

# House Bill 3532

Sponsored by Representative MCLANE (at the request of Greg Lambert)

## 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**.

Allows worker leasing companies and temporary service providers to apply for loan or grant from Building Opportunities for Oregon Small Business Today (BOOST) Account.

## A BILL FOR AN ACT

1  
2 Relating to small business employers; creating new provisions; and amending section 2, chapter 93,  
3 Oregon Laws 2010.

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

5 **SECTION 1.** Section 2, chapter 93, Oregon Laws 2010, is amended to read:

6 **Sec. 2.** (1) As used in this section and section 3, **chapter 93, Oregon Laws 2010** *[of this 2010*  
7 *Act]*:

8 (a) "BOOST Account" means the Building Opportunities for Oregon Small Business Today Ac-  
9 count established under section 3, **chapter 93, Oregon Laws 2010** *[of this 2010 Act]*.

10 (b) "Comparable wages" means wages that are reasonably equivalent to wages paid to other  
11 employees of a small business employer regardless of position.

12 (c) **"Employee" includes a person employed by a small business employer and includes**  
13 **workers provided by a worker leasing company or temporary service provider, both as de-**  
14 **defined in ORS 656.850.**

15 [(c)] (d) "Full-time" means a minimum of 35 hours per week or 25 hours per week with health  
16 benefit plan coverage.

17 [(d)] (e) "Health benefit plan" has the meaning given that term in ORS 743.730.

18 [(e)] (f) "Small business employer" means:

19 (A) A business having 100 or fewer employees in a traded sector industry[.];

20 (B) **A worker leasing company as defined in ORS 656.850 that is licensed by the Director**  
21 **of the Department of Consumer and Business Services and that has fewer than 100 workers**  
22 **available to work for clients; and**

23 (C) **A temporary service provider as defined in ORS 656.850 that has fewer than 100**  
24 **workers available to work for clients.**

25 [(f)] (g) "Wages" means all compensation for performance of personal services by an employee  
26 for a small business employer, including salaries, commissions, benefits, the cash value of all com-  
27 pensation paid in any medium other than cash and any other form of remuneration paid to employ-  
28 ees for personal services.

29 (2) Any small business employer may file with the Oregon Business Development Department  
30 an application to borrow money, or an application for a grant of financial assistance, from the  
31 BOOST Account for industry development purposes as defined by rule of the department. The ap-

**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 plication shall be filed in the manner and be accompanied by such information as the department  
 2 may prescribe by rule.

3 (3) The department may approve an application for a loan or grant under this section if, after  
 4 investigation, the department finds that:

5 (a) The applicant demonstrates a reasonable capacity to increase employment opportunities in  
 6 this state or, in the case of a loan, demonstrates a reasonable capacity to retain existing jobs in this  
 7 state.

8 (b) The applicant has established goals of creating new full-time jobs in Oregon or, in the case  
 9 of a loan, has established goals of retaining existing jobs in Oregon, with a reasonable prospect of  
 10 achieving such goals.

11 (c) The applicant has a demonstrated history of providing comparable wages to its employees.

12 (d) In the case of a loan, the applicant can provide good and sufficient collateral for the loan.

13 (e) Moneys are or will be available in the BOOST Account.

14 (4)(a) Following the department's approval of an application under subsection (3) of this section,  
 15 the department may:

16 (A) Enter into a loan contract with the applicant of not more than \$150,000, secured by good  
 17 and sufficient collateral, with a plan for repayment not to exceed four years. The contract entered  
 18 into under this subparagraph shall contain a repayment plan that includes the amount of interest  
 19 to be charged and information about appropriate legal remedies the department may pursue to se-  
 20 cure repayment upon the applicant's default or failure to comply with the contract, including with-  
 21 holding of any amounts otherwise due. The department shall develop rules governing repayment of  
 22 loans under this subparagraph and the collection of moneys owed to the BOOST Account. The de-  
 23 partment may take any action permitted by statute or rule that the department deems necessary to  
 24 secure the repayment of the loan.

25 (B) Make grants not to exceed \$2,500 per new full-time job established by the applicant after the  
 26 date of approval of its application. A grant may not be made under this subparagraph unless the new  
 27 full-time employee has been unemployed for at least 60 days preceding the date of hire and the new  
 28 full-time job is held by the employee for a minimum period of six consecutive months. The total sum  
 29 of moneys paid under this subparagraph may not exceed \$50,000 per applicant in any calendar year.  
 30 Grants made under this subparagraph shall be paid in the quarter following receipt by the depart-  
 31 ment of a report from the applicant that provides information about new full-time jobs established  
 32 by the applicant and upon verification of employment in a manner to be established by the depart-  
 33 ment by rule.

34 (b) In entering into loan contracts under paragraph (a)(A) of this subsection, the department  
 35 shall give preference to an applicant that proposes to create new full-time jobs.

36 **SECTION 2. The amendments to section 2, chapter 93, Oregon Laws 2010, by section 1**  
 37 **of this 2011 Act apply to loans and grants made from the Building Opportunities for Oregon**  
 38 **Small Business Today Account on or after the effective date of this 2011 Act.**