

**REVENUE IMPACT OF
PROPOSED LEGISLATION
75th Oregon Legislative Assembly
2010 Special Session
Legislative Revenue Office**

**Bill Number: SB 1017 A
Revenue Area: Business Development
Economist: Mazen Malik
Date: Feb-22-2010**

Measure Description: Increases maximum amount of Oregon Business Development Fund loans to more than fifty percent of project costs if the applicant has been denied by two or more lenders and has no other available financing. Increases authority of the Director of the Business Development Department for business development loan maximum from \$100,000 to \$250,000. Expands eligibility for entrepreneurial development loans to include all existing businesses that grossed less than \$500,000 the previous year.

Revenue Impact (in \$Millions):

The measure was amended to change the funding of the measure from a revenue transfer to a general fund appropriation.

Impact Explanation:

The impact of this measure changes with the "-2" amendment to become an appropriation of \$3,000,000 from the general fund to the Oregon Business Development Department. With connections to HB 3698 which increases the appropriation to \$5,000,000. These general fund appropriations will be used for Oregon Business Development Fund. Loans to developing businesses facing the tight credit conditions specified in the bill. Usually the impact on the general fund as revenue transfers (from original language in the bill) comes in two ways the interest that might not be received and the borrowing that would have occurred as a result of less funds availability.

Creates, Extends, or Expands Tax Expenditure: Yes No