

HB 2322 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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**Oregon Business Development Department
2025-27**

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 15,000,000	\$ 15,000,000	100.0%
Total	\$ -	\$ -	\$ 15,000,000	\$ 15,000,000	100.0%

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 2322 increases Other Funds expenditure limitation by \$15 million for grants and loans made by the Oregon Business Development Department (OBDD) to eligible businesses from the Oregon Fostering Innovation and Strength at Home (FISH) and CHIPS (Creating Helpful Incentives to Produce Semiconductors) Fund. The source of the Other Funds is the uncommitted balance from the \$190 million appropriation made to the CHIPS Fund in SB 4 (2023).

Summary of Capital Construction Subcommittee Action

House Bill 2322 renames the Oregon CHIPS Fund as the Oregon FISH and CHIPS Fund. The bill authorizes OBDD and the Governor to award grants and make loans from moneys in the Fund to businesses that have not applied for federal semiconductor financial assistance and meet the definition of a covered entity; eligibility is expanded to include manufacturing-related businesses in key sectors. The bill modifies the application process that a covered entity must follow to receive a grant or loan from OBDD and removes the requirement that the Governor must provide notice to the Legislative Assembly when a grant or loan amount is made for more than \$50 million. Finally, House Bill 2322 removes the sunset date for the Oregon CHIPS Fund and the requirement that funds remaining in the account at the end of the 2023-25 biennium, revert to the General Fund.

The Subcommittee recommended a \$15 million Other Funds expenditure limitation increase for OBDD to provide grants or make loans to eligible business applicants.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Business Development Department
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DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 210 - Business, Innovation, Trade									
Special Payments	\$ -	\$ -	\$ 15,000,000	\$ -	\$ -	\$ -	\$ 15,000,000		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 15,000,000	\$ -	\$ -	\$ -	\$ 15,000,000	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 15,000,000	\$ -	\$ -	\$ -	\$ 15,000,000	0	0.00

*Excludes Capital Construction Expenditures