



Office of Senator Mark Meek

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Investing in Oregon's Future: Research and Development Tax Credits for Semiconductors Pass Oregon Senate

HB 2009 will create family-wage, long-term jobs statewide, keep Oregon's economy stable and competitive in the 21st Century

SALEM, Ore. - Today, the Oregon Senate passed with bipartisan support [House Bill 2009](#), Oregon's next step toward securing and supercharging Oregon's semiconductor and advanced manufacturing industries. The package includes a research and development tax credit, extends enterprise zone program and updates our strategic investment package. HB 2009 will create family-wage, long-term jobs in every corner of the state and keep Oregon's economy stable and competitive in the 21st Century.

House Bill 2009 sets a \$255 million upper limit on tax credits through 2030 for businesses involved in the research, design or creation of semiconductors. The limit established for the current biennium is \$35 million; the Legislative Revenue Office anticipates about \$25 million in revenue impact in the upcoming biennium.

"This bill will attract good-paying, family-wage jobs in every corner of Oregon and make us safer and more secure into the future," **said Senator Mark Meek (D - Gladstone), co-chair of the Joint Committee on Tax Expenditures.** "This means more of our kids will be able to stay and build their lives, and families of their own, here at home in Oregon. This means more investment and revenue to better fund world-class schools, clean streets, safe neighborhoods, and a brighter future in every corner of our state."

Semiconductors are essential to Oregon's economy and most modern technology. They can be found in everything from cars to cell phones. Oregon is a global leader in semiconductor manufacturing, as well as research and development. The COVID-19 pandemic led to an international semiconductor shortage and made clear the need for investments in this sector.

Oregon has a once-in-a-generation opportunity to capitalize on \$52 billion in federal money made available through the CHIPS and Science Act to states to boost domestic semiconductor

manufacturing. Earlier this year, the Oregon Legislature passed Oregon CHIPS ([Senate Bill 4](#)), an unprecedented \$210 million investment that will open the door for Oregon businesses to access the federal money and further develop the infrastructure they need to be competitive.

Promoting economic opportunity is a key component of [Senate Democrats' 2023 Oregon Works agenda](#).

HB 2009 is one of the hundreds of bills that Senate Democrats rescued by negotiating an end to the Senate Republican walkout. Thanks to Senate Democrats showing up, doing their jobs, and delivering results for the people of Oregon, HB 2009 now moves to the Governor's desk.

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