

REVENUE: No Revenue Impact  
FISCAL: No Fiscal Impact

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**Action:** Do pass  
**Vote:** 8-0-1  
**Yeas:** Berger, Bruun, Gelser, Olson, Read, Rosenbaum, Witt, Barnhart  
**Nays:**  
**Exc.:** Butler  
**Prepared By:** Warner, Economist  
**Meeting Dates:** 5/3

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**WHAT THE BILL DOES:** Expands definition of emerging growth businesses for purpose of investments undertaken by the Oregon Growth Account. Removes requirement that emerging growth business is within one or more traded sector industries. Adds commercialization of a technology to definition of 'seed capital'. Increases flexibility in types of payments or profit sharing arrangements Oregon Growth Account Board can enter into.

**ISSUES DISCUSSED:**

- Package of proposals from Oregon INC.
- Definition of traded sector industries
- Identification of early stage product development.
- History of Oregon Growth Account.

**EFFECT OF COMMITTEE AMENDMENTS:** None

**BACKGROUND:** The Oregon Growth Account (OGA) was established as part of Education Endowment Fund in 1995. When the endowment fund was converted into the Education Stability Fund (ESF) by voters in 2002, the OGA was made a sub-account within the ESF. 10% of funds transferred into the ESF are placed into the sub-account. About \$22 million in new money is expected to be transferred into the sub-account in the 2007-09 biennium. The purpose of the OGA is to earn returns for the Education Stability Fund by making investments in or providing seed capital for emerging growth businesses. The Oregon Investment Council manages investments for the fund while the OGA is governed by the Oregon Growth Account Board.