



February 26, 2026

Joint Committee on Ways and Means  
Subcommittee on Capital Construction  
Oregon State Legislature  
900 Court Street NE  
Salem, Oregon 97301

Dear Chairs Girod and Nosse, Members of the Committee:

The undersigned commissioners are writing to express our concerns with the proposal in HB 4084B related to expanding enterprise zones. The bill was recently referred to the Subcommittee on Capital Construction and is expected to be scheduled for a work session.

Enterprise zones are a statewide economic development program administered locally. As structured, any expansion of this authority carries statewide fiscal and operational implications for county governments responsible for implementation.

Washington County is a strong supporter of economic development and the use of enterprise zones as a tool to position Oregon competitively for traded-sector investment with a focus on high wage industries in advanced manufacturing.

However, we must respectfully raise our concerns about the impact that HB 4084B will have on county assessment functions and the long-term stability for our General Fund. **Our concern isn't about the existence of the program; it is about how it's structured.**

The bill would authorize significant property tax exemptions but does not provide a statutory mechanism allowing counties to recover the administrative costs they are legally required to incur. As enterprise zones expand, so does the workload and fiscal responsibility placed on counties.

**The result is that the taxbase is hit twice—first through extended property tax exemptions, and second through the use of county General Fund dollars to administer, monitor, and**



**defend those exemptions.**

In Washington County alone, administering 61 active enterprise zone agreements costs approximately \$400,000 per year in staff time. There is currently no statutory mechanism allowing recovery of these costs. As you know, Washington County has operated with General Fund budget gaps for the past five years and has been forced to return some services to the state due to financial constraints. Absorbing the fiscal impact for expanded enterprise zone administration results in less funding for essential services that our residents rely on.

There has not been sufficient public discussion this session about the practical implementation impacts on the county assessors. When the state proposes and advances incentives of this scale, the operational and fiscal realities at the local level deserve to be a part of that conversation and the public should be made aware that it's the county General Fund that is paying for this state mandated work.

Without alignment in statute, significant expansion of enterprise zone use creates structural pressure on county budgets. Addressing that gap would strengthen and modernize the program, not undermine it. It's also in the best interest of taxpayers who rely on the county General Fund for essential county services.

There are a multitude of means to allow counties to recover the costs to carry this mandated responsibility, but there has not been ample consideration of those options as this legislation is moving in this session.

Washington County worked with the Association of Oregon Counties, the county assessors association, LOC, and business interests to develop an amendment for HB 4084 to require an Intergovernmental Agreement (IGA) between the zone sponsor and the county to establish a means for cost recovery for all of the county's assessment work on the management, oversight enforcement, and appeals for each project before a zone can be established or renewed. IGAs are a standard tool between governments that can be reflective of local needs and shared goals, however because no requirement for IGAs is outlined in statute, the use of this important tool for enterprise zones has been inconsistent.

The proposed amendment provides businesses applying for an abatement within an enterprise zone clarity of what would be required to be paid by placing the negotiation before the zone is

**Board of County Commissioners**

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established. It also allows the zone sponsor and the county to work together to find a locally acceptable solution.

The amendment was formally filed and shared with House Revenue Committee members ahead of the work session, but it was not taken up for consideration.

Expansion of enterprise zone authority must be paired with the statutory authority allowing counties to recover fair and reasonable administrative costs required to implement and enforce the program.

**This is not a Washington County issue—it is a statewide implementation issue.** Every county assessor in Oregon will be responsible for carrying out this work. Absent clear statutory authority for cost recovery, the administrative burden and fiscal impacts will shift directly to counties and the taxpayers they serve.

Until that safeguard is included, we must respectfully oppose the bill as drafted. We remain ready to work with the Governor's office and the Legislature to develop a solution that support economic development while ensuring counties statewide are not left absorbing this unfunded mandate.

Sincerely,

Kathryn Harrington,  
Chair, Washington County Board of  
Commissioners

Nafisa Fai  
Commissioner, District 1 Washington  
County

Pam Treece  
Commissioner, District 2 Washington  
County

Jason Snider  
Commissioner, District 3 Washington  
County



Jerry Willey  
Commissioner, District 4 Washington  
County

Cc: Joint Ways and Means Co-Chairs Lieber and Sanchez, Co-Vice Chairs Girod, Gomberg, and Smith

House Speaker Ben Bowman  
Representative Sue Rieke Smith  
Representative Ken Helm  
Representative Dacia Grayber  
Representative Susan McLain  
Representative Nathan Sosa  
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