

HB 4084 B STAFF MEASURE SUMMARY

House Committee On Revenue

Action Date: 02/19/26

Action: Do pass with amendments and be referred to Ways and Means by prior reference.
(Printed B-Eng.)

Vote: 5-1-1-0

Yeas: 5 - Hudson, Marsh, Nathanson, Smith G, Walters

Nays: 1 - Reschke

Exc: 1 - Levy B

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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Meeting Dates: 2/16, 2/19

WHAT THE MEASURE DOES:

Establishes Joint Permitting Council in Governor Office. Requires council administer fast track permitting program. Requires qualifying projects make certain capital investments and advance job creation or growth in gross domestic product through targeted industry cluster. Caps concurrently approved projects at 15. Requires certain state agencies publish one-time catalog of certain permits issued by agency relating to economic development projects. Requires such state agencies report on opportunities to streamline permit processes and provide fee relief. Replaces standard enterprise zone designation requirements relating to area median income, unemployment rate, and economic hardship with requirement zone sponsor demonstrate need for economic development in area. Expands potentially eligible business firm operations to priority industries identified by sponsor resolution. Expands potentially eligible business firm operations, upon written request of sponsor, to firms engaged in sales for personal or household use, retail sales, or operating fulfillment center. Expands standard enterprise zone additional exemption period available after year three, from up to two additional years to up to 10 additional years, if requested by sponsor. Allows sponsor and eligible business firm agreement for flexible hiring timelines if employment or alternative criteria are met during exemption period. Appropriates \$40 million of general fund for OBDD to deposit in Industrial Site Loan Fund for 2025-27 biennium. Takes effect 91 days after sine die.

ISSUES DISCUSSED:

- Job and wage requirements
- Data centers and cryptocurrency mining
- Additional exemption years
- Assessment and taxation costs
- District revenue

EFFECT OF AMENDMENT:

Limits expansion of additional exemption period available after year three, from a longer period to up to 10 additional years, if requested by sponsoring jurisdiction. Removes capital intensity, productivity improvements, and firm revenue growth as criteria for flexible hiring timelines.

BACKGROUND:

Under the standard enterprise zone exemption, qualified real and personal property owned or leased and newly placed into service by an eligible business firm in a designated enterprise zone may be exempt from property tax for three to five consecutive years. Eligible business firms seeking exemption in years four or five must be authorized by a written agreement with the zone sponsor before construction or job hiring. Written agreements

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may impose additional conditions on the firm. In urban enterprise zones, written agreements may impose other additional conditions on the firm relating to employment opportunities regardless of the exemption period.

The Industrial Site Loan Fund is a revolving fund that provides financial assistance to project sponsors for development and planning projects related to industrial land development. Subject to available funds, such financial assistance may be provided in an amount determined on a case-by-case basis by the Oregon Business Development Department.