



**2025 Oregon  
Legislative Session:**  
What happened in Salem this year?

**WELCOME!**

# 2025 Oregon Legislative Session

Session officially ended on June 27 (Day 158 of 160)

- The 2025 “long” session officially began Tuesday, January 21
- **Nearly 3,500 bills were introduced, with 640 sent to Gov. Kotek**
- Rep. Julie Fahey (D-Eugene) is Speaker of the House
  - Rep. Ben Bowman (D-Tigard) is House Majority Leader
  - Rep. Christine Drazan (R-Canby) is House Republican Leader
- Sen. Rob Wagner (D-Lake Oswego) is Senate President
  - Sen. Kayse Jama (D-Portland) is Senate Majority Leader
  - Sen. Daniel Bonham (R-The Dalles) is Senate Republican Leader
- **Senate: 18 Democrats/12 Republicans, House: 36 D’s/24 R’s**



# Key Issues - Passed

## NFIB took official positions on:

- Unemployment Benefits for Striking Workers (SB 916)
- Property Owner & Contractor Liability (SB 426)
- BOLI Statute of Limitations/90-day window to sue (HB 2957)
- Prevailing Wage for Offsite Work (HB 2688)
- Age Discrimination Lawsuits Against Employers (HB 3187)
- UI for Professional Employer Organizations (HB 2236)
- Targeted Unemployment Insurance Tax Relief (HB 2271)



# Key Issues - Failed

## NFIB took official positions on:

- Transportation Reinvestment Package a.k.a “TRIP” (HB 2025)
- Corporate Activity Tax (CAT) Reform (multiple bills)
- Estate Tax Reform (multiple bills)
- Duplicative Enforcement of Insurance Laws (SB 174)
- SALT Workaround Extension (SB 111)
- Wage & Benefit Disclosure Mandates (HB 2746)
- Beer & Wine Taxes (HB 3197)
- Drug-Free Workplace Ban (SB 176)
- Industry-Specific Labor Standards Boards (HB 3838 & HB 2548\*)



# 2025 Top Legislative Priorities

## Support for Corporate Activity Tax (CAT) Reform

- HB's 2033 & 2176 & SB's 487 & 762– CAT repeal
- HB 2039 – \$10 million exemption threshold
- HB 2177 & SB's 381 & 490– \$5 million exemption threshold
- HB 2094 & SB 123 – CAT “study” bills (placeholders)
- HB 2118 – Ag commodities exemption
- HB 2119 & SB's 379 & 382 – Prescription Drug exemption
- SB 125 & SB 377 – Public health care service exemption



# 2025 Top Legislative Priorities

## Support for CAT Reform

- Last year: NFIB Oregon State Ballot Results: 80% of respondents support raising the current \$1 million Corporate Activity Tax exemption to \$5 million. (More would support repeal!)
- About 15,000 taxpayers (about 72% of all CAT filers) have CAT returns with less than \$5 million in Oregon commercial activity. This accounts for just 6.5% of about \$1 billion in CAT dollars collected by the state each year.
- **Unfortunately, CAT Reform did not pass in 2025**



# 2025 Top Legislative Priorities

## Support for Estate Tax Reform

- HB 3934 & HB 3688 – portability for surviving spouses
- HB 2093 – estate tax “study” bill (a placeholder for amendments)
- HB 2301 - \$7 million exemption threshold & flat 7% tax rate
- SB 124 – raised exemption threshold/indexes to inflation
- SB 380 – raised the threshold, phased out for larger estates
- SB 405 & SB 648 – raised the exemption threshold to \$13.61M
- SB 764 – exempted the value of a family-owned business
- **Unfortunately, Estate Tax Reform did not pass in 2025**



# 2025 Wins & Losses

## SB 916 – UI Benefits for Striking Workers

- In Oregon, private sector employers pay 100% of unemployment taxes. Public employers are “reimbursing” employers.
- Allowing UI benefits for workers who voluntarily leave their jobs to go on strike will not only add cost to the system, but it will also tip the balance in favor of unions during contract negotiations and lead to more strikes. Essentially, employers will be subsidizing union work stoppages and paying workers to go on strike – or worse, it makes small businesses pay for the labor disputes of their larger corporate competitors. **The bill passed and was signed by the governor.**





# 2025 Wins & Losses

## Property Owner & Contractor Wage Claim Liability

- SB 426 makes certain property owners and general construction contractors liable for the unpaid wages of subcontractors and establishes a presumption employee status rather than an independent contractor.
- The bill fundamentally holds the wrong party responsible for breaking the law. Businesses that did nothing wrong will be sued under this new private right of action.
- SB 426 applies (generally) to non-union workers only.
- **The bill passed and was signed by the governor.**



# 2025 Wins & Losses

## HB 2271 – Unemployment Insurance Tax Credit

- A limited, one-time, unemployment insurance (UI) payroll tax credit for certain businesses with UI experience ratings that were frozen at artificially high levels due to the COVID-19 pandemic.
- About 1,000 Oregon employers will benefit from the credit, 80% of which are small businesses with fewer than 25 employees.
- Importantly, this one-time credit has a very limited impact on the UI Trust Fund.
- The bill passed unanimously in both chambers and was signed into law by the governor on July 24, 2025.



# 2025 Wins & Losses

## SB 174 – Additional Enforcement of Insurance Laws

- A new private right of action under Oregon's Unlawful Trade Practices Act (UTPA) would have led to more lawsuits and increased costs for insurers. **This bill failed but will undoubtedly be back again!**
- We opposed this measure because it creates market pressure to increase premiums for insurance customers. For many Oregon consumers and businesses, this would mean policyholders will have to pay more for the same coverage – and if they cannot afford to pay more, they risk leaving themselves under-insured.



# 2025 Wins & Losses

## Industry-Specific Labor Standards Boards

- HB 2548 would have created an Agricultural Workforce Labor Standards Board. **The bill was amended to be a study bill.**
- HB 3838 would have established a Home and Community-Based Services Workforce Standards Board but failed to pass.
- Regardless of industry sector, it's small business owners that are best situated to be responsive to the needs of their customers and employees, not an unelected board of appointees with no accountability to the people of Oregon.

# Wins & Losses: Key Amendments

## Age Discrimination Liability

- In Oregon, workplace age discrimination protections begin at age 18. In contrast, federal protections don't kick-in until age 40.
- HB 3187 originally sought to redefine what "because of age" means under Oregon law to include (but not limited to) salary and/or length of service as a "proxy for age." **This language was amended out.**
- The bill now prohibits employers from asking for an applicant's age, date of birth, or when the applicant attended or graduated, except when such information is required by law or for bona fide occupational qualifications, until after an interview or offer.



# Wins & Losses: Key Amendments

## Ban on Drug-Free Workplace Policies

- SB 176 would have prohibited employers from taking adverse employment actions (including hiring and firing decisions) against employees who fail a drug test for marijuana if the employee is a medical marijuana card holder.
- **This language was completely removed from the bill, but the bill ultimately failed to pass.**

# Small Business Threats!

## TRIP 1.0, which failed to pass in 2025:

- A 20-cent increase to the state's current 40-cents per gallon gas tax, phased in over the next seven years and indexed to inflation thereafter
- A new 1% sales tax on new and used cars
- A new road usage charge for electric vehicles and highly fuel-efficient vehicles
- A new charge for delivery vehicles used by companies like Amazon, FedEx, and UPS
- An additional \$66 on Oregon vehicle registration fees
- An additional \$90 to vehicle titling fees
- Increasing the state's weight-mile tax on heavy vehicles by 16.9%
- A new 3% sales tax on tires
- An increase (0.5% to 0.8%) on the "privilege" tax paid by auto dealers on new car sales
- A \$9.50 increase to the existing \$15 tax on sales of new bicycles sold for \$200 or more
- An increase (0.1% to 0.18%) on the statewide transit payroll tax that all workers in OR pay



# Small Business Threats!

## TRIP 2.0, which is on the agenda for Aug. 29<sup>th</sup>!

- Increases the state's 40-cent gas tax to 46 cents, splitting that difference between the state transportation department and local governments. The state would receive 50% of the increase, Oregon's 36 counties would get 30% and cities would receive 20%.
- A \$42 increase to vehicle registration fees, which now range from \$126 to \$156 depending on a car's age and miles per gallon.
- A \$30 supplemental fee for electric vehicles, which now cost \$316 to register for two years.
- A \$139 increase to the state's title fee, which now ranges from \$101 to \$116 for gas cars or \$192 for electric vehicles.
- Doubling the current 0.1% payroll tax for transit to 0.2%.
- Committing to implementing a per-mile charge for electric vehicles and hybrids at some point in the next few years.





**Additional  
Questions?**

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**THANK YOU!**