

House Bill 3512

Sponsored by Representatives WILLIAMSON, CLEM, Senator EDWARDS

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**.

Requires Oregon Business Development Department to develop and implement regional Grow Oregon pilot program to provide marketing and technical assistance to emerging growth businesses. Authorizes department to seek funding and to enter into contracts for provision of services to emerging growth businesses. Requires department to obtain third-party evaluation of pilot program.

Sunsets pilot program on June 30, 2015.

Allocates moneys from Administrative Services Economic Development Fund to department for development and implementation of pilot program.

Declares emergency, effective July 1, 2013.

A BILL FOR AN ACT

1
2 Relating to technical assistance provided to emerging growth businesses; and declaring an emer-
3 gency.

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

5 **SECTION 1. (1)(a) As used in this section, "emerging growth business" means a business**
6 **with high growth potential that:**

7 (A) **Has between 5 and 99 employees;**

8 (B) **Has demonstrated growth in gross sales, net profit or net employment in three of the**
9 **last five years or, if the business has been operating for less than five years, has demon-**
10 **strated growth in gross sales, net profit or net employment in two of the last three years;**
11 **and**

12 (C) **Is in the traded sector, as defined in ORS 285A.010, and is positioned for growth.**

13 (b) **The Oregon Business Development Department by rule may modify and add to the list**
14 **of the characteristics of an emerging growth business in paragraph (a) of this subsection.**

15 (2) **The department shall, together with the network of small business development cen-**
16 **ters established under ORS 285B.165 to 285B.171 and the Oregon University System, enter**
17 **into contracts as necessary to develop and implement a regional Grow Oregon pilot program**
18 **based on the findings of the Grow Oregon Council created under section 1, chapter 90,**
19 **Oregon Laws 2010. The department shall use a public procurement process, with criteria and**
20 **measurable outcomes determined by the department, to select the region in which the pilot**
21 **program will be located.**

22 (3) **The pilot program contracted for, developed and implemented under this section shall**
23 **deliver and provide one or more of the following services to eligible applicants:**

24 (a) **Consultation, advice and information about targeted marketing strategies, research**
25 **and analysis.**

26 (b) **Marketing recommendations, including information about geographic information**
27 **systems interpretation.**

28 (c) **Technical assistance and information about the use and application of social media**

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 and technology.

2 (4)(a) An emerging growth business may file with the department an application to re-
3 ceive one or more of the services described in subsection (3) of this section. The application
4 must contain or be accompanied by any required information and fee, and must be filed in
5 such a manner, as the department may prescribe by rule.

6 (b) The department shall develop by rule criteria, including criteria for performing a
7 business needs assessment, for the approval of completed applications filed pursuant to par-
8 agraph (a) of this subsection.

9 (5) The department shall provide the services described in subsection (3) of this section
10 upon determining that:

11 (a) Moneys are available to provide the services to the applicant;

12 (b) The applicant has a need for the services;

13 (c) The applicant has a reasonable prospect of accessing new markets, creating jobs and
14 increasing revenues with receipt of the services; and

15 (d) The applicant meets the criteria developed under subsection (4)(b) of this section and
16 conditions of the business needs assessment performed by the department under subsection
17 (4)(b) of this section.

18 (6) The department may charge a reasonable fee to an emerging growth business whose
19 application is approved under subsection (4) of this section for the provision of services de-
20 scribed in subsection (3) of this section. Fees received under this subsection may be used by
21 the department for the administration of the Grow Oregon pilot program and for the direct
22 costs of approving applications and performing business needs assessments under subsection
23 (4)(b) of this section.

24 (7) The department may, in consultation with the network of small business development
25 centers established in ORS 285B.165 to 285B.171 and the Oregon University System, seek
26 funding from federal sources and private sector investments to support the provision of
27 services to emerging growth businesses under this section.

28 (8) The department may enter into contracts with private, nonprofit and public business
29 entities for the provision of services to emerging growth businesses under this section.

30 (9) Where possible, the department shall integrate the services described in subsection
31 (3) of this section with services that are available in the existing business development
32 infrastructure when the department provides services to an emerging growth business under
33 this section.

34 (10) The department shall obtain an independent third-party evaluation of the Grow
35 Oregon pilot program contracted for, developed and implemented under this section and,
36 following the completion of the evaluation, shall prepare and submit a report to the com-
37 mittees of the Legislative Assembly that have authority over the subject area of business
38 and economic development on the date of the convening of the 2015 regular session of the
39 Legislative Assembly as specified in ORS 171.010.

40 **SECTION 2.** The Legislative Assembly finds that the development and implementation
41 of a regional Grow Oregon pilot program for the provision of services by the Oregon Business
42 Development Department, as described in section 1 of this 2013 Act, will assist emerging
43 growth businesses in Oregon with their business and marketing needs so as to enhance the
44 positive growth of those businesses and the ability of those businesses to hire new employ-
45 ees.

1 **SECTION 3.** There is allocated for the biennium beginning July 1, 2013, from the Admin-
2 istrative Services Economic Development Fund, to the Oregon Business Development De-
3 partment, the amount of \$_____ for the purposes of section 1 of this 2013 Act.

4 **SECTION 4.** Sections 1 and 2 of this 2013 Act are repealed on June 30, 2015.

5 **SECTION 5.** This 2013 Act being necessary for the immediate preservation of the public
6 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect
7 July 1, 2013.

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