



## OREGON SENATE REPUBLICANS PRESS RELEASE

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### FOR IMMEDIATE RELEASE

**Date:** February 16, 2026

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### **Senate Democrats Advance Bill That Would Raise Taxes by \$311 Million, Breaking Their Promise on Affordability**

**SALEM, Ore.** – Members of the business community, Republican legislators, and many others have warned that a bill being pushed this session, [Senate Bill 1507](#), would increase the tax burden on local employers at a time when Oregon simply cannot afford to become even 1% less business-friendly. Today, **Senate Democrats** passed the bill despite bipartisan opposition.

**Senator Christine Drazan (R-Canby)** said:

“I want a state where families are stable and parents can provide for their children. The way we achieve that is not by raising taxes on the people who create jobs. It’s by ensuring that the men and women willing to risk everything to start and grow a business have the opportunity to hire more Oregonians—not a reason to leave for another state.

“Businesses testified clearly that this proposal will make Oregon less competitive. They are the ones making decisions about where to expand or relocate, and they will respond to what we do here. In the last year, Oregon has lost thousands of jobs, bankruptcies have hit a record high, and employers are telling us they feel targeted rather than supported.

“At my business roundtable last week, small business owners said they feel attacked, taken for granted, and treated like adversaries instead of partners. That is deeply concerning. We should not be picking winners and losers. We should be creating an environment where families, workers, and businesses can succeed together. Oregon can’t afford another self-inflicted wound.”

A Republican-backed [alternative](#), which failed on party lines, would have:

- Kept Oregon’s tax code connected to federal law, streamlining compliance and keeping \$311 million in taxpayers’ pockets.
  - Preserved interest deductions for car loans, bonus depreciation on machinery and equipment purchases, and deductions for certain small business investments.
- Expanded the Earned Income Tax Credit (EITC) for over 200,000 low-to-moderate income households.

- Protected Oregon businesses from new financial burdens at a time when the state's corporate tax structure ranks [second worst](#) in the country and business bankruptcies hit a [12-year high](#).

**Senator Mike McLane (R-Powell Butte)**, who carried the alternative proposal on the Senate floor, said:

“Senate Bill 1507 disconnects Oregon from key parts of the federal tax code that help businesses invest, expand, and hire more workers. Oregon lost 25,000 jobs and business bankruptcies hit a 12-year high—their highest point since the Great Recession. Whether we like it or not, we are competing with Idaho, Arizona, Texas, and other states for jobs and investment, and Oregon must do better. The Governor recently laid out a [roadmap](#) focused on accelerating economic growth, creating more living-wage jobs, and setting up Oregon businesses to thrive. Senate Bill 1507 conflicts with those stated goals. Is this really about prosperity, or was her roadmap just an election-year gimmick? We'll see if the Governor signs a bill that undermines her own stated goals.”

### **Oregon's Business Climate by the Numbers**

- Oregon business bankruptcies [jumped 25%](#) in 2025, reaching their highest point since 2013.
- Oregon's business tax burden [increased 33%](#) between 2019 and 2023.
- The state economist expects Oregon's general fund budget to [grow by 66%](#) between 2023-25 and 2033-35.
- CNBC [dropped Oregon 17 places](#) in its “Top States for Business” ranking in just [two years](#).

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