



Monday, February 16, 2026

RE: Opposition to House Bill 4084

Chair Nathanson, Vice Chairs Reschke and Walters, and members of the committee:

My name is Nellie McAdams, the Executive Director of Oregon Agricultural Trust, and I am submitting testimony in opposition to Senate Bill 4084 A. In particular, I oppose Section 9 of the bill that has the potential to make Enterprise Zone tax breaks indefinite.

The bill's language allows the business and its sponsor to extend the Enterprise Zone property tax abatement from a maximum of 5 years to 8 years, and potentially forever. The abatement can last for an unspecified period if Business Oregon (under rules that would be adopted) finds the project **"involves substantial capital investment, regional economic impact or alignment with local development goals."**

This provision could result in an indefinite tax exemption for property taxes, depending on the stringency of Business Oregon's rules, and the guidelines in the statute could potentially include many businesses, including data centers. The subsidy to data centers cost the state \$457 million in tax revenue in 2025 alone. With the state in a budgetary crisis, we should be closing these loopholes instead of extending their duration. There is no justification for incentivizing data centers in particular, since this industry is already profitable on its own, produces few jobs, and uses vast amounts of water, energy, and (importantly for our constituents) land.

Data centers as currently built are not incentivized to stack to multiple stories, and take up hundreds of acres of agricultural land and habitat in Hillsboro and the Gorge in particular. This land is irreplaceable, and long after data centers decrease their spatial area with innovation in the near future, this land will be paved with empty monuments to a poorly planned data center gold rush left on the landscape.

I ask you to remove the Enterprise Zone tax exemption or at least exempt data centers and crypto currency mining from utilizing it.

I also ask the committee to remove the provisions that seem designed to promote the data center industry and contrary to true economic development. This includes

- The weakened jobs requirement, which is just one job or a 10% increase in workforce, whichever is more
- The lack of wage requirements in Salem and Portland MSA and no required growth in wages elsewhere.
- The allowance for a reduction in workforce when new equipment makes the business more productive.



- Permitting a city or port to give up K-12 and county revenue in lieu of taxes from businesses. School boards who might be pressured by business to use this provision would put the state on the hook for backfilling this revenue.

It is not economic development to give away state financial and natural resources to subsidize an industry that produces few jobs at a high cost to our quality of life.

Please amend to remove these harmful tax provisions and to protect the state's coffers, in the interest of sound economic development.

Best regards,
Nellie McAdams