

February 26, 2021

Co-Chair Senator Lee Beyer
Co-Chair Representative David Gomberg



Senator Bill Hansell
Senator Kayse Jama

Representative Paul Evans
Representative Julie Fahey

Representative Gary Leif
Representative Jack Zika

RE: HB 5023

To the Members of the Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development:

Rural Development Initiatives (RDI) is writing to petition the members of the Subcommittee to consider the specific and unique impact of HB 5023 on rural Oregon communities. RDI is grateful to the members of the Subcommittee for their attention to this vitally important funding.

When RDI began, first, as the Community Initiatives Program of the Oregon Economic Development Department (1989), then later, as a private nonprofit transformed by SB713 (1992), our charge was to assist rural communities experiencing abrupt and devastating changes to their economies. For 28 years, RDI's staff has worked alongside people in Oregon's rural communities as they have grappled with ongoing economic challenges and instabilities, reimagined new economic and community building strategies, built the leadership skills needed to work together, and rolled up their sleeves to do the work.

Rural economies are characterized by a high dependency on low-wage workers and small businesses, limited access to healthcare, dilapidated facilities, and inadequate access to childcare and senior services. This served to intensify the negative impact of the 2020 pandemic and wildfire events in rural places. RDI is responding to Oregon's small towns; helping them address complex problems and recover, in more geographic isolation, with fewer financial resources, few models designed to fit their situation, and more confusing or less trusted information sources than larger population centers. More support is needed.

RDI asks the Subcommittee to consider (1) **full funding for SBDCs** in rural regions as essential support to small businesses valiantly working to pivot their business models, (2) supporting the recommendation of the Economic Opportunity Committee of the Racial Justice Council to provide **technical assistance funding for underrepresented small business owners**, to focus on the disproportionate impact to Latinx and tribal communities in Oregon's rural places, and (3) **full funding for the Rural Opportunity Initiative program**, a proven model supporting community-based organizations in their efforts to create vital entrepreneurial and small business ecosystems.

Thank you for your timely and thoughtful service to the residents of Oregon in these difficult times.

Rurally yours,

A handwritten signature in black ink, appearing to read 'Heidi Khokhar', written in a cursive style.

Heidi Khokhar, Executive Director

