

**Oregon Business Development Department
Oregon Growth Board Report**

The Transportation and Economic Development Subcommittee recommends that the Joint Committee on Ways and Means acknowledge receipt of a report on the investment policies and performance measures adopted by the Oregon Growth Board, with the understanding the Oregon Growth Board will submit annual reports to the Joint Committee on Ways and Means on the management of the Oregon Growth Account and the Oregon Growth Fund.

The Oregon Growth Board (OGB) was established by legislation passed in the 2012 and 2013 sessions. On January 1 of this year, the Board assumed management of the Oregon Growth Account from the State Treasurer, and management of the newly-established Oregon Growth Fund. The Joint Committee on Ways and Means directed the Board to adopt investment policy statements, and to report on its investment policies and on how it will target and measure the performance of the investments it will make.

The OGB manages an estimated \$149 million of state funds, and will have \$39.4 million available to it this biennium for new investment purposes. Most of these monies remain in the Oregon Growth Account. The Board will invest OGA monies in a manner similar to how OGA monies were formerly invested by the State Treasurer, but will direct more investments toward growth capital, and less to venture capital, than was previously done. The Board has also approved guidelines that give preference to investments that address capital gaps in Oregon, that target key industries and traded-sector companies, and that support rural business and businesses owned by underserved populations.

The Subcommittee recommends that the Board be directed to present annual reports to the Joint Committee on Ways and Means, to allow this Committee to monitor and review the Board's management of these monies. The Committee will have special interest in the performance of the Board's investments, as they relate to both investment returns and to economic development. The Subcommittee recommends approval.