HB 2998-3 (LC 1741) 3/18/15 (CDT/ps)

PROPOSED AMENDMENTS TO HOUSE BILL 2998

1 On <u>page 1</u> of the printed bill, line 2, after the first semicolon delete the 2 rest of the line.

3 In line 3, delete "and 527.620;".

4 Delete lines 5 through 21 and delete pages 2 through 8 and insert:

5 "SECTION 1. As used in sections 2 to 5 of this 2015 Act:

6 "(1) 'Business development project' has the meaning given that 7 term in ORS 285B.050.

8 "(2) 'Western juniper' means trees of the species Juniperus
9 occidentalis.

"SECTION 2. (1) The Oregon Business Development Department 10 shall provide economic development assistance to persons engaged in 11 the business of western juniper harvesting or of manufacturing pro-12ducts from western juniper. The department may provide the economic 13 development assistance for any western juniper harvesting or related 14 manufacturing business development project that the department 15deems reasonable, including but not limited to the provision of moneys 16 for business or infrastructure expansion and the hiring or retention 17 of workers. 18

"(2) The department shall provide economic development assistance under this section as either a loan or a grant. If the department provides the economic development assistance as a loan, the department shall make the loan subject to partial or full forgiveness if the borrower meets detailed performance measures. Subject to subsection (5)
of this section, the department may provide both loans and grants to
a person to meet business development project needs for the western
juniper harvesting or related manufacturing business of the person.

5 "(3) An application for economic development assistance under this
 6 section must:

7 "(a) Be submitted as a loan application in a form acceptable to the
8 department; and

9 "(b) Contain a business development project plan.

"(4)(a) The department may issue a loan under this section only if
 the business development project plan contained in the loan applica tion demonstrates to the satisfaction of the department that:

"(A) The project is feasible and reasonable from a practical and
 economic standpoint;

"(B) The project is unlikely to be developed without economic de velopment assistance from the department; and

"(C) The western juniper harvesting or related manufacturing
 business will have a reasonable prospect of meeting performance
 measures required by the department.

"(b) A loan made under this section may be interest-bearing or
interest-free and may be secured by any assets or revenues agreed to
by the department and the borrower.

"(c) The department may establish detailed performance measures 23that, if met by the borrower, may result in all or part of the loan being 24forgiven. The performance measures may include, but need not be 25limited to, employment figures, payroll amounts, sales, limitations on 26expenses and the amounts of western juniper harvested or otherwise 27removed from lands in this state due to the business. A loan made 28under this section must require the borrower to repay the loan if the 29 western juniper harvesting or related manufacturing business fails to 30

HB 2998-3 3/18/15 Proposed Amendments to HB 2998 1 meet required performance measures.

"(5) The department may issue a grant under this section only if a $\mathbf{2}$ loan application is submitted under subsection (3) of this section and 3 the department determines that the repayment of a loan for a needed 4 business development project would create an undue hardship that $\mathbf{5}$ would impair the viability of the western juniper harvesting or related 6 manufacturing business. The department may use a grant issued in 7 accordance with this subsection to supplement or replace economic 8 development assistance that the department provides as a loan under 9 this section. 10

"(6) Loans and grants authorized under this section shall be made from the Western Juniper Industry Fund established under section 6 of this 2015 Act. Any principal and interest paid to the department by a borrower on a loan made under this section shall be deposited in the fund.

"SECTION 3. The Oregon Business Development Department shall 16 make technical business assistance available to persons engaged in, 17 or proposing to engage in, the business of western juniper harvesting 18 or of manufacturing products from western juniper. The department 19 shall make the assistance available to support the creation, growth 20or development of a western juniper harvesting or related manufac-21turing business, including but not limited to assistance designed to 22improve business efficiency, stability, transparency and profitability. 23The assistance may be in standardized or customized form. The de-24partment may provide technical business assistance directly or may 25enter into personal service contracts for qualified providers to render 26the assistance. 27

"<u>SECTION 4.</u> (1) The Oregon Business Development Department
 shall provide, or shall partially or fully fund the provision of,
 workforce training assistance to persons engaged in the business of

western juniper harvesting or of manufacturing products from western 1 juniper. The department shall provide or fund the training assistance $\mathbf{2}$ to support the growth and development of a western juniper harvest-3 ing or related manufacturing business, including but not limited to 4 supporting business by qualifying workers in harvesting, commercial $\mathbf{5}$ driving and milling. The training assistance may be in standardized 6 or customized form. If the department provides training assistance 7 under this subsection or as part of a cooperative agreement under 8 subsection (2) of this section, the department may provide the assist-9 ance directly or may enter into personal service contracts for qualified 10 providers to render the assistance. 11

"(2) The department shall give preference to creating basic worker skills, but may also provide or fund training to assist in the maintenance or advancement of worker skills to ensure the viability of western juniper harvesting or related manufacturing businesses in this state. The department, the Employment Department, local governments as defined in ORS 174.116, nonprofit organizations and private associations may enter into cooperative agreements for:

"(a) Identifying the projected workforce needs of western juniper
 harvesting or related manufacturing businesses, potential workers for
 those businesses and the training needs of those potential workers;
 and

"(b) Providing workforce training assistance to meet the needs de scribed in paragraph (a) of this subsection.

"(3) Workforce training assistance described in this section must be designed to increase the likelihood that individuals in the local areas near western juniper harvesting or related manufacturing businesses will have the necessary skill sets to obtain work in those businesses. The Oregon Business Development Department may give training assistance preference to individuals in the local areas who are

1 unemployed.

"SECTION 5. The Institute for Natural Resources, in consultation $\mathbf{2}$ with the State Forestry Department, the State Department of Agri-3 culture and the State Department of Fish and Wildlife and individuals 4 and organizations interested in management, marketing or research $\mathbf{5}$ matters related to western juniper harvesting, shall identify and map 6 high quality marketable stands of western juniper that can be har-7 vested in a commercially and environmentally reasonable manner for 8 use in manufacturing. The institute shall maximize the use of remote 9 sensing technology to carry out the mapping and identification. To the 10 extent practicable, the institute shall make use of information devel-11 oped from other state efforts to map western juniper and associated 12landscape scale restoration and wildlife initiatives. The institute shall 13 make the mapping and identification information available without 14 charge for use by persons engaged in the business of western juniper 15harvesting or of manufacturing products from western juniper. The 16 institute may periodically review and update the information. 17

"SECTION 6. The Western Juniper Industry Fund is established in 18 the State Treasury, separate and distinct from the General Fund. In-19 terest earned by the Western Juniper Industry Fund shall be credited 20to the fund. The fund shall consist of any moneys appropriated, allo-21cated, deposited or transferred to the fund by the Legislative Assembly 22or otherwise. Moneys in the fund are continuously appropriated to the 23Oregon Business Development Department for the purpose of carrying 24out activities under sections 2, 3 and 4 of this 2015 Act. Any moneys 25deposited in the fund for the purpose of carrying out a particular ac-26tivity shall be kept in a separate subaccount of the fund and accounted 27for separately. 28

²⁹ "<u>SECTION 7.</u> In addition to and not in lieu of any other appropri-³⁰ ation, there is appropriated to the Oregon Business Development Department for deposit in the Western Juniper Industry Fund, for the
biennium beginning July 1, 2015, out of the General Fund, the amount
of \$800,000, which may be expended by the department as follows:

4 "(1) \$500,000 for carrying out activities under section 2 of this 2015
5 Act.

"(2) \$200,000 for carrying out activities under section 3 of this 2015
7 Act.

8 "(3) \$100,000 for carrying out activities under section 4 of this 2015
9 Act.

10 "SECTION 8. In addition to and not in lieu of any other appropri-11 ation, there is appropriated to the Higher Education Coordinating 12 Commission, for the biennium beginning July 1, 2015, out of the Gen-13 eral Fund, the amount of \$100,000, which may be expended to allow 14 Institute of Natural Resources personnel at Portland State University 15 to carry out institute activities under section 5 of this 2015 Act.

"SECTION 9. This 2015 Act being necessary for the immediate
 preservation of the public peace, health and safety, an emergency is
 declared to exist, and this 2015 Act takes effect July 1, 2015.".

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