



TESTIMONY IN SUPPORT OF HB 5023  
Joint Ways & Means Subcommittee on Transportation and Economic Development  
March 3, 2021

Submitted by Oregon Small Business United

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Oregon Small Business United (OSBU) supports HB 5023, the budget for Business Oregon, to ensure operations, services, and programs continue to help business development in Oregon, especially in underserved communities.

OSBU was formed in 2020 to unite and amplify the voices of small businesses and the organizations that serve them, with a particular focus on Black, Indigenous, and people of color (BIPOC) and rural entrepreneurship. OSBU works to ensure the needs of these businesses are met as our state leaders address the economic crisis caused by the COVID-19 pandemic and beyond.

OSBU has worked closely with Business Oregon to ensure that funds from the CARES Act and the state were directed to Oregon's most vulnerable small businesses from underserved communities. This included advocating for more accessible grant applications to a diverse and wide range of small businesses, distributing funds equitably and expeditiously, and utilizing community lenders effectively. OSBU was able to consult with Business Oregon how best to administer the January E-Board allocation of \$110 million in commercial rent assistance grants.

OSBU lauds Business Oregon's role in supporting the Governor's Racial Justice Council work on developing proposals to increase access to capital as outlined in the vision for HB 2161. The lack of access to capital for businesses -- ranging from start-ups to more mature companies -- and technical assistance tailored to rural and racially diverse communities are ongoing inhibiting factors to widespread economic growth for our state. The obstacles to accessing capital have perpetuated economic inequality for decades. They have compounded the impacts of historic discrimination such as redlining practices in homeownership loans, and lack of traditional lending options in low-income communities leading to overreliance on personal credit for financing for business start-ups. Lack of capital access has created fertile ground for rent-to-own and payday loan industries that have only deepened income inequality and entrenched poverty.

OSBU would like to highlight the importance of the following Business Oregon's programs to small businesses:

- **Certification Office for Business Inclusion and Diversity**
- **Rural Opportunity Initiative**

- **Policy Option Package #111** - Technical assistance for businesses from underserved communities

We support a budget that enables Business Oregon to continue services important to Oregon's small businesses and encourage you especially to adopt Policy Option Package #111, which invests in technical assistance that is community-based and culturally specific.

SUBMITTED ON BEHALF OF OREGON SMALL BUSINESS UNITED:

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