



February 11, 2026

**TO:** Members of the House Committee on Revenue  
**FR:** Derek Sangston, Oregon Business & Industry  
**RE:** Opposition to HB 4014 as it would be amended

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Chair Nathanson, Vice-chairs Reschke and Walters, members of the Senate Committee on Finance and Revenue. For the record, I am Derek Sangston, policy director and counsel for Oregon Business & Industry (OBI).

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

Thank you for the opportunity to testify in opposition to HB 4014. It is no secret that Oregon's economy is struggling. Year-over-year employment fell by 9,200 jobs according to the most recent economic forecast. That number includes approximately 5,000 jobs lost in the manufacturing sector, which is experiencing a prolonged and entrenched recession. While some sectors are growing – especially the health care and other services sectors – most private sector employers are shedding jobs at rates not seen since the Great Recession. Why is this happening? Why isn't Oregon experiencing increased investment in its economy like Arizona, Ohio or Colorado?

Simply put, Oregon is a difficult place to do business. CNBC ranks Oregon 47<sup>th</sup> for business friendliness, 43<sup>rd</sup> for cost of doing business, and 39<sup>th</sup> overall. California and Washington, meanwhile, rank 22<sup>nd</sup> and 14<sup>th</sup> respectively. Oregon's poor rankings when compared to other states extends to its tax system where the Tax Foundation ranks it 35<sup>th</sup> for general tax competitiveness and 49<sup>th</sup> for corporate tax competitiveness.

While those poor rankings, especially Oregon's poor ranking when it comes to corporate taxes, are partially the result of the state's effective business tax burden increasing 33% since 2019. They are also due to policies the Legislature has passed that add complexity, deprive business taxpayers of incentives, and increase uncertainty within Oregon's tax system.

OBI strongly opposes HB 4014 as it would be amended by the -1 amendment because it would create a task force charged with developing proposals that likely result in policies that do all three. In order to make Oregon more prosperous, as Governor Kotek and many legislators have suggested, and grow Oregon's economy, OBI has asked the Legislature to start by doing no more harm. To instead partner with us so we can help create the jobs that are ultimately responsible for funding all economic investment, philanthropic giving, and government services. HB 4014 instead seems to promise more of what ultimately led Oregon to its current place.

For those reasons, I urge the committee to oppose HB 4014. Thank you for your consideration.  
*Contact:* [dereksangston@oregonbusinessindustry.com](mailto:dereksangston@oregonbusinessindustry.com)