

HB 4104 -1 STAFF MEASURE SUMMARY

House Committee On Economic Development, Small Business, and Trade

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/4

WHAT THE MEASURE DOES:

The measure authorizes the Oregon Business Development Department (Business Oregon) to award grants and loans from the Oregon Fostering Innovation Strength at Home (FISH) and Creating Helpful Incentives to Produce Semiconductors (CHIPS) Fund (together, the FISH & CHIPS Fund) to qualifying businesses within targeted industries that have not applied for federal semiconductor assistance. The measure declares an emergency and is effective on passage.

Detailed Summary:

- Allows Business Oregon to select and award grants and loans from the Oregon FISH & CHIPS Fund to businesses that have not applied for federal semiconductor assistance and meet the definition of a “covered entity”
- Defines qualifying, “covered entities” as those with a demonstrated ability to finance and operate a facility relating to manufacturing, research or development for “targeted industries”
- Defines “targeted industries” as those identified by Oregon Business as providing the state with the best opportunities for growth, innovation, high wages, competitiveness, and statewide prosperity, including metals and machinery, business services, food and beverages, forestry and wood products, high technology, outdoor apparel, and bioscience
- Lowers the eligibility threshold to businesses with at least five Oregon employees
- Updates statutory references, including naming conventions, and amends the FISH & CHIPS program’s repeal date to January 2, 2036

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

- 1 The amendment deletes reference to examples of “targeted industries,” thereby removing the language referring to metals and machinery, business services, food and beverages, forestry and wood products, high technology, outdoor apparel, and bioscience.

The amendment appropriates \$4 million from the General Fund and \$6 million from the Administrative Services Economic Development Fund to the FISH & CHIPS Fund.

BACKGROUND:

Senate Bill 4 (2023) directed Business Oregon to award grants and make loans from the CHIPS Fund to businesses applying for federal semiconductor financial assistance. The CHIPS program allocated up to \$240 million in incentives to Oregon's semiconductor industry with such funds available to Oregon semiconductor companies applying for Federal CHIPS Act resources. Business Oregon, *Oregon CHIPS Program*, https://www.oregon.gov/biz/programs/OR_CHIPS_Fund/Pages/default.aspx, (last visited January 21, 2026).

Pursuant to SB 4, any money remaining in the CHIPS Fund reverted to the General Fund on June 30, 2025.

Oregon's targeted industries are those providing the best opportunities for growth, and Business Oregon directs resources to these industries to retain and expand businesses and investment into the state. Business Oregon,

Oregon's Target Industries,

<https://www.oregon.gov/biz/programs/homeareas/byboregon/targetindustries/pages/default.aspx>, (last visited January 20, 2026).

PRELIMINARY