

Submitter: Andrew Lindstrom  
On Behalf Of:  
Committee: Senate Committee On Finance and Revenue  
Measure, Appointment or Topic: SB1586

Good afternoon,

My name is Andrew Lindstrom, and I'm a recent Portland State alum (recently relocated to Seattle - but still fond of Oregon!). I am writing to express my disgust with SB 1586. Data centers already are causing an energy crisis for rate payers across Oregon (and the US), and this poorly articulated bill will continue that trend by allowing for more abuse of the enterprise zone apparatus by data center operators. According to recent reporting by the Oregonian, data centers in Hillsboro already enjoy \$90 million in tax breaks for just 590 employees - \$150,000 per job. Paying an excellent salary to employees of companies which are at the forefront of the energy cost crisis is asinine at best, and this is a situation that need to be remedied - not exacerbated. I am also concerned about the fiscal impacts to infrastructure-intensive development funded by tax breaks, especially for an area whose school district is already experiencing a fiscal crunch.

But the real crux of the issue is energy. Oregon is likely to face acute shortages in the next decade, and we need proactive land use and taxation policy to ensure that residential ratepayers aren't stuck holding the bag for tech conglomerates. This bill is in direct opposition to that idea - and instead purports to believe that somehow, it'll all be fine and we don't need to worry about anything. Just more land, incentives, and handouts to the most profitable companies on earth, and nothing for everyone else. Oregon has a difficult and cumbersome business development environment, but it's hard to see how this does anything other than double down on that. We need tax policy that centers the needs of workers, and that understands the dynamics at play for industrial development. Prior attempts to rezone these same parcels for a semiconductor innovation hub came up empty, indicating that the most likely users for this are simply data centers.

Until the state legislature is interested in addressing the energy crisis that ratepayers experience escalating every month, it should be considering little to nothing in the way of larger tax breaks for larger companies lined out in this bill. And even then, maybe we should ask ourselves if shelling out subsidies for big tech data centers that have one employee each makes any sense at all. Oregon has been a leader in data center construction and siting for as long as that has been a thing. Has it had a positive impact on the long-term prospects of the state economy, or is the combination of high power consumption, low job creation, and abuse of tax credits a net loser? I know what I believe - and it's not the former.

Thank you,

Andrew Lindstrom