

27 April 2023



**Chair Fahey, Vice-chairs Breese-Iverson and Kropf, and members of the committee,**

Thank you for hearing House Bill 3254 and considering critical investments in Oregon and our economy. Intel is Oregon's largest employer, with over 22,000 employees with an economic footprint of over \$19 billion in state GDP. Over the last 40+ years, Intel has invested over \$50 billion in capital and continues to look at opportunities for future expansion. Together, Intel's continued investments in Oregon generate hundreds of millions of dollars in revenue for Oregon. In today's global semiconductor market, workforce investments and state and federal incentives are increasingly important.

The Governor recently signed Senate Bill 4, which provides a vital incentive tool to help cover up-front capital costs for new or expanding businesses competing for federal CHIPS Act funds. It is important to note that we expect this money to run out and, by design, be a one-time incentive to leverage federal funding. We also recognize that the legislature is interested in long-term programs to support our semiconductor ecosystem. With that in mind, we believe Oregon must invest more in its workforce and research programs to support STEM programs, community colleges, and public universities. These investments in House Bill 3254 and the incentives in Senate Bill 4 will make Oregon even more competitive for federal CHIPS grants.

Intel supports the Oregon legislature's investment of \$10 million for STEM pipeline programs. STEM pipeline programs can help address issues of equity and inclusion in the workforce. By providing access to STEM education and training for rural and underserved communities, the state can help reduce disparities and ensure that everyone has an opportunity to participate in the growing STEM economy. Moreover, this investment in STEM education and workforce development will positively impact the state's economy, innovation, and overall competitiveness. The demand for skilled workers in STEM-related fields has grown significantly in recent years, which is expected to continue. However, a shortage of qualified workers to fill these positions, including technicians at Intel, can lead to a talent gap and a lack of innovation.

By investing in STEM pipeline programs, Oregon can help bridge this talent gap and ensure its workforce has the necessary skills and knowledge to succeed in the 21st-century economy. In addition, this investment will benefit current students and workers and attract more companies to Oregon, creating more job opportunities and boosting the state's economy.

In addition, Intel strongly supports the legislature's investment of \$20 million in Oregon's community colleges for advanced manufacturing programs. This investment will provide critical resources to help prepare students for careers in advanced manufacturing and support the growth of high-tech industries in the state.

Intel has a long-standing commitment to education and workforce development, and we recognize the critical role that community colleges play in preparing students for high-tech jobs. These institutions are uniquely positioned to provide hands-on training and skills development that aligns with the needs of local industries. The \$20 million investment in community colleges for advanced manufacturing will help expand and enhance these programs, ensuring students have access to the latest technologies and training resources. This will help to

ensure that Oregon's workforce is well-equipped to meet the demands of a rapidly changing economy.

Intel also strongly supports a [\\$30 million investment in public universities for semiconductor research](#). As you may know, Intel has a long history of collaborating with Oregon universities to advance semiconductor research and innovation.

The proposed investment would enable Oregon universities to hire additional faculty, expand research facilities, and invest in cutting-edge equipment and technologies. By doing so, they could conduct more advanced research in semiconductor materials, design, and manufacturing, leading to breakthrough discoveries and innovations in this field. Moreover, the research findings from these universities could be directly applied to Intel's semiconductor research and development efforts, which would benefit our company and help us maintain our leadership position in the industry.

Beyond the benefits to Intel and Oregon's semiconductor industry, investing in university research in semiconductors will also significantly impact the state's economy and job market. The research would help to train and develop the next generation of semiconductor engineers, scientists, and technicians, who would be well-equipped to lead Oregon's semiconductor industry into the future. Additionally, the research would create opportunities for partnerships and collaborations between universities, government agencies, and private companies, which could lead to new business ventures and job creation.

In conclusion, Intel commends the Oregon legislature for recognizing the value of STEM programs, community colleges, and research in our public universities. We must prepare students for high-tech and advanced manufacturing careers, and we look forward to working with these institutions to help support the growth of the semiconductor industry in the state. This investment will positively impact the state's economy and help Oregon remain a hub for innovation and technology.

For any questions, don't hesitate to get in touch with me at [dj.vogt@intel.com](mailto:dj.vogt@intel.com)

Very sincerely,

A stylized, handwritten signature in black ink that reads "DJ Vogt". The letters are bold and cursive, with the "D" and "J" being particularly prominent.

DJ Vogt

Director, State Government Affairs