



HB 4084A – The Governor’s Prosperity Bill

House Revenue Committee – Jody Wiser - 2.16.2026

My name is Jody Wiser and I’m speaking for Tax Fairness Oregon, a network of volunteer who advocate a rational and equitable tax code. It is absolutely necessary to be good stewards of the taxpayers’ money. Because we don’t have a sales tax and we are single sales factor state, we already give excellent subsidies.

The A5 amendment

The Governor’s bill lengthens the time period for the Standard Enterprise Zone from five to eight years with a possibility of forever. The A5 amendment limits that forever to 10 years and makes additional changes that mean it shouldn’t be subsidizing the reduction of jobs as in the original bill. We support the A5.

Data Center Subsidies

Lengthening the Standard Enterprise Zone to eight years would nearly double for data center owners what is already the best tax deal in the country.

Prudent legislators in other states are speaking of ending their subsidies of data centers or at least putting a moratorium in place.

You can see a set of headlines about other states in my submitted testimony labeled “Report”. The Governor of Arizona has called for ending their subsidies for data centers. Where is our Governor on this? She’s doubling down.

Our property tax breaks for data centers and cryptocurrency are currently costing K-12 and local communities over \$450 million this year, up from \$330 million last year.

Neither California or Washington State offer any property tax exemptions to data centers or bitcoin miners. Each state has sizable sales tax, and California doesn’t even give that away and Washington State’s exemption is limited to equipment and energy infrastructure.

Lengthening the Standard Enterprise Zone

We’ve seen no evidence that suggests lengthening our standard enterprise zone is a good idea for businesses.

We were referred to [Oregon Property Tax Incentives Impact Study](#) as a source justifying the additional years. -It says the standard 3-5 year program has a better rate of return (ROI) than our long term rural enterprise zone (LTRZ) and our strategic investment program (SIP) tax incentives **because of its shorter duration.** The study’s calculation of the ROI shows that only the standard zone pays off. **The data of the report suggests shortening the LTRZ and the SIPs, not lengthening the standard enterprise zone.**

Figure 20 on page 33, reports ROIs based on **taxes paid not by just direct employees, but also by indirect and imputed employees**. The ROI for each dollar is:

- \$1.35 for each dollar of abatement for the standard exemption
- \$.03 for the SIP
- -\$.84 for the long term rural zone abatements

This suggests shortening our long abatement programs, not lengthen the Standard E-zone.

Six states that offer property tax breaks longer than five years were identified for me by an Oregon economic development officer: Oregon was amongst them. Michigan, Virginia, Missouri, Illinois, Washington and Oregon (for our 7-15 year long term rural enterprise zones – taking no note of our SIP). **Each of the other states on the list has a sales tax in addition to property taxes and income/ B&O taxes. They have three-legged stools for tax revenue.** Oregon does not. The extension beyond five years further erodes one of the two legs we have.

Thus we hope that in addition to the A5 you will enact another amendment to this bill

- **that ends all three of our subsidies of data centers and cryptocurrency -- we will still have the best tax deal for these businesses on the west coast and**
- **removes the lengthening of the standard enterprise zone**

The \$40 million for industrial site development needs time and work.

There have been bills enacted for industrial land development since I came here in 2003. What evidence do you have that this works? How much land is currently ready? What happened to the Certified Industrial Sites program? The Regionally Significant Industrial Sites program? Is there a report that supports this investment? We hope you will ask for one before acting.

The \$40 million for the *Industrial Site Loan Fund* needn't be at a regionally significant site. The program is meant to mirror the SILL, Semi-Conductor Industrial Lands Loans program designed for the industry in 2023. What we've read about the SILL program is unclear. Will any money from the fund actually be repaid? Are these loans or grants? "Financial assistance" and "award" are the words we are finding. For example, Hillsboro was awarded \$1.9 million.

If that money is repaid, what is the source of the funds? Will it be the businesses that occupy the land or a TIF district that diverts property taxes for an additional 30 years thus costing K-12 and local jurisdictions indefinitely.

This may be a good use of our resources, it may not. But don't you need answers?

Just last year you put \$10 million into this fund that won't be available until early next year. It seems you should know more about the success of prior programs and the design of this one before dedicating additional money for this purpose.

This is important because the \$40 million is money that will not be spent training the workforce for business, feeding children, or supporting rural hospitals.

The income tax breaks we give to corporations currently add up to over \$600 million a biennium. We should recall that we have no sales tax. That is a huge Oregon advantage

If you feel you MUST DO SOMETHING NEW THIS YEAR TO BE MORE COMPETITIVE, ask business how we should pay for it:

- **Which current tax breaks in that \$600 million they are willing to give up**
or
- **If they'd rather you address the lost revenue from the use of tax havens.**

We simply don't have evidence that additional years of exemption, or funds for site development are prudent investments. We do know that continuing our subsidies for data centers is a waste of money. They will build here with or without our property tax subsidies.

¹Industrial Site Loan Fund

There is a shortage of market-ready industrial lands in Oregon, and public and private owners of industrial land have limited financial tools to develop it for traded sector industrial use. In response, [House Bill 2411](#) (2025) created the Industrial Site Loan Fund, administered by Business Oregon, and [Senate Bill 5531](#) (2025), **dedicated \$10 million in lottery bond proceeds** for initial funding in early 2027.

Pursuant to specified criteria and limits, HB 2411 authorizes Business Oregon to provide financial assistance to project sponsors for development and planning projects related to industrial land development. **HB 2411 allows Business Oregon to provide a loan or purchase bonds for development projects, to provide forgivable loans for planning projects, to purchase goods or services on behalf of the project sponsor, and to finance guaranty agreements**

We read the bills and follow the money