

HB 2322 A -A4 STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

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Meeting Dates: 6/18

WHAT THE MEASURE DOES:

The measure allows the Oregon Business Development Department (OBDD) to award grants and loans from the Oregon Fostering Innovation Strength at Home (FISH) and Creating Helpful Incentives to Produce Semiconductors (CHIPS) Fund to businesses that have not applied for federal semiconductor assistance but that meet the definition of a covered entity. It declares an emergency and is effective on passage.

Detailed Summary:

Allows Oregon Business Development Department (OBDD) to award grants and loans from the Oregon FISH and Oregon CHIPS Fund to businesses that have not applied for federal semiconductor assistance but that meet the definition of a covered entity.

Defines covered entities as having demonstrated ability to substantially finance, construct, expand, or modernize a facility relating to fabrication, assembly, testing, advanced packaging, production or research and development, or manufacturing equipment for targeted industries.

Defines targeted industries as those identified by OBDD as providing the state with the best opportunities for growth, innovation, high wages, competitiveness, and statewide prosperity. They include metals and machinery, business services, food and beverages, forestry and wood products, high technology, outdoor gear and apparel, and bioscience.

Sets a limit of \$25,000,000 for the payment of expenses from the Oregon FISH and Oregon CHIPS Fund for the biennium beginning on July 1, 2025.

Updates references.

Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Eligibility requirements for Oregon CHIPS Fund
- Semiconductor industry trends

EFFECT OF AMENDMENT:

-A4 The amendment establishes a limit of \$15,000,000 on new expenditures from the Fund.

BACKGROUND:

[Senate Bill 4 \(2023\)](#) directed Oregon Business Development Department (OBDD) to award grants and make loans from the Oregon Creating Helpful Incentives to Produce Semiconductors (Oregon CHIPS) Fund to businesses applying for federal semiconductor financial assistance. It also required that any money remaining in the Oregon CHIPS Fund be transferred to the General Fund on June 30, 2025. OBDD identifies Oregon's [targeted industries](#) as those providing the best opportunities for growth, innovation, high wages, competitiveness, and statewide prosperity and they direct efforts and resources at these industries to retain and expand businesses and investment into the state.