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| Date: | February 10, 2026 |
| To: | Chair Meek, Vice Chair Drazan, Members of the Senate Committee on Commerce and General Government |
| From: | Association of Oregon Counties Legislative Affairs Manager Justin Low |
| Subject: | Support, with Amendments – HB 4084-4 |

For the record, my name is Justin Low, and I am providing testimony on behalf of the Association of Oregon Counties (AOC). AOC currently holds a position of “Support, with Amendments” for HB 4084-4.

From an economic development standpoint, AOC supports the policy changes proposed in this legislation. Counties across Oregon are eager to see these thoughtful reforms that improve the state’s competitiveness, reduce unnecessary delays in permitting, and modernize the enterprise zone program to better align with today’s economic realities. AOC views these changes as a serious commitment to improving Oregon’s business climate and reputation.

However, AOC’s continued support position is contingent upon addressing two key concerns should the bill move forward and be referred to the House Committee on Revenue.

First, county assessors play a statutorily mandated role in administering enterprise zones that requires significant staff time and resources; application reviews, ongoing compliance verification, exemption processing, and potential disqualification actions all create a real and measurable workload for county assessors. Currently, there is no way for counties to recoup these costs if the zone sponsor is a political subdivision other than the county itself. As the bill expands enterprise zone flexibility and eligibility, administrative demands on assessors will correspondingly increase.

Counties are requesting explicit authority to enter into an intergovernmental agreement (IGA) with an enterprise zone sponsor to negotiate cost recovery for the administrative workload required of county assessors to administer the enterprise zone program. This

is a practical, partnership-based solution that remains flexible to meet the needs of different counties and enterprise zone sponsors. Providing IGA authority allows local governments to collaboratively ensure that the program remains fiscally neutral, from an administrative standpoint, and locally sustainable.

Second, HB 4084 expands the potential duration of property tax abatements, including allowing longer extension periods in certain circumstances. Counties understand the economic rationale for longer timelines in projects involving substantial capital investment or regional impact. However, automatic extensions without county involvement will limit local control over local revenues.

Counties are requesting the explicit ability to negotiate the extension of property tax abatements that the bill proposes to automatically extend. Local governments should retain meaningful input into the length and structure of extended abatements, particularly given the impact on the local tax base and on other taxing districts.

To be clear, counties are not seeking to undermine the bill's economic development objectives. Rather, we are seeking to preserve local partnership, fiscal transparency, and administrative sustainability. With amendments, AOC believes HB 4084 can strengthen Oregon's economic development environment, while ensuring that counties have the tools necessary to confidently administer the program.

Should these concerns not be addressed by subsequent amendments, AOC's position on this legislation may be adjusted. Thank you, and we look forward to working with the Governor's Office and legislators should this bill advance to the House Committee on Revenue.

Sincerely,

Justin Low

AOC Legislative Affairs Manager