

Joint Committee on Ways and Means

Carrier – House: Rep. Read  
Carrier – Senate: Sen. Beyer

**Revenue:** No revenue impact

**Fiscal:** No fiscal impact

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**Action:** Do Pass as Amended and as Printed A-Engrossed

**Vote:** 26 – 0 – 0

House

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jensen, Komp, McLane, Nathanson, Read, Richardson, Smith, Tomei, Williamson

Nays:

Exc:

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc:

**Prepared By:** Krista McDowell, Legislative Fiscal Office

**Meeting Date:** June 28, 2013

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**WHAT THE MEASURE DOES:** Directs Oregon Business Development Department to develop and implement program to assist technology-based start-up businesses whose primary purpose is commercialization of university research. Establishes Oregon University Research Commercialization Fund and appropriates moneys in Fund to Department for program purposes. Requires report to legislative committees on economic development during 2015 Legislative Session regarding program implementation.

**ISSUES DISCUSSED:**

- Closing market gaps by matching higher education production with commercial resources and access to capital
- How bill would help OSU and U of O collaborate and create jobs
- OHSU and PSU have a collaborative already in place
- Community match requirement to meet state dollars
- Physical building will help collaboration take place and will prevent delays in the development of new markets

**EFFECT OF COMMITTEE AMENDMENT:** Replaces the original language in the bill. The amendments require the Oregon Business Development Department to facilitate activities relating to the Oregon Regional Accelerator and Innovation Network (Oregon RAIN) in the South Willamette Valley.

**BACKGROUND:** Research performed at the university level generates ideas and breakthroughs that represent potential commercial and societal value, particularly in the areas of science and technology. The transition from academic research to commercially-viable business opportunity can benefit from management expertise, information resources, appropriate facilities and improved access to capital for fledgling companies. While the traditional model involved licensing university research, the “business accelerator” concept offers a more robust support structure for ventures building on university research.

Senate Bill 241 establishes the Oregon University Research Commercialization Fund, which will be used by the Oregon Business Development Department, in cooperation with the University of Oregon and Oregon State University, to provide financial assistance, proof of concept funding, subsidized office and laboratory space in proximity to university research facilities, execution and repayment of loan guarantees or extensions of credit for eligible businesses, purchase of technology and supplies, and provision for training and technical assistance, as well as assistance in identifying and connecting venture capital investment. The Fund is to be seeded by donations, moneys appropriated by the Legislative Assembly, investment earnings, and moneys from other sources.