



House Revenue Committee

February 2, 2026

Testimony in Support of HB 4125

Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters, and Members of the Committee,

My name is Daniel Hauser, Deputy Director for the Oregon Center for Public Policy, and I respectfully submit this testimony in support of HB 4125 on behalf of the Center. The Oregon Center for Public Policy is a nonpartisan think tank dedicated to improving the economic outcomes for all Oregonians, particularly low-income families and Oregonians of color, through research and analysis.

Oregon's current budgeting process is unrealistic, resting entirely on a single revenue estimate. It asks the state economist to carry out a near-impossible task: to predict the global, national, and state economy over the course of a two-year period, and then translate that into a precise revenue estimate. If they are unable to properly predict a global pandemic, sudden growth in home values, historic inflation, or any number of other potential outcomes, then they can end up significantly missing the mark. And that's exactly what's happened every biennial forecast over the past decade.

Due to this uncertainty, professional forecasts normally provide a range of potential outcomes. This is a rational and statistically sound approach. In fact, the state economist already does this, providing lawmakers several potential scenarios in their Quarterly Economic and Revenue Forecasts. Oregon budgeting, however, requires a single figure for the general fund budget.

HB 4125 provides an excellent way to improve Oregon's budgeting process while recognizing the constitutional demands of balancing a budget.

We urge you to support HB 4125 and deliver greater predictability and stability to Oregon's budget process.

Our mission is to achieve economic justice for all Oregonians through research, analysis, and advocacy.

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