

HB 2258 -2 STAFF MEASURE SUMMARY

House Committee On Economic Development and Small Business

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Meeting Dates: 2/28, 3/7, 3/30

WHAT THE MEASURE DOES:

Extends sunset of Oregon Industrial Site Readiness Program. Appropriates \$40 million to Oregon Industrial Site Readiness Program Fund. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Establishes the Industrial Site Loan Fund. Appropriates \$40 million to Industrial Site Loan Fund.

Allows Oregon Business Development Department (OBDD) to provide financial assistance to project sponsor preparing land for industrial use within limitations using funds in Industrial Site Loan Fund. May be loan or in form of bonds issued by sponsor. OBDD may use no more than 1% of Industrial Site Loan Fund for assisting with project planning. Allowable costs include property acquisition and assembly, transportation improvements, infrastructure for broadband, natural resource mitigation, land grading, environmental remediation, interest-carrying costs, project management costs, consultant services and expenses, construction costs, acquisition of related off-site property, and other cost deemed necessary.

Project sponsor must apply for financial assistance from Industrial Site Loan Fund by applying in manner and form required by OBDD. Upon approval project sponsor may enter into an agreement for financial assistance with OBDD.

Declares an emergency, effective on passage.

BACKGROUND:

The Oregon Industrial Site Readiness Program is administered by the Oregon Business Development Program (OBDD). OBDD uses the authority from the Industrial sites readiness program to administer the Regionally Significant Industrial Sites Program. The regionally significant industrial sites program offers state income tax reimbursement for a number of development activities as long as employment thresholds are met.

House Bill 2258 extends the sunset of the Oregon Industrial Site Readiness Program from 2023 to 2033. It appropriates \$40,000,000 to the Oregon Industrial Site Readiness Program Fund.