



HB 4084 – The Governor’s Prosperity Bill

House Revenue Committee – Jody Wiser – February 4, 2026

My name is Jody Wiser and I am representing Tax Fairness Oregon, a network of volunteers who advocate a rational and equitable tax code.

The points I will discuss are:

- **Don’t lengthen enterprise zones**
- **Remove data centers from eligibility for our property tax breaks**
- **Make sure our investments in industrial site readiness are effective before making more**
- **The recommendation of a workgroup on the permitting issue**

Enterprise zone changes:

For reasons I can’t imagine, and her office hasn’t answered, the bill adds three years to our standard enterprise zone.

The recent [Oregon Property Tax Incentives Impact Study](#) clearly says that the 3-5 year standard exemption is our property tax program with the best return on investment -- because of its shorter duration than the SIP and the long term rural enterprise zone programs. The way I read that report, it calls for shortening the other exemptions, not lengthening the standard zone.

The study’s calculation of the ROI shows that only the standard zone rates well. Figure 20 on page 33, reports on taxes paid by not just direct employees, but also indirect and imputed employees. The ROI is \$1.35 for each dollar of the standard exemption, but -.84 for the long term rural and .03 for the SIP. The modest \$1.35 for each dollar exempt is not sufficient to justify lengthening the time period of the standard exemption.

Further, the states we generally compete with are not offering exemptions as long as our own. What’s the competitive advantage?

Data centers:

The issue we have with this bill is that it continues and extends property tax breaks for data centers, which are now enjoying property tax breaks of \$457 million a year across this state. Without this extension the cost is growing dramatically. It was \$330 million a year ago.

This bill needs an amendment to remove data centers as eligible businesses for our property tax subsidies

According to that same report (page 45) Google, Facebook, Amazon, Apple and Intel received 75% of all abatements in 2019-20. Clearly most of that was data centers, and as there have been many more built since 2020, today the percentage is much higher.

I recommend to you [yesterday's Oregonian article](#) that points out the heavy cost per job of our property tax subsidies for data centers: \$149,000 at Hillsboro's data centers while the subsidy of Intel is only \$14,000 per job.

There is no doubt that Oregon has been a national champion in allowing tax breaks for data centers. It is why so many facilities and the undersea cables came here originally. But it's long past time for a change.

Data center's interest in Oregon is cemented. Neither the colocation facilities in Hillsboro nor the tech bros facilities in central and northeastern Oregon will move to Washington or California for future growth. First of all, the undersea cables are here. 10 to Hillsboro, 2 two Washington State and 15 to California which has 10 times the Oregon population.

And where would they go?

California has no tax breaks of any kind for data centers.

Washington has no property tax breaks and only partial sales tax breaks.

While we have no sales tax at all.

Ending the property tax breaks for data centers still leaves us the best deal on the west coast.

How do you pay for this bill's spending?

According to analysis by Marcia Kelley, we are already spending well over \$600 million a biennium in income tax breaks for corporations.

Any new spending could be paid for:

By finding what you want to end in that pile of ideas of prior legislatures – IC Disc or Environmentally sensitive forestry equipment would be first on my list.

or

By limiting tax breaks for those using overseas tax havens. For those in the know these are the NCTI (GILTI) and D/C FDDEI (FDII) provisions.

- This fix will add close to \$400 million per biennium to state revenue
- Only 20% of GILTI is taxed in Oregon, while 50% is taxed at the federal level and by 11 states.

Why do we give a bigger tax break than the federal government?

- It will not touch any Oregon business not hiding money in tax havens.
- These tax breaks are not even tied to investments in Oregon.

On the \$40 million for readying industrial sites

Were I in your position, before I decide to spend \$40 million on infrastructure for industrial development rather than hungry children, I'd want to know where the last pots of money put into our two industrial land development funds went and what it accomplished. Ask for a report.

What specific business investments have been made, by what companies, generating how many jobs in those specific areas since the improvements were made. Was this as grants or loans?

For loans, I would want to know the source of repayment. Will the businesses pay for the improvements as homeowners would, when they purchase their property? Or is repayment from diversion of property taxes.

On the last issue: permitting

The portion of the bill designed to improve the permitting process seems well designed. However, there are other bills with permitting sections. Clearly this is important for business, legislators as well as the Governor. A workgroup now to actually decide which are the best elements of the various bills to move forward would be prudent. That job shouldn't fall on W&M at the end of the session.

Thank you for your time and attention. This is important work you are doing.

We read the bills and follow the money