
NEWS

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SB1403 seen as a strong economic tool for communities

RENEWABLE ENERGY PROGRAM JUMP STARTS RURAL ARIZONA

The Arizona Association for Economic Development supports newly proposed legislation that will help Arizona become more competitive in global business attraction.

“We believe Arizona needs the correct mix of economic development programs in order to compete in the highly competitive process of business attraction,” said Bruce Coomer, executive director of AAED.

Quality Jobs Through Renewable Energy, SB1403, encourages qualified manufacturing and headquarter operations in renewable energy industries to relocate or expand into Arizona. The bill, introduced by state Sen. Barbara Leff, provides for:

- State income tax credit based on the project’s capital investment and job creation.
- Real and personal property tax reclassification for qualified projects.

To qualify, the company must pay an average salary of 125 percent of the state median wage and cover 80 percent of the premium for employee healthcare coverage. Without a statewide economic development program, Arizona has lost out on \$2.7 billion in renewable industry investment. That translates into 5,080 lost jobs and more than a billion in lost revenue to state and local government.

“An economic development tool like this will give us greater capabilities in attracting high-wage jobs for our residents,” said Coomer, noting that unemployment rates in rural Arizona are higher than in the metro areas. “Adding high-wage jobs will have a greater impact on rural communities.”

The renewable energy industry remains one of the few growing sectors in today’s economy. U.S. solar-related investments are expected to increase by \$232 billion by 2016 with 267,000 solar-supported jobs created by that time, according to the international firm Navigant Consulting.

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