

LEGISLATIVE FISCAL OFFICE
900 Court Street NE, Room H-178
Salem, Oregon 97301
(503) 986-1828



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WAYS AND MEANS

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To: Capital Construction Subcommittee
From: Emily Coates, Legislative Fiscal Office
Date: February 27, 2026
Subject: HB 4016 – Relating to tax compliance
Work Session Recommendations

The measure modifies tax compliance certification requirements for contracts with state agencies and directs the Department of Revenue (DOR) to issue a certification within 14 days. Under current law, a certificate is not required if the value of goods, services, or real estate space is under \$1,000. The measure increases this threshold to \$250,000; therefore, prior to entering, renewing, or extending a contract valued at more than \$250,000, or increasing the contract value, providers are required to obtain a certificate.

The measure directs the Secretary of State to study methods to ensure information collected through the Corporation Division's business registry supports compliance with state tax laws by persons doing business in Oregon.

The -A4 amendment provides DOR \$348,848 General Fund and an increase of \$74,705 in Other Funds expenditure limitation for five permanent full-time positions (1.75 FTE) to implement the measure.

The -A6 is a technical fix to specify that certification requirements for a public contract valued at \$250,000 or more only applies to state contracting agencies.

Amendment

LFO recommends adoption of the -A4 amendment.

MOTION: I move adoption of the -A4 amendment to HB 4016. *(vote)*

Amendment

LFO recommends adoption of the –A6 amendment.

MOTION: I move adoption of the –A6 amendment to HB 4016. *(vote)*

Final Subcommittee Action

LFO recommends that HB 4016, as amended by the –A4 and –A6 amendments, be moved to the Ways and Means Full Committee.

MOTION: I move HB 4016, as amended, to the Full Committee with a do pass recommendation. *(vote)*

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____