

*The League of Women Voters of Oregon, established in 1920, is a grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.*

February 16, 2026

To: [Sen. Anthony Broadman](#), Chair, and [Sen. Mike McLane](#), Vice Chair

Members of the [Senate Committee On Finance and Revenue](#)

Re: [SB 1586](#) — Omnibus Land Use, Tax Credits and Changes in Permitting — **OPPOSE**

**The League of Women Voters of Oregon** believes “*taxation and assessment policies should support comprehensive land use plans.*” **We oppose SB 1586** for several reasons, the most important ones being that it 1) violates the state land use planning system that protects agricultural lands for farm use, 2) undermines its economic development goal by the bill’s lack of protection for homegrown Oregon businesses and jobs, 3) gives away property and other tax credits thereby reducing revenue for local services, while drawing significantly on General Fund revenue at a time Oregon needs to be focused on basic human needs in light of huge losses in federal funding, and 4) reduces permitting processes that protect Oregon’s air, land, water and public health.

**The League of Women Voters of Oregon** supports Oregon’s land use planning system’s 19 Goals, but the proposed expansion would undermine Goal 3 by bringing into Hillsboro’s Urban Growth Boundary (UGB) 1,700 acres of rural reserve farmland, overturning a 2014 legislative decision to protect those reserves from industrial zoning. Even with the latest news in a Senator’s newsletter that only 373 acres would come into the UGB now, the rest of the acreage would move from county/rural jurisdiction and come under Metro’s control. This land would be available for a variety of uses not clear but simply speculative. **Hillsboro has already squandered its industrial lands for data centers and warehouses.** It can use remaining undeveloped land within its city limits for industrial development without expanding into a new UGB. There are other industrial sites in Metro as well as statewide that are also available, some of which are being made site ready. **Oregon Statewide Planning Goal 3 requires preservation of agricultural lands for farm use consistent with existing and future needs for agricultural products.**

- 1) **Agriculture is the second largest economic industry in the state, the most stable because of the wide variety of crops grown in Oregon, and is absolutely dependent upon access to top tier soils.** The land within this particular acreage is currently in farm use and it contains some of the best agricultural land in the world. Farmers within the rural reserve area must be able to count on the Legislature to honor its decisions in order to invest for the future. Frequent attempts to re-zone this land are counterproductive to a thriving agricultural economy and reduces certainty for long term farm investments.
- 2) **The League opposes the lack of job incentives and protections in this bill.** In a recent Oregon Journalism Project [article](#), former state economist Mark McMullen states that Oregon should focus on supporting “homegrown industries” rather than trying to lure out-of-state companies here. SB 1586 would allow some of the largest and most

profitable corporations in the world to take advantage of several expanded tax credits that they do not need to locate here. Hillsboro houses three high-capacity subsea fiber cable landing stations that connect Asia to the United States. These corporations would build data centers in Hillsboro without any incentives due to proximity to these cables and access to Oregon's inexpensive power. Instead of targeting economic development dollars to attract new and innovative industries to industrial sites in rural areas in Oregon, these out of state corporations would use Oregon's limited resources for existing and already profitable companies in Hillsboro, resulting in few new Oregon jobs. **The bill's vague language could allow subsidies for automation and AI that often replace jobs.** In addition, the wage requirements in this bill are extremely weak as noted in this Oregonlive [article](#).

3) **LWVOR also opposes several tax changes** proposed in the bill. These tax subsidy modifications include:

- **Standard Enterprise Zone Extensions:** lengthening the enterprise zones property exemption from 5 years to maximum of 10 years in rural areas, so local tax revenue won't be collected for fire protection, schools and other services
- **Adds a property tax credit for new or modernized machinery and equipment for advanced manufacturing for biotechnology or an alternative energy business** of up to \$4 million per taxpayer for up to five years and selected by order of application rather than by financial need or social benefit, and includes no job maintenance or job creation requirement
- **Regionally Significant Industrial Sites (RSIS) Loan Fund** would be weakened by allowing several employers at a site to share the same job increase minimum requirement, while passing along the loan repayment to its employees by using half of their income taxes, while the benefitting entity's share is not even mentioned.
- **CHIPS Act Research & Design subsidy** can include high-technology and advanced manufacturing and production, not just for semi-conductor development, which will greatly increase costs.

We feel these tax subsidies are far too generous, and will cost Oregon millions of dollars in foregone revenue, especially in later biennia. **Should this bill be considered, we would like to see an amendment to this bill to explicitly disallow all Oregon subsidies for data centers.** We need to focus scarce Oregon resources on Oregon's desperate social needs now, not invest millions in future economic development with no guarantee of return or benefit for Oregonians.

We have concerns related to the provisions in this bill in Sections 15-17 around expedited permitting without clear guarantees that the reasons for the permits be upheld. Without sufficient funding and staffing, these permitting agencies cannot be expected to meet arbitrary timelines. They are responsible for protecting Oregon's clean air, land, water and Oregonians' health. We understand that there may be wetlands on some of this property—wetlands that not only clean our water, but often protect from severe flooding. **These agencies are funded in part by fees, and loss of that revenue would cause harm, not only to the work needed to process permits for these projects, but for others around the state.**

The League's positions related to land use, to taxation, and to Oregon's environment are the basis for our opposition to this bill. We DO support Goal 9, Economic Development, with **local** strategic planning done as part of broad community planning as called for in Oregon's land use

planning program, and remind legislators of the importance of our agricultural industry. However, we feel Oregon should not be increasing corporate tax breaks at a time when **Oregon needs to be focused on basic human needs and the need to invest in our education system—both pre-k-12 and higher education (Oregon's future)**—in light of huge losses in federal funding.

For all of these reasons, the League asks that you consider our concerns and **reject this legislation.**

Thank you for the opportunity to discuss this legislation. **Please vote no on SB 1586.**



Barbara Klein  
Acting President, LWVOR



Peggy Lynch  
Natural Resources Coordinator



Josie Koehne  
Action Committee



Debbie Aiona  
Action Committee