

House Bill 3625

Sponsored by COMMITTEE ON ELECTIONS, ETHICS AND RULES (at the request of House Interim Committee on Veterans' Affairs)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes Veterans' Small Business Repair Loan Program. Provides interest-free loans to certain veterans. Directs Department of Veterans' Affairs to consult with Economic and Community Development Department in awarding loans.

Appropriates moneys to Department of Veterans' Affairs to carry out program.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to veterans; appropriating money; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) As used in this section:**

5 (a) **"Deployment" means an act in which a person was ordered to active duty and was**
6 **deployed outside the United States.**

7 (b) **"Mobilization" means an act in which a person left the person's home station and was**
8 **transferred to a mobilization site for federal service.**

9 (c) **"Small business" means a business that:**

10 (A) **Is a corporation, partnership, sole proprietorship or other legal entity licensed and**
11 **located in Oregon and formed for the purpose of making a profit, and that is independently**
12 **owned and operated from all other businesses; and**

13 (B) **Employs 50 or fewer persons.**

14 (d) **"Veteran" means a person who owns a controlling interest in a small business and**
15 **who, at the time of the person's mobilization or deployment, is:**

16 (A) **A member of the Oregon National Guard; or**

17 (B) **A member of the reserves of the Army, Navy, Air Force, Marine Corps or Coast**
18 **Guard of the United States and a resident of Oregon.**

19 (2) **There is established in the Department of Veterans' Affairs the Veterans' Small**
20 **Business Repair Loan Program. The purpose of the program is to assist any veteran whose**
21 **small business, due to the veteran's absence, incurred a setback during the veteran's**
22 **mobilization or deployment by providing an interest-free loan to the veteran upon the vet-**
23 **eran's return from mobilization or deployment. A loan shall be used by the veteran to re-**
24 **store the veteran's small business, to the extent feasible, to the condition the small business**
25 **was in prior to the veteran's mobilization or deployment.**

26 (3) **A veteran may receive a maximum of two loans under the program. Each loan may**
27 **not exceed \$20,000. Application for a loan must be made within 12 months after**
28 **demobilization.**

29 (4) **The department shall adopt by rule:**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (a) Criteria that a small business must meet to qualify as having incurred a business
2 setback while the veteran was mobilized or deployed;

3 (b) The application process and any necessary forms;

4 (c) Terms of loan repayment; and

5 (d) Other criteria and processes necessary to carry out the purposes of the program.

6 (5) If a veteran is deceased as a result of the veteran's mobilization or deployment, the
7 unremarried surviving spouse of the deceased veteran is eligible to apply for and receive a
8 loan to continue the veteran's small business.

9 (6) If a veteran is at the time of the loan application no longer a member of the Oregon
10 National Guard or the reserves, the veteran must have been discharged under honorable
11 conditions.

12 (7) The Department of Veterans' Affairs, in consultation with the Economic and Com-
13 munity Development Department, shall review and reject or approve loan applications sub-
14 mitted by veterans.

15 **SECTION 2.** In addition to and not in lieu of any other appropriation, there is appropri-
16 ated to the Department of Veterans' Affairs, for the biennium beginning July 1, 2007, out of
17 the General Fund, the amount of \$_____, which may be expended for carrying out the
18 purposes of the Veterans' Small Business Repair Loan Program established under section 1
19 of this 2008 Act.

20 **SECTION 3.** This 2008 Act being necessary for the immediate preservation of the public
21 peace, health and safety, an emergency is declared to exist, and this 2008 Act takes effect
22 on its passage.
23 _____