



8404 NE Barberry Dr.
Adair Village, OR 97330
541-602-6100

Kendon.Shirley@KairosSensors.com

House Bill 2417 Opposition

March 26, 2025

House Committee on Economic Development, Small Business, and Trade

Oregon State Legislature

900 Court Street NE Salem, OR 97301

Subject: Opposition to House Bill 2417

Dear Chair Nguyen, Vice-Chair Osborne, Vice-Chair Pham, and Members of the Committee:

My name is Kendon Shirley. I am the Founder and CEO of Kairos Sensors LLC, based in Oregon, and a Principal Investigator of a federally funded SBIR grant through the National Institutes of Health (NIH). I am writing to you today to express my strong opposition to House Bill 2417 as currently written.

My opposition arises from my direct experience as a leader of an independent, innovative small technology startup in Oregon. The bill's proposal to allocate \$6 million exclusively to Signature Research Centers is deeply problematic. Based on historical patterns, funding allocated to these centers rarely reaches independent high-tech startups such as mine. Instead, the majority of funds typically benefit companies closely affiliated with universities or other higher education institutions, effectively excluding many innovative small businesses.

Moreover, funds managed by Signature Research Centers often finance activities such as "customer discovery" and "product-market fit" workshops. These are activities that well-established, independent startups, such as Kairos Sensors, are already fully equipped and experienced enough to undertake internally. Such indirect financial support does little to address the real, pressing need for direct funding at the early stages of innovation. As a result, the essential capital required by startups rarely filters down from these centers, limiting genuine economic growth and innovation.

To meaningfully foster innovation, economic development, and job creation, direct investments in independent small businesses are essential. Oregon risks perpetuating a cycle of inefficiency and misallocated resources by continuing the practice of funding centers that fail to effectively support independent innovators and entrepreneurs.

Therefore, I strongly urge this committee to reconsider House Bill 2417 or, at minimum, amend it to ensure equitable and direct distribution of funding to truly independent startups, which serve as critical drivers of technological advancement and economic prosperity in our state.

Thank you very much for your thoughtful consideration of this testimony.

Kendon Shirley

Kendon Robert Shirley

Founder, CEO, & Principal Investigator
Kairos Sensors LLC