

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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<b>Action:</b>	Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on Ways and Means
<b>Vote:</b>	6 - 0 - 0
<b>Yeas:</b>	Atkinson, Burdick, Edwards, Girod, Starr, Beyer
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Richard Berger, Administrator
<b>Meeting Dates:</b>	3/15, 4/21

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**WHAT THE MEASURE DOES:** Expands characteristics of “emerging growth business” to include businesses that meet the following criteria: between 10 and 99 employees; between \$1 million and \$50 million annual gross revenue; and in the traded sector and positioned for growth. Directs Oregon Business Development Department to enter into contracts with small business development centers and the Oregon University System to develop and implement regional Grow Oregon pilot program based on findings of the Task Force on Stage Two Business Development and Economic Gardening. Requires Department to select where pilot is located, and directs pilot to provide marketing strategies, recommendations, technical assistance to emerging growth businesses. Directs Department to develop rule criteria for applications approval and for providing services. Authorizes Department to charge reasonable fees for administration of pilot program to emerging growth business with approved applications. Allows Department, small business development centers, and Oregon University System to seek federal and private sector funding. Authorizes Department to enter into contracts with private nonprofit and public business entities. Requires Department to obtain independent third party evaluation of pilot program, and submit report to appropriate Legislative committee. Appropriates moneys to the Department from State Lottery Fund. Sunsets June 30, 2013.

**ISSUES DISCUSSED:**

- Need for different methods of economic development
- Need to assist small businesses
- Greater multiplier effect for local business growth then enticing companies from elsewhere
- Overlap with small business development centers

**EFFECT OF COMMITTEE AMENDMENT:** Replaces original measure.

**BACKGROUND:** Senate Bill 930 A is based on the economic development strategy known as “economic gardening,” which is an economic development model based on the idea that entrepreneurs drive economies. The model seeks to create jobs by supporting existing companies in a community instead of focusing on recruiting business from the outside. Generally, this takes the form of connecting entrepreneurs to resources, encouraging the development of essential infrastructure, and providing entrepreneurs with information. The concept was pioneered in 1987 by the City of Littleton, Colorado.