive debt for tenants that are behind on rent.

This tax credit would only be available for forgiven rent during the state of emergency and have a time limit to claim the tax credit. The tax credit would also be limited to in-state property owners. This is for Main Street property owners, not Wall Street property owners.

There are multiple benefits to a tax credit.

- 1) Property owners know they are not going to be made whole or anywhere close to it when the state of emergency finally lifts. A tax credit



incentivizes property owners to work with and waive rent for their tenants.

- 2) It provides relief for tenants to stay in business through the state of emergency.
- 3) It is not cash out of the State's pocket. The state does not have to come up with funds to pay rent subsidies. It limits future revenue which the state is not going to get anyway. If tenants are not paying rent, there is not income to be taxed from the property owner.

SB 330 provides relief and a way to support the ongoing relationship between the property owner and their tenants. This promotes a way to provide assistance to both sides of the equation.

We believe this is a better outcome for tenants if property owners have a way to provide some level of forgiveness for unpaid rents.

We believe SB 330 is an important tool to keep our local property owners and businesses as whole as possible. Please support SB 330.

Respectfully,

A handwritten signature in black ink, appearing to read "Gioia Goodrum".

Gioia Goodrum
OSCC Board Chair

A handwritten signature in blue ink, appearing to read "JL Wilson".

JL Wilson
OSCC Legislative Counsel