

HB 2266 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Linnea Wittekind, Department of Administrative Services

Reviewed By: Matt Stayner, Legislative Fiscal Office

**Oregon Business Development Department
2021-23**

PRELIMINARY

Budget Summary*

	2019-21 Legislatively Approved Budget⁽¹⁾	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
General Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>	<u>100.0%</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>	<u>100.0%</u>

Position Summary

Authorized Positions	0	0	0	0
Full-time Equivalent (FTE) positions	0.00	0.00	0.00	0.00

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 2266 makes a one-time appropriation of \$20 million General Fund. Of this, \$10 million will be used to establish the Disadvantaged and Emerging Small Business Loan Fund and the other \$10 million will be used to establish a loan loss reserve program for qualified lenders.

Summary of Transportation and Economic Development Subcommittee Action

House Bill 2266 creates the following two distinct programs at the Oregon Business Development Department:

1. Establishes a program to make awards to fund loan-loss reserves of qualified lenders for the purpose of increasing lending to business owners who currently lack access to capital to start or grow their business. Awards are to be provided to qualified lenders based on a competitive proposal process. A General Fund appropriation of \$10 million is included in the bill for the purpose of operating the program.
2. Creates a direct loan program for the purpose of making loans to certain eligible businesses that have been certified by the Certification Office for Business Inclusion and Diversity and have been referred to the Department by a technical assistance provider. The measure establishes the Disadvantaged and Emerging Small Business Loan Fund for the purpose of making the loans and appropriates \$10 million General Fund for deposit in the fund.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Business Development Department
 Linnea Wittekind - 971-900-9992

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 210 - Business, Innovation, and Trade									
Services and Supplies	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000		
Special Payments - 6030 Dist to Non-Gov Units	\$ 9,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,900,000		
Special Payments - 6060 Intra-Agency Gen Fund Transfer	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000		
TOTAL ADJUSTMENTS	\$ 20,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000,000	0	0.00
SUBCOMMITTEE RECOMMENDATION	\$ 20,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000,000	0	0.00

PRELIMINARY