

House Bill 4086

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Economic Development, Small Business, and Trade for Representative Daniel Nguyen)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would have Business Oregon make a plan to boost industrial symbiosis, which means the use of the resources of one firm by a second firm. The Act would set up four pilots that would get tech help from the agency for symbiosis projects. The Act would grant funds to the Oregon Coast Visitors Association for a project that has to do with the food and nonfood use of fish. The Act would let certain county service districts fund their facilities with the charges they collect. The Act would change how many jobs there must be for employers who get financial aid at regionally significant industrial sites. (Flesch Readability Score: 60.3).

Directs the Oregon Business Development Department to develop a roadmap for the purpose of promoting industrial symbiosis activities in Oregon. Directs the department to provide technical assistance for priority capital projects to four industrial symbiosis pilot communities.

Directs the department to award appropriated moneys to the Oregon Coast Visitors Association to replicate the success of the Iceland Ocean Cluster 100% Fish Project.

Authorizes county service districts providing sewage and water management services to finance service facilities with charges imposed for the services.

Changes the employment requirements for the financing programs available to eligible employers at regionally significant industrial sites.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to economic development; creating new provisions; amending ORS 285B.626 and 451.490; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) As used in this section and section 2 of this 2026 Act, “industrial symbiosis” means the voluntary collaboration among businesses or other organizations to exchange materials, energy, water and by-products in order to optimize resource use, reduce waste and enhance economic and environmental outcomes.

(2) The Oregon Business Development Department shall develop an Industrial Symbiosis Roadmap for the purpose of promoting voluntary industrial symbiosis activities in Oregon by:

(a) Identifying and describing industrial symbiosis opportunities;

(b) Studying best practices and technologies;

(c) Analyzing barriers to adoption; and

(d) Recommending key performance indicators to measure progress on achieving industrial symbiosis goals.

(3) Oregon’s industrial symbiosis goals include, but are not limited to:

(a) Supporting and coordinating existing industrial symbiosis efforts;

(b) Facilitating new industrial symbiosis opportunities;

(c) Turning waste and by-products into valued resource inputs;

(d) Reducing waste management costs;

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

- (e) Generating new business opportunities;
- (f) Increasing incomes and job opportunities;
- (g) Improving environmental performance; and
- (h) Driving business innovation.

(4) Not later than May 1, 2027, the department shall submit a report on the roadmap to the interim committees of the Legislative Assembly related to economic development in the manner provided in ORS 192.245. The report may include recommendations for legislation.

SECTION 2. (1) The Oregon Business Development Department shall provide to the four industrial symbiosis pilot communities listed in subsection (2) of this section technical assistance to:

(a) Facilitate, plan and design industrial symbiosis projects; and

(b) Convene community meetings, identify infrastructure opportunities, complete an engineering and cost feasibility study for at least one priority capital project in each community and develop recommendations and next steps for future industrial symbiosis projects.

(2) The Oregon Business Development Department shall provide technical assistance described in subsection (1) of this section to:

(a) COR Healthy Communities;

(b) Clatsop County;

(c) Klamath County; and

(d) The Port of Morrow.

(3) As soon as practicable, and in no event later than August 31, 2026, the department shall:

(a) Through an open and competitive bidding process, select an organization or service provider with expertise and documented experience in industrial symbiosis planning to provide the technical assistance described in subsection (1) of this section; and

(b) Begin providing the technical assistance to all the communities listed in subsection (2) of this section.

SECTION 3. Sections 1 and 2 of this 2026 Act are repealed on January 2, 2029.

SECTION 4. There is appropriated to the Oregon Business Development Department, for the biennium ending June 30, 2027, out of the General Fund, the amount of \$900,000 for the purpose of providing technical assistance to the industrial symbiosis pilot communities listed in section 2 of this 2026 Act.

SECTION 5. There is appropriated to the Oregon Business Development Department, for the biennium ending June 30, 2027, out of the General Fund, the amount of \$640,000 for the purpose of carrying out section 6 of this 2026 Act.

SECTION 6. The Oregon Business Development Department shall distribute the moneys appropriated under section 5 of this 2026 Act to the Oregon Coast Visitors Association to be used for research and development funding, light infrastructure investment and accompanying coordination capacity to replicate the success of the industrial symbiosis 100% Fish Project of the Iceland Ocean Cluster in utilizing fish for food and nonfood product manufacturing.

SECTION 7. ORS 451.490 is amended to read:

451.490. The district may, in accordance with the order adopted under ORS 451.485, finance the construction, operation or maintenance of service facilities for a district by:

- (1) Use of funds from a fund established under ORS 280.055 or 451.540 to be repaid by the dis-

trict without interest.

(2) Assessments against the property in the district with or without issuance of bonds authorized under ORS 223.205, 223.210 to 223.295 and 223.770.

(3) Service or user charges in the district.

(4) Connection charges.

(5) District ad valorem taxes.

(6) Sale of bonds.

(7) Funds obtained under ORS 280.040, 280.050, 280.060, 280.070, 280.080 and 280.090. A district local option tax adopted under ORS 280.060 shall not authorize a tax in any fiscal year later than the fiscal year in which the district is subject to dissolution under ORS 451.620 (1) and (2).

(8) For districts providing services authorized under ORS 451.010 (1)(a) or (5), funds obtained through charges imposed for district services, facilities or commodities.

[(8)] (9) Any combination of the provisions of subsections (1) to [(7)] (8) of this section.

SECTION 8. ORS 285B.626 is amended to read:

285B.626. As used in ORS 285B.625 to 285B.632:

(1)(a) "Eligible employer" means an employer that[:]

[(a)] is conducting a traded sector business on a regionally significant industrial site[:] and **that meets the requirements under paragraph (b) or (c) of this subsection.**

(b)[(A)] With respect to [the] **an** employer's establishment at a rural **regionally significant industrial** site, [has increased] **the employer must:**

(A) Be conducting business at a site where, together with all other eligible employers conducting business at the same site, the cumulative average annual employment [by] **is** at least 25 jobs; and

(B) [has] Have an average annual wage of at least 150 percent of the county or state average wage, whichever is less.[: or]

[(B)] (c) With respect to [the] **an** employer's establishment at an urban **regionally significant industrial** site, [has increased] **the employer must:**

(A) Be conducting business at a site where, together with all other eligible employers conducting business at the same site, the cumulative average annual employment [by] **is** at least 50 jobs; and

(B) [has] Have an average annual wage of at least 150 percent of the county or state average wage, whichever is less.

(2) "Estimated incremental income tax revenues" means the Oregon personal income tax revenues that are equivalent to the amount of tax that employees of an eligible employer who are hired by the eligible employer on a designated regionally significant industrial site have paid under ORS chapter 316 in the tax years following the first tax year in which the eligible employer begins conducting a traded sector business on the designated regionally significant industrial site.

(3) "Industrial use" means employment activities, including but not limited to manufacturing, assembly, fabrication, processing, storage, logistics, warehousing, importation, distribution, transportation and research and development, that generate income from the production, handling or distribution of goods or services, including goods or services in the traded sector.

(4) "Project sponsor" means:

(a) A public owner of a regionally significant industrial site that is investing in preparation of the site for industrial use by a third party; or

(b) A public entity that has entered into a development or other agreement with the private

owner of a regionally significant industrial site to prepare the site for industrial use.

(5) “Regionally significant industrial site” means a site planned and zoned for industrial use that:

(a)(A) Is suitable for the location of new industrial uses or the expansion of existing industrial uses and that can provide significant additional employment in the region;

(B) Has site characteristics that provide significant competitive advantages that are difficult or impossible to replicate in the region; and

(C) Has superior access to transportation and freight infrastructure, including but not limited to rail, port, airport, multimodal freight or transshipment facilities and other major transportation facilities or routes; or

(b) Is located in an area designated by Metro, as defined in ORS 197.015, as a regionally significant industrial area.

(6) “Rural site” means a regionally significant industrial site located in an area outside of a metropolitan statistical area, as defined by the most recent federal decennial census.

(7) “Traded sector” has the meaning given that term in ORS 285A.010.

(8) “Urban site” means a regionally significant industrial site located in a metropolitan statistical area, as defined by the most recent federal decennial census, that is located inside a regional or metropolitan urban growth boundary.

(9) “Wage” has the meaning given that term pursuant to rules adopted by the Oregon Business Development Department.

SECTION 9. This 2026 Act takes effect on the 91st day after the date on which the 2026 regular session of the Eighty-third Legislative Assembly adjourns sine die.
