

Thanks to its natural environment, talented workforce and innovative employers, Oregon enjoys a longstanding reputation as a great place to live, work and do business. This reputation has begun to suffer, however. Oregon's employers face soaring state and local taxes, an eroding regulatory environment and rising crime. Businesses also face shortages of developable land, affordable housing and available employees. These and similar problems have eroded Oregon's competitiveness. Increasingly, Oregon struggles to create and sustain good jobs, attract and retain employers and investments and, ultimately, compete with other states.

To improve its business climate and leverage its advantages, Oregon must encourage growth and innovation while addressing policies and processes that have harmed the state's competitiveness and tarnished its reputation. The recommendations below provide a roadmap to do just that.

ECONOMIC VITALITY

To retain and attract businesses, Oregon must create the conditions they need to succeed. The state should revisit its increasingly uncompetitive tax structure, address its developable land shortage and prioritize economic development. Recommendations to achieve this are:

- **Ensure a robust and effective economic development approach**
- **Build a functional I-5 bridge replacement**
- **Incentivize research and innovation investments**
- **Create new tools to encourage business recruitment and expansion**
- **Prioritize the competitiveness of Oregon's overall tax structure**
- **Update land use and zoning laws to reflect current needs and trends**

STRONGER WORKFORCE

Oregon's economic success depends not only upon policies that affect employers, but also upon those that affect individual Oregonians. The state should invest in programs that help Oregonians develop the skills they need to find lucrative and fulfilling work. Recommendations to achieve this are:

- **Expand child care access by adopting best practices and streamlining regulations**
- **Create clear, reasonable leave laws**
- **Encourage public-private workforce partnerships**
- **Remove barriers to the construction of middle-market and affordable housing**

FEWER BARRIERS TO SUCCESS

Oregon's employers operate in an increasingly complex and constantly changing regulatory environment. This is due largely to onerous fee structures, the cumulative impacts of overlapping regulations, and inconsistent rulemaking and enforcement. Compliance is confusing and costly. Updating regulatory practices will help all stakeholders without compromising legislative intent. Recommendations to achieve this are:

- **Implement "customer-focused" regulatory and rulemaking reforms**
 - Ensure consistency in rulemaking processes across agencies
 - Enhance rulemaking impact statements to better assess all consequences
 - Improve communication and transparency
- **Simplify regulatory processes**
- **Improve alignment between local and state tax laws**
- **Evaluate actual costs of proposed rules**