

## HB 4084 B -B15 STAFF MEASURE SUMMARY

### Joint Committee On Ways and Means

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**Meeting Dates:** 2/26

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#### **WHAT THE MEASURE DOES:**

The measure creates a Joint Permitting Council to administer a fast-track permitting program. The Council will establish project eligibility criteria, review applications, and forward eligible projects to the Governor's Office for consideration and determination. The measure requires specified state agencies to publish a comprehensive catalog of permits related to economic development and to report to the Governor on the performance and operations of their respective permitting programs within 120 days of the measure's effective date. The measure also modifies and expands eligibility for participation in Oregon's enterprise zones. The measure appropriates \$40 million General Fund to the Oregon Business Development Department (OBDD) for deposit into the existing Industrial Site Loan Fund. The measure takes effect on the 91st day following adjournment sine die.

#### Detailed Summary:

##### **Joint Permitting Council**

- Establishes the Joint Permitting Council, composed of state agency and economic development representatives
- Directs the Governor to appoint council members to four-year terms by July 1, 2026
- Directs the council to administer a fast-track permitting program to expedite regulatory approval and shorten permitting timelines, subject to designated criteria

##### **Fast-Track Permitting Program**

- Establishes the following capital investment minimum thresholds to qualify for the program:
  - \$100 million for a project within a metro area's urban growth boundary
  - \$50 million for a project neither within a metro urban growth boundary nor a nonurban county
  - \$25 million for a project in a nonurban county, as defined by ORS 653.026
- Designates additional eligibility criteria
- Establishes a multistep eligibility and approval process
- Directs the council to establish a timeline for all regulatory approvals and designate a lead agency to provide monthly updates on each project
- Sets a program limit of 15 fast-tracked projects
- Requires the council to provide an annual report to the Governor and the Department of Administrative Services on fast-tracked projects

##### **Agency Permitting Accountability**

- Within 120 days of the measure's effective date, requires agencies to publish a comprehensive catalog of available permits related to economic development and report to the Governor on permitting delays, opportunities to expedite permitting, permit applicants' feedback, and fee relief for delayed permits
- Specifies information to be included in the catalog

##### **Enterprise Zone Reform**

- Directs OBDD to designate enterprise zones based upon the following criteria:
  - Economic transition or hardship
  - Underutilized industrial land

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- Alignment with recognized development strategies
- Ability to support or modernize existing or emerging industries
- Measurable development/economic objectives
- Community-defined economic need or potential
- Expands eligibility to a business engaged in an identified priority industry
- Allows an otherwise ineligible business operating in an enterprise zone to qualify for a tax exemption if certain criteria are met
- Permits businesses to seek extensions of tax exemption
- Provides businesses with flexibility for meeting employment requirements

### ISSUES DISCUSSED:

- Fiscal impact of the measure

### EFFECT OF AMENDMENT:

-B15 The proposed amendment removes the \$40 million General Fund appropriation to OBDD for deposit into the Industrial Site Loan Fund.

### BACKGROUND:

OBDD has a [strategic goal](#) to “streamline land use, zoning, and permitting processes.”

The fast-track permitting program [is modeled on](#) the federal FAST-41 Program and comparable programs in Maryland, Michigan, and Pennsylvania. The goal of the FAST-41 Program is to improve federal agency coordination and timeliness for the environmental review of infrastructure projects. The [PA Permit Fast Track Program](#) focuses on streamlining the permitting process for high-impact economic development and infrastructure projects that require permits from multiple state agencies.

Oregon’s Enterprise Zone Program was enacted in 1985 with target property tax exemptions. Enterprise zones are sponsored and administered by local governments to incentivize new business investment by providing abatements on all local property taxes for a certain number of years. Across Oregon, there are currently 73 enterprise zones: 55 rural and 18 urban.

There is a shortage of market-ready industrial land in Oregon, and public and private owners of industrial land have limited financial tools to develop it for traded sector industrial use. In response, [House Bill 2411](#) (2025) created the Industrial Site Loan Fund, administered by OBDD, and [Senate Bill 5531](#) (2025) dedicated \$10 million in lottery bond proceeds for initial funding. Pursuant to specified criteria and limits, OBDD provides financial assistance to project sponsors for development and planning projects related to industrial land development. OBDD may provide a loan or purchase bonds for development projects, provide forgivable loans for planning projects, purchase goods or services on behalf of the project sponsor, or finance guaranty agreements.