

## **HB 2415 A    STAFF MEASURE SUMMARY**

### **Senate Committee On Labor and Business**

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**Prepared By:** Whitney Perez, LPRO Analyst

**Meeting Dates:** 4/29, 5/1

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#### **WHAT THE MEASURE DOES:**

The measure eliminates the requirement that grants from the Oregon Infrastructure Finance Authority to ports not exceed \$50,000. It directs the Oregon Business Development Department (OBDD) to determine a maximum amount for such grants by rule. The grants must not exceed 75 percent of the total cost of the project or the maximum amount set by rule, whichever is less.

**REVENUE:** No revenue impact

**FISCAL:** Has minimal fiscal impact

#### **ISSUES DISCUSSED:**

- Provisions of the measure

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

The Oregon Business Development Department (Department) has many responsibilities, one of which is coordinating state and federal economic and community development programs. The department currently administers over 80 grant, loan, tax incentive, and other related programs in Oregon. One program within the department is the Infrastructure and Community Facilities Inventory (Inventory). This Inventory is intended to provide a reliable and regular assessment of community needs and priority projects in Oregon and is conducted on a biannual basis. It is a statewide inventory of short and long-term capital construction needs within local communities and port districts in Oregon. The first Inventory occurred in 2021. The Oregon Business Development Commission (Commission) provides oversight and direction to the department. The Commission consists of nine members, with most members serving four-year terms.

The Oregon Port Revolving Fund within the department provides loan funding to assist ports in the planning and construction of facilities and infrastructure. Oregon law specifies which port districts are eligible to apply. Eligible expenses include such things as project planning, engineering, construction, operation, and maintenance. Ports may finance no more than \$3 million from the Fund and repayment begins within one year after the date of the loan contract.

The Oregon Infrastructure Finance Authority within the department makes grants for port planning and marketing projects. Under current statute, these grants may not exceed \$50,000 and 75 percent of the total cost of the project.

HB 2415 A removes the \$50,000 cap. It requires that grants do not exceed 75 percent of the total cost of the project or a maximum amount to be determined by the Oregon Business Development Department, whichever is less.