

## HB 2350 STAFF MEASURE SUMMARY

### House Committee On Economic Development, Small Business, and Trade

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**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 1/29

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#### WHAT THE MEASURE DOES:

The measure directs the Oregon Business Development Department (OBDD) to develop a program to award financial assistance to support the retention or expansion of small businesses in the state.

#### Detailed Summary:

Directs OBDD to develop and administer a program to award financial assistance to eligible small businesses to promote the completion of business development projects. Defines business development projects as strategic investments that support the retention or expansion of an eligible small business in the state. Establishes the Small Business Sustainability Fund (SBSF) and appropriates money from the fund to OBDD to carry out the program. Defines eligible small businesses as those who are either traded sector businesses, make most of their sales outside the state, or demonstrate their regional economic importance. Directs OBDD to prioritize certain business development projects. Directs OBDD to establish an application process. States that the maximum amount of financial assistance to any business may not exceed 70 percent of the businesses total eligible project costs. Defines terms.

Takes effect on the 91st day following adjournment sine die.

Fiscal impact: (info)

Revenue impact: (info)

#### ISSUES DISCUSSED:

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

House Bill 2350 directs Oregon Business Development Department (OBDD) to develop a program to award financial assistance to support the retention or expansion of small businesses in the state.

Currently, OBDD administers a program that awards financial assistance to support the retention or expansion of traded sector small businesses in the state. The program has been in existence since 2019 and is funded through resources transferred from the Strategic Reserve Fund (SRF). The measure codifies the current small business financial assistance program in statute. It also would create a dedicated Small Business Sustainability Fund (SBSF) to serve as the funding source for the program. The measure would make some minor adjustments to the current program.