

RE: Senate Bill 1586

TO: Chair: Senator Anthony Broadman
Vice Chair: Senator Mike McLane

FROM: Rob Harris, Hillsboro City Council President

DATE: February 15, 2026

RE: Testimony in Support of SB 1586 with Proposed Amendments

Chair Broadman, Vice Chair McLane, and Members of the Committee:

I am writing to express my support for Senate Bill 1586, while respectfully requesting clarification and amendment of specific language that has raised concerns among Hillsboro residents. I have resided in Hillsboro for 37 years, practiced law for 40 years, and currently serve as Hillsboro City Council President.

Background and Statutory Concerns

My testimony focuses on language contained on page 15, beginning at line 32, which addresses restrictions on data centers within the property subject to this bill. The relevant provision states:

“(6) The real property described in subsection (2)(a) of this section, except for the land east of Northwest Jackson School Road, Storey Creek and Waibel Creek: ...

(b) May not [be] zoned for or developed as:

(A) A data storage, processing or information center except as an accessory to or part of a use described in paragraph (a) of this subsection;”

Community Concerns Regarding Data Centers

There exists significant concern among Hillsboro residents regarding large-scale data storage centers. These facilities consume substantial land, water, and electrical resources while generating relatively few permanent, well-compensated positions and limited economic synergy that would create additional employment opportunities.

While bill supporters have assured me that the current language empowers the city to reject data centers, as an attorney experienced in statutory interpretation and application, I remain concerned about the ambiguity of the terms “accessory to” and “part of.” These phrases lack clear definition within the bill, creating potential for unintended interpretations.

Potential Statutory Interpretations and Concerns

I acknowledge that advanced manufacturers require access to data processing facilities for their manufacturing operations. However, the bill’s current language may permit interpretations that extend beyond this intended purpose. Consider the following scenarios:

A manufacturer could construct a data center, utilize a portion for manufacturing-related processing, and sell or lease excess capacity to third parties. The manufacturer might justify this by claiming current partial usage with plans for future expansion, monetizing excess capacity in the interim.

A manufacturer engaged in both production and data services could lease data storage capacity to a subsidiary, parent company, or related entity located outside the subject property, which could subsequently resell these services commercially.

While proponents may contend these scenarios are unlikely or that such arrangements do not currently exist, these assurances do not eliminate constituent concerns about potential “loopholes” in the statutory language. My constituents regularly express apprehension that the bill could be interpreted in ways that permit commercial data center operations contrary to community interests.

Proposed Amendments

I respectfully request that the Committee consider amending the bill for two purposes:

1. To enhance clarity regarding data center restrictions; and
2. To provide Hillsboro residents with assurance that no loopholes exist that would permit commercial data center operations.

Specific recommendation: The bill should be amended to clarify what “accessory to” and “part of” mean. Also, the bill should include explicit language prohibiting the sale or lease of data center services from facilities located within this designated area to unrelated third parties. Such a prohibition would eliminate any economic incentive for qualified businesses to construct data center capacity exceeding their operational requirements.

Additional Consideration: Educational Land Use

I further request that the bill not restrict the City from zoning a portion of the subject property for educational purposes. Specifically, the city should retain the option to site a university program within this area, should such an opportunity arise. The possibility of locating a graduate engineering or computer science program near Oregon’s largest advanced manufacturing cluster would serve important public policy objectives and should remain available for future consideration.

Conclusion

I support the fundamental objectives of Senate Bill 1586 and appreciate the Committee’s consideration of these proposed amendments, which would address constituent concerns while maintaining the bill’s core purposes.

Thank you for your time and consideration.

Respectfully submitted,

Rob Harris
Hillsboro City Council President