

To: Oregon State Senator Sollman

CC: Senate President Wagner
Speaker Fahey
Senate Majority Leader Jama
House Majority Leader Bowman

Subject: SB 1586, the “Oregon JOBS Act”

We are writing to you as advocates for a prosperous Oregon that is governed by a predictable and evenhanded rule of law to express our deep concern with SB 1586, the so-called “Oregon JOBS Act.” This would bring 1,700 acres of world-class farmland into Hillsboro’s urban growth boundary (UGB), ostensibly for advanced manufacturing, including data centers. In support of diversified and sustainable economic prosperity for Oregon’s future and a sensible tax system, we ask that this legislation be dropped from consideration this session.

This land is not needed to create jobs in Oregon

We do not need to pave over farmland to create good jobs. The CHIPS Act delivered over \$3.18 billion in capital investment to 14 projects in Oregon in 2025—all of which accommodated jobs at their existing sites and none of which used SB 4’s controversial provision to request land outside of a UGB.¹ Further, Hillsboro already has hundreds of acres of vacant industrial land for this use; this would not require UGB expansion to utilize.

SB 1586 relies on a flawed 2023 Semiconductor Task Force Report that claimed that this agricultural land was the only site in the state for semiconductor manufacturing. But Oregon has no statewide industrial lands inventory. It wasn’t until the 2023 session that the Semiconductor Committee discovered that this report’s inventory was significantly incomplete and failed to identify and analyze over 10,000 acres of land, zoned for industrial use, many in large parcels, and inside urban growth boundaries.²

This legislation is also unfair to other regions of the state with industrial lands. If SB 1586 passes, every jurisdiction outside of Hillsboro—especially those in Metro—will continue to see Hillsboro monopolize industrial development. This will happen not because Hillsboro is better-suited for this type of industry—or because of inclusive, comprehensive, and objective regional planning—but because of a decision made at the legislature based on Hillsboro’s self-serving study.³ This not only undermines the rule of law (which we elaborate on in a later section of this letter), but also will undermine public trust in our state government in an era already marked by mistrust and division.⁴ This is not what we need from our leaders in this crucial moment.

¹<https://www.oregon.gov/biz/Publications/Exec%20Summary%20-%20Oregon%20CHIPS%20Biannual%20Report%2002.pdf>

²https://www.opb.org/pdf/Statewide%20Industrial%20Land%20Survey%20Breakdown_1675899718106.pdf

³ <https://olis.oregonlegislature.gov/liz/202511/Downloads/CommitteeMeetingDocument/311396>

⁴ <https://www.edelman.com/trust/2025/trust-barometer>

This bill would primarily result in data centers, not jobs

Despite claims that the bill would not include stand-alone data centers, data centers are allowed and are likely to become a primary land use. This is because massive data centers can be permitted as auxiliary to small anchor businesses. The definition of “advanced manufacturing” was modified in July 2025 to include AI-generating data centers as “qualifying projects.”⁵

This is not unprecedented; it would be consistent with Hillsboro’s current development pattern. As part of the so-called “grand bargain,” Hillsboro received a large and generous 50-year supply of industrial land from the legislature in 2014. That over 1,000 acres, and neighboring lands, now house at least 29 data centers, with more that are already permitted but not yet built.⁶ SB 1586 would reward Hillsboro for nearly filling a 50-year supply of industrial land with land-extensive and low-employment uses in just 12 years.

Data centers provide relatively few, low-paying jobs, and each one comes at a cost to public resources. Virginia’s data center industry produces 1 job for every \$54 million invested—168 times more than what it costs to create 1 permanent non-data center job (\$322,000).⁷ Data centers also drain our natural resources and drive up energy consumption. We do not know what the drawdown from the Willamette River will be from Hillsboro’s use if this expansion is permitted. What we do know is that data centers consume a large amount of Oregon’s electricity: 11% today and (if unregulated) up to 25% by 2030.⁸ Data centers also pass on infrastructure costs to ratepayers, which is projected to increase PGE and Pacific Power rates by 50% in 5 years,⁹ despite the passage of the POWER Act. Moreover, this industry costs Oregon hundreds of millions in tax revenue each year.¹⁰

In short, data centers are neither job creators nor economic engines. Yet, this bill would incentivize them further by extending the Enterprise Zone tax breaks from 3–5 to 3–10 years, at a time when Oregon is slashing its budget for social services that keep life affordable for working families. The bill’s proponents claim that the land expansion will be paid for by increased tax revenue, but it is not clear how this is possible, especially if current tax abatements are extended.

⁵ Executive Order 14318, "Accelerating Federal Permitting of Data Center Infrastructure"

⁶ <https://www.datacenterdynamics.com/en/news/flexential-to-build-sixth-hillsboro-data-center-in-oregon/>

⁷ https://www.foodandwaterwatch.org/wp-content/uploads/2026/01/RB_2601_DataCenterJobs.pdf

⁸ <https://www.oregonlive.com/business/2026/01/a-9-gigawatt-problem-northwests-soaring-energy-demand-supply-constraints-could-spark-new-power-crisis.html>

⁹ <https://www.oregonlive.com/environment/2024/12/pge-pacific-power-customers-will-pay-more-next-year-but-not-as-much-as-utilities-requested.html>

¹⁰ <https://goodjobsfirst.org/oregon-schools-losing-275-million-per-year-to-corporate-tax-abatements/>

Oregonians have repeatedly shown that we do not want this bill to become law

This is the **sixth attempt** to use the legislative process to override strong public opposition to bringing this particular land into Hillsboro's UGB for any purpose. Ignoring this strong and consistent public input is essentially ignoring Goal 1 of the land use planning program: Citizen Involvement. The last attempt to bring in hundreds of acres, in fall 2024, was met with protests outside City Hall and meetings with overflow rooms to handle the number of people opposed to the land grab. There has been no public engagement about this project since that attempt. This much-larger land grab is likely to result in a proportionally larger response—and a reduction in public trust for our state government, which will have ripple effects for years to come.

A primary driver of this bill is advocacy by landowners in the 1,700 acres to bring their land into the UGB—not because it serves the public interest, but because their land value would increase by 50 times. Once the land is in the UGB, it would be on taxpayers to foot the infrastructure costs and fill the holes in government budgets left by data center tax abatements. Rather than basing our economic policy on verifiable needs and our ability to pay for the infrastructure, this bill would set a precedent of awarding land on a “who you know” basis. Bills that bypass public process don't eliminate red tape; they create an unpredictable regulatory climate for businesses in and out of the UGB. This practice sets aside the rule of law in favor of a system that is open to corruption and mismanagement.

SB 1586 would destroy 1,700 acres of world class farmland when we most need it

With a future that is uncertain, from imports to climate, we have to retain the ability to feed and care for our communities. This acreage and the farming systems it supports have been threatened for decades. In many other places, we have replaced our best farmland with subdivisions and warehouses. This could be the tipping point where Washington County's second biggest industry, agriculture, will no longer be able to feed us or significantly contribute to the economy. The negative impacts of this bill on the surrounding farmland and farming economy have not been considered—just like the negative impacts that this bill will have on regional water quantity and quality, taxes and utility rates, and its effects on other cities. This type of economic “growth” comes at too great of a cost to Oregonians.

For all of these reasons and more, we ask that the legislature not move forward with this bill. Instead, we would love to discuss what a sustainable and diversified economy for Oregon's future could look like, and how Oregon could create more jobs per acre on industrial land while keeping the world's best farmland in production.

Thank you for your consideration.

Contact: Cassie Wilson, Legislative Manager, 1000 Friends of Oregon, cassie@friends.org



Also signed by: Advocacy Committee of the Clackamas Soil and Water Conservation District, Ag for Oregon, Oregon Aviation Watch, Pumpkin Ridge Gardens, Vanasche Farm LLC