

**President's Public Comment on behalf of CAEZ**  
**Assembly Committee on Jobs, Economic Development, and the Economy**  
**March 17, 2009**

Good morning Mr. Chairman and members of the Committee. My name is Craig Johnson and I'm President of the California Association of Enterprise Zones. I'm pleased to have a few moments to address you, especially since each of you represents at least one Enterprise Zone in your home District. In fact, this Committee represents ten Enterprise Zones, which means you represent thousands of businesses and tens of thousands of employees across the State.

Your discussion today has focused on the economic recovery of California at the local and regional levels and one important component of helping stabilize and grow local economies is the California Enterprise Zone Program. Enterprise Zones encourage business development and expansion in struggling communities and create job opportunities for those that are hardest hit in an economic downturn, the vulnerable and disadvantaged.

The Enterprise Zone Program is a proven tool for economic growth, revitalizing economically distressed communities and addressing both the short term and long term economic needs of these communities. By creating job opportunities Enterprise Zones play a key role in reducing unemployment and decreasing poverty levels.

Just yesterday President Obama announced a plan to assist small businesses stay afloat. California beat him to the punch. The incentives associated with California's Enterprise Zone Program have been assisting small and medium sized businesses keep their doors open, expand product lines and hire more employees for over 20 years.

CAEZ supports several of the recommended economic and workforce development activities proposed in the Economic Development Recovery Strategy, including the establishment of Green Innovation Zones within Enterprise Zones and the need for legislation to exempt Enterprise Zone businesses from the tax credit cuts approved in the

2008-2009 budget. Those tax credit cuts severely impact the small and medium sized Enterprise Zone businesses in your districts, which are the backbone of California's economy.

I commend Chairman Perez and each member of the Committee for focusing on our state's economic recovery, which is vital for all Californians. I encourage you to consider the important role Enterprise Zones play in California's economy and please call upon CAEZ for assistance at any time during the course of your deliberations.

Thank you.