

SB 569 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

Action Date: 04/01/25

Action: Do pass and refer to Ways and Means by prior reference.

Vote: 3-1-1-0

Yeas: 3 - Bonham, Pham, Taylor

Nays: 1 - Hayden

Exc: 1 - Woods

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 1/28, 3/18, 4/1

WHAT THE MEASURE DOES:

The measure directs the Oregon Business Development Department to establish a program to provide grants to qualified nonprofit or community-based organizations that assist businesses in becoming certified by the Certification Office for Business Inclusion and Diversity (COBID) as minority-owned businesses. The measure directs the department to develop criteria for qualifying an organization to receive grants and provides what the criteria must include at a minimum. The measure directs the department to monitor and evaluate the extent to which recipients of grant moneys enabled businesses to become certified by COBID as minority-owned business and how any increases in certifications affected the economic resilience of communities within which the newly certified businesses operate. Defines key terms. Directs the department to submit a report to the Legislative Assembly by September 1, 2026 and specifies what the report must include. Appropriates \$4,000,000 from the General Fund to the department for the biennium beginning July 1, 2025.

ISSUES DISCUSSED:

- Process to become certified by the Certification Office for Business Inclusion and Diversity
- Existing grant programs
- Ability to compete in the public procurement process
- Need for business development

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon law allows a business or enterprise to apply to the Certification Office for Business Inclusion and Diversity (COBID) for certification as a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns, or an emerging small business. Public contracting agencies are to consider these certifications in certain public contracting opportunities.

The Oregon Business Development Department has many responsibilities, one of which is coordinating state and federal economic and community development programs. The Oregon Business Development Commission provides oversight and direction to the department. The Commission consists of nine members, with most members serving four-year terms.

Senate Bill 569 directs the Oregon Business Development Department to establish a program to provide grants to qualified nonprofit or community-based organizations that assist businesses in becoming certified by the Certification Office for Business Inclusion and Diversity as minority-owned businesses.