

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Capital Construction Subcommittee

From: Kim To, Legislative Fiscal Office

Date: March 1, 2024

Subject: HB 4154 – Relating to semiconductors
Work Session Recommendations

HB 4154 A-Engrossed:

- Directs the Higher Education Coordinating Commission (HECC) to establish a statewide semiconductor industry consortium and provides a blank one-time General Fund appropriation to HECC to do this work.
- Establishes the Semiconductor Talent Sustaining Fund.
- Establishes three subaccounts within the Semiconductor Talent Sustaining Fund and appropriates a total of \$15 million General Fund to HECC for deposit of \$5 million into each of the subaccount.
- Appropriates \$14.9 million General Fund to distribution to three universities and two community colleges to fund semiconductor related research, training, education, and workforce development.
- Expands the use of the Oregon CHIPS Fund, authorized by SB 4 (2023), to include transferring monies to the Semiconductor Talent Sustaining Fund.
- Adds assistance from the National Semiconductor Technology Center (NSTC) to the types of federal assistance for which the Oregon CHIPS Fund can be used.
- Exempts programs that receive assistance from the NSTC from sections of SB 4 (2023) that require the recipients of state semiconductor grants to generate minimum amounts of state and local revenue or to create permanent, full-time jobs in Oregon with above-average pay.

The measure previously had hearings in the House Committee on Higher Education on 2/6/2024 and 2/15/2024 and was reported out with a do pass recommendation.

The –A2 amendment removes the requirement for HECC to establish a statewide semiconductor industry consortium. The –A2 amendment also removes the establishment of the three subaccounts and all appropriation language. With the –A2 amendment, the measure:

- Establishes the Semiconductor Talent Sustaining Fund and directs HECC to allocate moneys from the Semiconductor Talent Sustaining Fund to provide education, training, and research to assist the semiconductor industry.
- Expands the use of the Oregon CHIPS Fund to include transferring monies to the Semiconductor Talent Sustaining Fund.
- Adds assistance from the National Semiconductor Technology Center to the types of federal assistance for which the Oregon CHIPS Fund can be used.
- Exempts programs that receive assistance from the National Semiconductor Technology Center from sections of SB 4 (2023) that require the recipients of state semiconductor grants to generate minimum amounts of state and local revenue or to create permanent, full-time jobs in Oregon with above-average pay.

The measure sunsets on January 2, 2030.

With the –A2 amendment, the fiscal impact to affected agencies is minimal.

Recommended Changes

LFO recommends adoption of the –A2 amendment.

MOTION: I move adoption of the –A2 amendment to HB 4154. (VOTE)

Final Subcommittee Action

LFO recommends that HB 4154, as amended by the A2 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 4154, as amended by the –A2 amendment, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____