



Legislative Fiscal Office
 83rd Oregon Legislative Assembly
 2026 Regular Session

Prepared by: Michael Graham

Reviewed by: Paul Siebert, Haylee Morse-Miller, Michelle Deister, John Terpening, Travis Miller, Kim To, Katie Bannikov

Date: February 12, 2026

Bill Title: Relating to a unified trade strategy for Oregon; declaring an emergency.

Government Unit(s) Affected: Oregon Business Development Department, Department of Agriculture, Legislative Assembly, Tourism Commission, Department of Administrative Services, Legislative Policy and Research Office, Office of the Governor, Oregon Lottery Commission, Task Force/Committee/Workgroup

Summary of Fiscal Impact:

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Business Development Department	\$ -	\$ 1,185,846	\$ -	\$ -	\$ 1,185,846	2	1.00
Total Fiscal Impact	\$ -	\$ 1,185,846	\$ -	\$ -	\$ 1,185,846	2	1.00

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Business Development Department	\$ -	\$ 160,096	\$ -	\$ -	\$ 160,096	1	0.75
Total Fiscal Impact	\$ -	\$ 160,096	\$ -	\$ -	\$ 160,096	1	0.75

Measure Description

The measure allocates \$950,000 Lottery Funds to the Oregon Business Development Department (OBDD) in the 2025-27 biennium from the Administrative Services Economic Development Fund to develop and administer a program to award micro-enterprise tariff adjustment grants to small businesses to cover significant increases in business costs due to tariffs recently imposed by the federal government. The measure specifies grant eligibility and directs OBDD to adopt program rules. OBDD, in collaboration with the Portland of Portland, Oregon Tourism Commission (OTC), and Oregon Department of Agriculture (ODA), must update the unified trade strategy for Oregon.

The measure requires the Department of Administrative Services (DAS) to produce a procurement road map that includes analysis of current procurement laws to identify barriers to local procurement; an analysis of state procurement spending to determine awards to in-state vs. out of state entities; an analysis of tax impact comparing local and non-local contracts; a review of existing best procurement practices; and recommendations for implementation.

The measure establishes the nine-member Task Force on Business Retention. The task force is to solicit input from businesses to develop incentives to compete with other states, support business expansion in Oregon, and develop recommendations to improve the state's business retention and recruitment activities. The measure directs the Legislative Policy and Research Office to provide staff support to the task force.

Fiscal AnalysisOregon Business Development Department

The fiscal impact for OBDD is estimated to be \$1.2 million Lottery Funds and two positions (1.00 FTE) in the 2025-27 biennium and \$160,096 Lottery Funds and one position (0.75 FTE) in the 2027-29 biennium.

The measure directs OBDD to develop and administer a new program to award grants of up to \$10,000 to Oregon small businesses to cover increased costs incurred because of federal tariffs. OBDD anticipates disbursing all program funds through approximately 120 grants during the 2025-27 biennium. OBDD will use existing resources to develop, administer, and market the proposed grant program. However, OBDD will require additional resources to support the fiscal management and contracting requirements of 120 additional department grant awards, consisting of the following: one limited-duration, full time Accounting Technician (0.50 FTE in the 2025-27 biennium) to manage vendor account setup, process award disbursements, and support fiscal record keeping through the statutory repeal of the program on January 2, 2029; and one limited-duration, full time Procurement and Contract Specialist 1 (0.50 FTE in the 2025-27 biennium and 1.00 FTE in the 2027-29 biennium) to support the contracting needs of the proposed program, through June 30, 2027. The estimated cost of these positions, including position-related services and supplies, is \$235,846 Lottery Funds in the 2025-27 biennium and \$160,096 Lottery Funds in the 2027-29 biennium.

Legislative Policy and Research Office

The measure requires the Legislative Policy and Research Office (LPRO) to provide staff support to the Task Force on Business Retention. LPRO's current service level budget is designed to support interim committees and a certain number of task forces within existing resources. However, the number of committees and task forces over the last several biennia have increased, and if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2025-27 budget, additional General Fund resources may be required.

To estimate the potential expenditures for staffing this task force, assuming four meetings over eight months, would require one Senior Legislative Analyst assigned part-time to the task force (0.31 FTE), one Research Analyst assigned with one-third of their time to the task force (0.21 FTE), and one Committee Assistant assigned part-time to the task force (0.31 FTE).

LPRO notes that additional costs could result from the requirement that the task force seek input from existing businesses and economic development organizations; and depends on factors such as the number of stakeholders that must be contacted, or how input from stakeholders needs to be collected. For example, qualitative surveys across numerous types of occupational licensing stakeholders could be more costly than other forms of gathering data with a more limited scope.

Legislative Assembly

The measure is also expected to have a minimal impact on the Legislative Assembly. Although the 2025-27 Legislative Assembly budget contains funds allocated for interim committees and task forces, if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2025-27 budget, additional General Fund resources may be required.

Four members of the task force will be legislative members who are entitled to per diem and travel reimbursement. The task force would not incur additional costs to the Legislative Assembly budget if the meetings were held at the Capitol building during the Legislative Session, or Task Force or Legislative Days.

Other entities

The measure is anticipated to have a minimal fiscal impact on ODA and OTC. There is no fiscal impact to the Office of the Governor, Oregon Lottery Commission, and DAS.

Relevant Dates

The measure declares an emergency and takes effect on passage.

DAS is to report on the final procurement reform roadmap to the Legislature by December 15, 2026. This reporting requirement sunsets on January 2, 2027.

The Task Force on Business Retention is to report to the Legislature by December 15, 2026. The task force sunsets on December 31, 2027.

The grant tariff-related grant program administered by OBDD sunsets on January 2, 2029.