



2024 Portland + Seattle

SHARED FEDERAL POLICY AGENDA

The Portland Metro Chamber and Seattle Metropolitan Chamber of Commerce share advocacy priorities for addressing policy and funding challenges in the two largest urban centers in the Pacific Northwest.

This combined federal agenda calls for the prioritization of the Pacific Northwest so that both cities can accelerate their progress recovering from the COVID-19 pandemic. We believe these priorities will make our regional economies more resilient and equitable, simultaneously increasing economic opportunity for historically underserved communities and supporting small businesses, while building the necessary workforce and global access for our large and traded sector employers.

Transportation & Infrastructure

Infrastructure is the bedrock of a thriving economy. In 2019, Oregon's infrastructure received a C- grade from the Army Corps of Engineers, with one of the key factors being the inability for our infrastructure to withstand a seismic event. According to their assessment, our "bridges, dams, drinking and wastewater systems were not designed for large seismic events, so we need to implement strong leadership, extensive planning, and robust funding to prepare our infrastructure to be resilient and aid in recovery efforts."

Businesses from the Canada border to Ashland to Pendleton require good, quality roads to move their products to local, national and international markets. With the Portland-metro region serving as an important economic hub of commerce, we cannot thrive without a robust transportation system that can efficiently move goods throughout our state and through the metro area. In 2018, a report ranked Portland as having the 10th worst rush hour traffic in the nation, with the average driver losing 116 hours a year idling in traffic. These delays cost the average driver \$1,625 a year — for a citywide cost of \$1.4 billion a year. The Oregon Department of Transportation in previous years has reported that poor road and bridge conditions throughout Oregon will cost ~100,000 future jobs and nearly \$100 billion in cumulative GDP through 2035.

Policy Priorities

1. Keep commerce and people moving safely in the Pacific Northwest.
2. Increase access to affordable housing and homeless services.
3. Urgently address the fentanyl and opioid addiction crises.
4. Downtown rebuilding and urban core enhancements.
5. Promote racial equity.
6. Expand global market access for our companies.

In Washington, infrastructure supports the economy and our way of life, allowing communities to thrive in diverse climates and topography. Our transit systems, which include the largest ferry operation in the U.S., allow us to inhabit and access islands in Puget Sound, while roads and bridges transport people and goods across the state, country and globe. However, in 2019 our infrastructure received a C grade from the Army Corp of Engineers Infrastructure report card. Unfortunately, infrastructure and the important role it plays can sometimes be overlooked – pipes deliver clean water, our light switches work as they should, and clicking “purchase” on our goods and services ensures they arrive on our doorsteps within two days. Attention is only paid when things break down or stop working as they should. Reliable and safe infrastructure requires sufficient investment, thoughtful planning, and preparation for the future. Underinvestment, at all levels of government, threatens our competitive advantage and the health, safety, and welfare of our residents.

We urge the Oregon and Washington delegations to support these three pressing transportation needs:

- **I-5 Bridge replacement & Interstate System modernization**

This 100+ year-old bridge is critical to the movement of West Coast commerce and is of national significance. Not only is the current state of the bridge insufficient to manage traffic flow and mobility for people using transit, it is also structurally unprepared to withstand any seismic event. With support from the business community, in 2022 a bi-state legislative committee and all eight bi-state jurisdictional partners approved a Locally Preferred Alternative that expands capacity for multi-modal transportation to reduce congestion and shorten travel times. Both states have dedicated \$1 billion in funding and the project now appears to be on track. We are thrilled that USDOT announced a \$600 million grant in December. We were also thrilled that USDOT announced a \$450 million grant for the I-5 Rose Quarter Improvement Project in March. The I-5 Bridge and the Rose Quarter Project are interconnected to ensure safer and more efficient traffic flow from SW Washington to the city of Portland. ODOT will be applying for an additional \$400 million grant for the Rose Quarter under the USDOT INFRA Grant Program. We ask that our federal delegations continue to prioritize these interconnected projects, and provide federal support to modernize the entire Pacific Northwest Interstate System, that is critical to local and state economies throughout the West Coast.

- **Cascadia High Speed Rail**

We strongly urge your support for high-speed rail as a core pillar of future federal infrastructure investment. The economic and social benefits of high-speed rail have proven themselves in 32 nations across the globe. Federal support will lay the path for the Cascadia Ultra-High-Speed ground Transportation project, a transformative infrastructure project which is a key element of the Cascadia Innovation Corridor initiative. In the Pacific Northwest alone, high-speed rail would replace 27 million carbon-intensive flight miles and 6.1 billion vehicle miles traveled on our roads over a 40-year period. For the past five years, a broad group of stakeholders has been working to advance the vision of building ultra-high-speed ground transportation to connect the anchor cities in the region—Vancouver, BC; Seattle, WA; and Portland, OR. With support from the State of Oregon, Washington State, the Province of British Columbia, and the private sector, the Washington Department of Transportation commissioned reports studying the feasibility and economics of the project. The initial feasibility study showed robust ridership, revenue projections, an estimated \$355 billion in economic growth and 200,000 new jobs related to construction and ongoing operation. Now it is time to take the next step—federal recognition and funding for this critical project.

- **Update Washington’s Ferry Systems**

Ferries are an essential service that move people to and from work, provide transport to life-saving medical appointments, access to family and cultural connections and bring tourists to small businesses, hotels, and restaurants throughout the region. Washington State’s Ferry system is in crisis. The ferry Service Contingency Plan has the fleet operating at only 15 vessels, while WSF relays that 26 vessels are needed to operate at full service and allow for necessary planned maintenance. With transportation costs skyrocketing, competing priorities made it challenging to pass any meaningful funding package at the state level during the short 2024 session.

Ferry communities across all corners of Puget Sound are calling upon the leadership from our federal lawmakers to make robust investments this year in Washington State Ferries (WSF) to urgently restore full ferry system service. Millions of dollars are needed to make meaningful progress on vessel construction, preservation, and electrification as well as add workforce capacity by increasing training programs, scholarship opportunities, marketing, and other measures to increase WSF staff. Urgent actions are needed to address immediate regional community needs in services for the Kitsap passenger-only ferry service, Seattle-Vashon King County Water Taxi service, operation of the San Juan Cruise Shuttle and necessary studies of passenger only service, the next class of ferry vehicles and the economic impact of ferries. The Seattle Metro Chamber supports these requests and asks for federal support to ensure frequent, safe, and reliable ferry service in the Puget Sound region.

Housing & Homelessness

A lack of affordable and workforce housing throughout Oregon and Washington is exacerbating the existing crisis of houselessness in both states. For those living below the poverty line, or 30% of the area median income, difficult choices between paying rent or paying for food, childcare or even medications must be made on a regular basis.

According to the National Low Income Housing Coalition, 23% of Oregon households are extremely low income, and 75% of these Oregonians are severely cost burdened and are at a higher risk of eviction. Of those that are extremely low income, 89% are either participating in the labor force, retired seniors, or are disabled. In the Portland-metro area, the Portland Metro Chamber's 2021 Housing Affordability report found that about half of the region's renter-occupied households are cost-burdened, which climbs to 60% in East Multnomah County. In the Chamber's latest State of the Economy report found that the cost of living in Portland continues to be approximately 12% higher than the national average, driven almost entirely by housing costs that are about 30% above the national average. Exacerbating the homelessness crises is the fact that the Portland region has one of the lowest ratios of shelter beds to the houseless population in the nation.

Affordability for working families is also a major challenge across Washington State. Washington's housing crisis is mostly driven by a lack of supply, particularly workforce, affordable and family housing. Despite strides made by the legislature, median home prices are still rising, up 36% since June 2023. This crisis is driving families out of their homes, out of the Seattle region in the search for cheaper amenities, taking local tax dollars with them. There have been many downstream impacts; school closures within local districts, increases in homeless families and individuals, and recruitment and retention challenges for local employers.

According to recent data from the Building Industry Association of Washington, only 16.2% of Washington's population makes the \$165,100 in household income necessary to afford to purchase a median-priced home (\$586,100 statewide), which means that more than 83% of households are priced out of home ownership. Washingtonians are also cost burdened; the National Low Income Housing Coalition reports there are 237,903 low-income renter households: 85% of whom are cost burdened and 86% of whom are severely cost burdened and at high risk of eviction.

We urge the Oregon and Washington delegations to support policy priorities that:

- **Spur housing and services for our most vulnerable communities**
Expand programs and tax incentives for building low and middle income housing and support services to help those experiencing houselessness, including, but not limited to Continuum of Care Program, Emergency Shelter and Navigation Service Grants, Emergency Solutions Grants, Community Development Block Grants, Housing Choice Vouchers, and the HOME Investment Partnerships Program.

Fentanyl Trafficking & Addiction

Fentanyl and other highly potent, extremely cheap drugs have flooded the Pacific Northwest region greatly impacting both the Portland and Seattle metro regions. The Oregon legislature just overwhelmingly reformed laws to make possession of small amounts of fentanyl, methamphetamine, and heroin a misdemeanor with multiple deflection opportunities into treatment and services. The Metro Supportive Homeless Services program and the State of Oregon are pouring funding into a new system of addiction treatment and mental health services in the Portland metro region.

Additionally, local and state law enforcement have stepped up coordination in Downtown Portland to break up and discourage fentanyl markets, including funding two 24-7 security districts. The Pacific Northwest needs the federal government to step up to be a partner in funding addiction and mental health services and slow the flow of fentanyl and other cheap highly addictive drugs into Oregon and Washington. In March, the House overwhelmingly passed the bi-partisan End Fentanyl Act, co-sponsored by Oregon Congresswoman Chavez-DeRemer, which directs U.S. Customs and Border Patrol to update strategies to prevent drug and human trafficking. This is a great start, but both Portland and Seattle need further support from the federal government to turn the tide on fentanyl in local communities across the Pacific Northwest.

Seattle has also been greatly impacted by the rise of fentanyl use and distribution throughout the city. Many shelters and crisis centers are filled at all hours of the day with people seeking help. To bolster these programs and start new ones both cities encourage support for the bi-partisan FEND off Fentanyl Act, co-sponsored by Senators Cantwell and Wyden. This legislation will help ensure that both law enforcement and Seattle's CARE team along with Portland Street Response and Addiction Prevention teams, specializing in behavioral health, can help those struggling with the addiction crises.

We urge the Oregon and Washington delegations to support these policy priorities:

- **President Biden's strategy and supplemental funding request to Disrupt Fentanyl Trafficking and expand addiction treatment and recovery services.**
- **The bi-partisan Modernizing Opioid Treatment Access Act (S. 666/H.R. 1359)**
Helping local communities address the fentanyl crisis by responsibly expanding access to methadone treatment for opioid use disorder (OUD).
- **The Import Security and Fairness Act (H.R. 4148)**
Authored by Oregon Rep. Earl Blumenaur and would require federal customs officials to collect more information on de minimis shipments and strip China from benefiting from the trade law.
- **The bi-partisan FEND off Fentanyl Act (S. 1271)**
Ensuring that both law enforcement behavioral health specialists, can help those struggling with addiction.

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Economic Development

We urge the Oregon and Washington delegations to support these economic development needs:

- **Downtown rebuilding and urban core enhancements**

Support the Revitalizing Downtowns Act and other incentives to convert commercial buildings to housing. The bill would create a new federal tax credit, modeled on the historic tax credit, to support the conversion of empty office buildings to housing and other in-demand uses. Like the historic credit, it provides a 20% credit based on the “Qualified Conversion Expenditures” in transforming the building. It also requires office-to-residential conversions to include 20% affordable housing at 80% of the AMI. We know from extensive experience that office-to-residential conversions are so costly and challenging that they will not happen at any kind of scale without a tool like this. The reality is, without supportive policy, we are likely to see persistent vacancy in downtown commercial space. This bill will replace vacancy with vibrancy.

Seattle Downtown has continued a slower than expected recovery following the pandemic, and through the Revitalizing Downtowns Act, the Washington delegation can help bolster Seattle’s commercial sector and invest in downtown. Specifically, Seattle has been part of the Cascadia High Speed Rail project which was largely overlooked for federal funding. Supporting grants for this project would help provide Seattle and Washington at large with reliable, affordable, sustainable transportation throughout the Pacific Northwest region.

- **Support funding for critical Portland economic development projects**

Portland’s Central City is poised for an incredible transformation with the combined support and collaboration of federal, state, and local governments and the private sector. Broadway Corridor, OMSI District, Lower Albina, the Lloyd District, and Pioneer Place are all moving towards redevelopment that would build thousands of units of affordable housing, create thousands of jobs, and provide new, long term, economic opportunities for historically underserved communities and the entrepreneurs of the future.

For Lower Albina, we greatly appreciate the delegation’s efforts to secure the historic \$450 million for ODOT’s Rose Quarter improvement project highway cover and \$38.4 million for PBOT’s N/NE Broadway Main Street and Supporting Connections project awarded by USDOT in March. These major federal investments will help Portland reconnect, restore, and revitalize what was once the largest, most vibrant Black neighborhood in Oregon. These federal dollars will help ODOT build the highway cover that will provide land for community redevelopment and to create a safer, more walkable neighborhood, providing the opportunity to transform this busy corridor into a more welcoming street for current and future residents. The PBOT grant will transform NE Broadway into a main street that will reconnect Albina to downtown and help create a safer, more vibrant neighborhood.

A key and urgent part of the Broadway redevelopment is the badly needed renovation of Union Station. Union Station is a key historic landmark in Portland and is Amtrak’s 18th busiest station in the United States. After 128 years of service, the station is showing its age and is in desperate need of renovation and improvements for rail service. Prosper Portland and its state and local partners recently completed a 30% preliminary engineering and national environmental protection agency (PE/NEPA) review to guide the major renovation of both the historic Union Station building and the railroad tracks it supports. The cost to complete this renovation is estimated at \$250 million.

- **Support funding for improvements to Portland’s Union Station.**

A total of \$200 million in funding will need to be secured from the Federal Railroad Administration – or other federal resources – through its multiple passenger rail funding programs. To meet the 20% (or \$50 million) non-federal match, the City of Portland is investing \$15M and needs approximately \$30M–\$35M total from the State of Oregon and State of Washington to demonstrate local commitment to the project.

Tax Incentives for Inclusive Economic Growth

We urge the Oregon and Washington delegations to support three pieces of tax legislation that will spur inclusive economic growth, balancing the needs of large employers, small businesses and workers:

- **Tax Relief for American Families and Workers Act of 2024**

This critical legislation was negotiated by Senate Finance Chair Ron Wyden, House W&M Chair Jason Smith, and House W&M Ranking Member Neal. It passed the House 357-70 with the unanimous support of the Oregon delegation (NOTE: we need to get Washington delegation support). Specifically, we strongly support the Research & Development deduction, the EBITDA interest deduction, and the 100% bonus depreciation deduction. All three critical tax incentives will be extended by the bill. We also strongly support expansion of the Child Tax Credit which has been championed by Senator Wyden. The Pacific Northwest Chambers call on the US Senate to quickly act on this legislation.

Key Background: [U.S. Chamber Applauds U.S. House Passage of the Tax Extenders Package, Urges Senate to Quickly Act](#) | U.S. Chamber of Commerce (uschamber.com)

- **Extension of the 20% pass-through deduction as proposed by the Main Street Certainty Act (S. 1706/H.R. 4721)**

This deduction, which will expire next year without congressional action, is utilized by small businesses (sole proprietorships, S corporations, and partnerships). It was created in the 2017 tax bill to ensure that small businesses are not put at a tax disadvantage relative to C corporations.

Key Background: [How the 20% Pass-Through Deduction Impacts Businesses, Local Economies](#)

- **The Childcare Investment Act (H.R. 4571)**

This bill will expand the employer-provided childcare credit.

Permitting Reform

Today, the single biggest obstacle to building the badly needed housing and infrastructure of the future is a broken permitting system. We are calling on Pacific Northwest members of Congress to support the rapid construction of this sorely needed infrastructure by enacting meaningful, durable legislation to modernize America's permitting processes this year.

Public and private sector infrastructure projects will improve our economy and the lives of millions of Americans. Investing in highways, bridges, transit systems, and ports will move people and goods more quickly and efficiently. Building new energy production and transmission projects promises to improve energy reliability and reduce emissions. Expanding access to broadband can close the digital divide, and rebuilding failing water systems will ensure safe drinking water. Building enough housing to ensure every resident of Oregon and Washington have a place to call home is the ultimate solution to our homelessness crises. But our cities cannot accomplish any of this if the outdated, inefficient, and unpredictable permitting process is not improved.

We call on the Pacific Northwest congressional delegation to recognize that the current system is broken, and support modernizing our permitting process from across the ideological spectrum.

As a starting point, we are united on the following principles:

- **Predictability:** Project developers and financiers must have an appropriate level of certainty regarding the scope and timeline for project reviews, including any related judicial review.
- **Efficiency:** Interagency coordination must be improved to optimize public and private resources while driving better environmental and community outcomes.
- **Transparency:** Project sponsors and the public must have visibility into the project permitting milestones and schedule through an easily accessible public means.
- **Stakeholder Input:** All relevant stakeholders must be adequately informed and have the opportunity to provide input within a reasonable and consistent timeframe.

Workforce & Small Business Relief

Across the Pacific Northwest employers—small and large—are facing an unprecedented workforce crisis. This is the most important issue business leaders raise when asked what is top of mind for them. Federal incentives or programs could help expedite training; create standards for certification that allow for greater transferability; create more opportunity for education, including vocational training; or provide incentives to employers who establish new, effective ways to develop their communities' workforce. Oregon and Washington's workforce will also benefit from other items noted here, including, but not limited to, more effective and efficient infrastructure, access to affordable housing, and expanded opportunity for educational attainment.

We urge the Oregon and Washington delegations to support these key priorities:

- **Workforce Funding**
Provide funding to incentivize workforce development at the state level through vocational or employer sponsored training programs.
- **Pell Grant Expansion & Reform**
June of 2022 marks the 50th anniversary of the Pell Grant program, which provides much-needed support for low-income students seeking access to higher education. In Oregon, approximately 70,000 students make use of nearly \$269 million in Pell Grant awards, but this does not cover all of the need. Increasing the Pell Grant program would allow current students to receive increased grants and, importantly, allow more of Oregon's youth to have access to aid necessary to realize the opportunities afforded by higher education. Pell Grants are used by students of all backgrounds: 60% of Black students, half of American Indian or American Native students, nearly half of Latino students, and 30% of white students use Pell Grants to pay for college. With critical workforce training needs before our employers and ever-increasing costs for higher education facing students, now is the time to make significant investments in the Pell Grant program.

Immigration Reform

Over the past few decades, Congress has been unable to reform the nation's teetering immigration system. With workforce challenges impacting every sector of the economy, we call on the Pacific Northwest delegation to not let another congressional session go by without addressing the issue.

Employers of all sizes and across industries are facing chronic workforce shortages that significantly limit the ability of their businesses to grow and even meet their current demand. The shortcomings of our legal immigration system are a key contributing factor to employers' struggles to hire and retain the talent they

need to succeed in an increasingly competitive global marketplace. As demand for workers has increased in recent years, the outdated and arbitrarily low visa quotas, onerous compliance burdens, decades-long backlogs, and obsolete eligibility requirements that pervade employment-based visa programs leave many companies out in the cold when it comes to adequately meeting their workforce needs.

We call on the 119th Congress to enact the types of immigration policies that will spur economic growth and boost job creation. The goal should be to implement long-term fixes to our broken immigration system that addresses the artificial constraints on legal immigration.

We urge the Oregon and Washington delegations to support these key priorities:

- **Expand legal immigration options for future immigrants and temporary workers to the U.S.**

This should include substantially increasing the annual allotment of employment-based green cards, as well as raising the yearly caps on the issuance of certain temporary worker visas like the H-1B specialty occupation visa and the H-2B temporary non-agricultural visa. In addition, the H-2A agricultural visa program should be expanded to allow non-seasonal agricultural production.

- **International Student Relief**

Create new visa options that will help highly educated international students in the U.S. stay after they graduate from American colleges, as well as provide support for industries like construction, trucking, and retail, among others, that oftentimes cannot hire foreign national workers because their unfilled jobs are not seasonal in nature.

- **Relief for recipients of DACA and TPS**

Provide legal certainty to DACA recipients and long-term beneficiaries of the Temporary Protected Status program. Many of these individuals have lived in the U.S. for decades, are part of American society, and are already making critical contributions to our workforce.

Support Black Economic Prosperity

Led by Portland's largest Black-owned businesses, the Portland Metro Chamber and the National Association of Minority Owned Contractors – Oregon Chapter, have partnered to foster the development and growth of the Black Business Association of Oregon, and the Black Economic Prosperity Program. This initiative is creating the Portland region's first plan, with public metrics, goals, and strategies, for the economic advancement of Black and Brown Oregonians.

The program has received funding from the City of Portland, Multnomah County, the State of Oregon, and the Meyer Memorial Trust after it was seeded by the Chamber's Board of Directors. We were grateful to Senator Merkley for securing a \$750,000 SBA direct allocation to fund the development of the new Portland Regional Black Economic Prosperity Dashboard.

We urge the Oregon and Washington delegations to support these key priorities:

- **Support ongoing SBA funding for NAMC-Oregon and BBAO to support their groundbreaking regional Black economic development programs.**

International Trade

With one in five Oregon jobs dependent on trade, ensuring healthy trade relationships with global partners is an economic imperative for our state. In 2017, Oregon produced and exported \$28 billion in goods and services to over 150 countries around the globe, and we are among only 12 net exporters in the nation. Though we are home to some export giants like Intel, the lion's share of our export activity (88%) is from small-medium sized firms. For this reason, ongoing concerns about turbulent and uncertain national trade policy has taken a toll on Oregon's small manufacturing and agriculture companies across the state. The PNW has seen a 70% increase in the number of agricultural bankruptcies, while manufacturing hours worked and output have been in decline. Some manufacturers have held off on planned hiring and investments due to the uncertainty in trade relationships. We also support the Biden Administration's push to re-invest in domestic manufacturing.

We ask for our federal leaders continued support of Oregon's economy by pushing for historic investments in domestic manufacturing like the CHIPS Act, and ensuring the U.S. has clear, stable and predictable commercial relationships with our key trading partners for our companies to expand their market access abroad. The successful negotiation and approval of the USMCA was critical to the future success of Oregon's traded sector companies. However, the ongoing supply chain and cost impacts of the former Trump administration tariffs and the COVID-19 pandemic, and now the Russian invasion of Ukraine and turmoil in the Middle East continue to threaten international trade and Oregon's economy.

We urge the Oregon and Washington delegations to support these key priorities:

- **Advocate for policies that will free up the global supply chain and increase access and lower the cost of materials.**

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