



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2026 Regular Session

Prepared by: Michael Graham
Reviewed by: Kim To, John Terpening, Ben Ruef, Paul Siebert, Michelle Deister
Date: February 12, 2026

Bill Title: Relating to economic development; declaring an emergency.

Government Unit(s) Affected: Oregon Lottery Commission, Oregon Business Development Department, Office of the Governor, Department of Administrative Services, Bureau of Labor and Industries

Summary of Fiscal Impact:

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Business Development Department	\$ 4,000,000	\$ 6,000,000	\$ -	\$ -	\$ 10,000,000	-	-
Total Fiscal Impact	\$ 4,000,000	\$ 6,000,000	\$ -	\$ -	\$ 10,000,000	-	-

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Business Development Department	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Total Fiscal Impact	\$ -	\$ -	\$ -	\$ -	\$ -	-	-

- The table above does not include the Other Funds expenditure limitation necessary to expend General Fund and Lottery Funds revenue deposited by the measure into the Oregon Fostering Innovation Strength at Home (FISH) and CHIPS Fund. While the expenditure limitation will need to be established to properly budget for the impact of the measure if it is adopted, it is not reflected in the table to avoid duplication of expenses.

Measure Description

The measure renames the Oregon CHIPS Fund as the Oregon FISH and CHIPS Fund. The measure authorizes the Oregon Business Development Department (OBDD) and the Governor to make grants and loans from the Oregon FISH and CHIPS Fund to businesses that have not applied for federal semiconductor financial assistance, but that meet the definition of a covered entity. The measure expands the definition of a covered entity and expands the scope of activities that can be funded through the CHIPS program to include site development and research and development for a targeted industry. The measure extends the CHIPS program threshold dates for certain project benchmarks by three years. OBDD may transfer money in the CHIPS Child Care Fund to the Child Care Infrastructure Fund for the purposes of increasing childcare infrastructure in geographic areas in this state where semiconductor or other targeted industry facilities are presently located or scheduled to be constructed. The measure allows OBDD to transfer funds from the Oregon FISH and CHIPS Fund to the CHIPS Child Care Fund.

The measure appropriates \$4 million General Fund to OBDD in the 2025-27 biennium for deposit in the Oregon FISH and CHIPS Fund; and allocates \$6 million Lottery Funds from the Administrative Services Economic Development Fund to OBDD in the 2025-27 biennium for deposit in the Oregon FISH and CHIPS Fund.

Fiscal Analysis

The fiscal impact for OBDD is \$4 million General Fund, \$6 million Lottery Funds, and \$10 million Other Funds in the 2025-27 biennium. There is no fiscal impact in the 2027-29 biennium as the funding is provided for deposit on a one-time basis.

The CHIPS fund was capitalized in 2023 with \$240 million General Fund, to provide funding for semiconductor related projects that created, expanded, or preserved semiconductor manufacturing in Oregon, and bolster their applications to the U.S. Department of Commerce for federal grants. Subsequent legislation transferred a total of \$30 million from the fund for other purposes, including workforce, the CHIPS Child Care Fund and the General Fund. Per SB 4 (2023), any unallocated balance in the CHIPS fund reverted to the General Fund on June 30, 2025. OBDD will utilize the \$10 million included in the measure for project awards to Oregon semiconductor and targeted industries through the existing CHIPS program operating framework. OBDD estimates that the \$10 million in funding included in this measure will allow for a maximum of 10 financial awards during the 2025-27 biennium. OBDD can absorb this additional programmatic activity with existing department resources.

Other entities

There is no fiscal impact to the Department of Administrative Services, Oregon Lottery Commission, and Bureau of Labor and Industries.

Relevant Dates

The measure declares an emergency and takes effect on passage.

The measure repeals the CHIPS program on January 2, 2036.