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Smart move by state legislature; solar incentives much needed

Tucson Regional Economic Opportunities, Inc. (TREO) applauds the state House and Senate for recent passage of SB1403 – Quality Jobs Through Renewable Energy – which provides statewide incentives to persuade renewable-energy firms to locate or expand their operations in Arizona.

Most Western states have aggressive programs to attract solar projects; this new incentive program will now allow us to compete more effectively for these higher-wage jobs and capital investment. Our sunny weather simply isn't enough. The new legislation will leverage Arizona's natural strengths in solar technology and development, making it a top location for solar projects so important to our nation's future.

The legislation gives eligible firms a financial incentive from the state equal to 10 percent of what they spend on building a new manufacturing operation or a corporate office. A stipulation of the bill is that at least half of the company's workers would have to be paid at least 125 percent of the state's annual prevailing wage of \$37,050 a year (thus adding high-wage jobs to the economy). Firms would also have to cover at least 80 percent of each worker's health insurance costs. The incentive is only provided after the firm has made the investment in facilities or employment.

The long-term benefits of this new legislation are enormous. The new incentive will allow us to keep jobs and money in Arizona, build on the state's commitment to transition towards renewable energy, create new high-wage jobs in the renewable energy industry, compete to become a global industry leader and support fiscally responsible economic development programs.

Included in TREO's "Tucson: Job One" plan, TREO staff, partners and supporters were instrumental in gathering votes for SB1403 in the House and Senate, and Tucson's efforts were critical in getting passage through the Senate. The program was developed in conjunction with the Greater Phoenix Economic Council (GPEC) and many other statewide economic development groups. We appreciate the support of legislators who saw the importance of Arizona's ability to compete.

TREO's targeted business attraction and expansion efforts in the solar industry have already resulted in innovative companies like Solon SE, Schletter Inc., Prism Solar, General Plasma, Inc. and Global Solar choosing the Tucson region for their operations. We are optimistic that passage of this legislation will result in even greater capital investment and jobs in Arizona, and TREO plans to continue aggressively marketing and advocating for similar programs in other industries in order to raise awareness of Southern Arizona as a viable business center.