



*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: [Rep. Nancy Nathanson](#), Chair, [Rep. E. Werner Reschke](#), Vice Chair, and  
[Representative Jules Walters](#), Vice Chair, Members of the [House Committee On Revenue](#)  
Re: [HB 4084 A](#) - Enterprise Zone Concerns - **COMMENTS**

**The League of Women Voters of Oregon** favors thoughtful economic development so long as it does not limit local tax district financing and takes into account the preferences of the local community. We believe *“any tax proposal should be evaluated with regard to its effect on the entire tax structure and that a tax limitation is justified if it provides safeguards in the regulation of state and local services and economy. A limitation is not desirable if it prevents provision of services, disrupts government functioning, inhibits progress or results in loss of local control.”*

**LWVOR supports the goals of economic development in HB 4084 A. However, we urge you to safeguard all our current regulations, especially for protecting our natural resources without violating our other land use planning goals.**

We do have issues with modifications in the law for **Enterprise Zones** in Sections 7-10, on the definitions, criteria, extended tax exemption periods and relaxed employment and wage standards in this bill.

First, Section 7 removes the economic hardship and income requirements for Enterprise Zone qualification and replaces it with a more open-ended “evidence of economic transition or restructuring...” that include “investments that improve productivity, competitiveness....” This can mean Oregon would be subsidizing automated machinery that could actually reduce jobs.

Second, Section 8, the governing body of the Zone sponsor can set an industry as priority for a local or regional economic development strategy with rules set by the Oregon Business Development Department. We believe that the community needs a voice in economic development plans, including which industries are to be subsidized (Land Use Goal 1.) **Local residents often are required to invest in infrastructure and public services and need a voice in the development of their local community.**

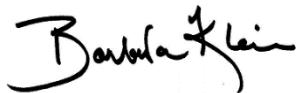
Third, Section 9 extends the property tax exemption from 3 to 5 years or longer with certain justifications without any reasons provided. Local property taxes are essential for city and county services--for schools, fire protection and other vital services. Why should they forgo these taxes from profitable investors and corporations?

Section 10 weakens the employment requirement by stating “The sponsor and the business firm may agree to **flexible hiring timelines, including phased or delayed hiring**, if the firm demonstrates to the sponsor’s satisfaction a clear plan for meeting employment or alternative performance criteria, including *but not limited to job retention, improvements in productivity and revenue growth, over the course of the exemption period.*”

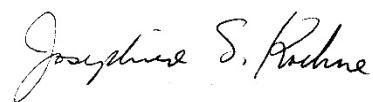
As it currently stands, the requirement is only to hire at least 1 new full-time employee over the company's pre-authorization headcount. Not a hard bar to meet. This bill would allow loopholes.

And lastly and most importantly, there is no specific language in the bill to **permanently disallow enterprise zones for data center development**. HB 4084 would allow some of the largest and most profitable corporations in the world to take advantage of expanded tax credits that they do not need in order to locate here. Oregon should not be providing subsidies for data centers anywhere in the state for several reasons. Instead, economic development dollars should be used to attract new and innovative industries to industrial sites in rural areas in Oregon. Out-of-state corporations that do not contribute to many well-paid Oregon jobs should not be able to use Oregon tax credits for existing and already profitable companies, nor allow subsidies for automation and AI that can reduce future Oregon jobs. In addition, data centers provide few jobs which are mostly not well-paid. Data centers will increase in our energy usage, as well add to air pollution and increased water demand, with these costs possibly passed along to consumers unless specifically restricted.

For these reasons, the LWVOR urges you to modify this bill with revisions to the Enterprise Zone sections. Oregon needs to preserve its revenue, especially at a time when Oregon dollars would be much better spent in reducing cuts to social services, education funding and the 14 natural resource agency budgets caused by HR1.



Barbara Klein  
Acting President, LWVOR



Josie Koehne  
LWVOR Action Committee