

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	5 - 1 - 1
Yeas:	Davis, Holvey, McKeown, Unger, Clem
Nays:	Thatcher
Exc.:	Cameron
Prepared By:	Beth Reiley, Administrator
Meeting Dates:	2/4

WHAT THE MEASURE DOES: Expands direction to Oregon Business Development Department to undertake entrepreneurial assistance and support to promote regional economic development strategies in targeted clusters in rural communities. Expands legislative intent of Entrepreneurial Development Loan Fund (EDLF) to include utilizing policies, priorities and practices that further entrepreneurial and small business development in rural communities. Increases cap on loans from EDLF to \$100,000 and extends the length that loans can be made for up to 10 years. Appropriates \$250,000 to the Industry Competitiveness Fund for the biennium beginning July 1, 2013.

ISSUES DISCUSSED:

- Importance of cluster based strategies
- Loans help companies establish themselves so that more traditional loans are available to them
- Success of program

EFFECT OF COMMITTEE AMENDMENT: Increases allowable length that EDLF can be made for to 10 years.

BACKGROUND: The Entrepreneurial Development Loan Fund (EDLF) provides direct loans to help start-ups, micro-enterprises and small businesses expand or become established in Oregon. EDLF loans are for no more than \$70,000 and have a maximum term and amortization of five years.

House Bill 4016A would increase the lending cap on EDLF loans from \$70,000 to \$100,000 and appropriates \$250,000 to the Industry Competitiveness Fund for the biennium beginning July 1, 2013.