

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Business and Transportation

REVENUE: May have revenue impact, statement not yet issued**FISCAL: May have fiscal impact, statement not yet issued****SUBSEQUENT REFERRAL TO:****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Patrick Brennan, Administrator**Meeting Dates:** 2/1, 2/3, 2/10

WHAT THE MEASURE DOES: Authorizes the Office of Small Business Assistance, as part of its duties, to coordinate with, and provide assistance to, county and municipal agencies and authorities. Authorizes the office to refer small businesses to the appropriate resources to answer questions posed by the small business. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Types of services provided by Office of Small Business Assistance
- Number of staff employed by Office
- Provisions of proposed amendment
- Local government home rule
- Whether measure gives state government control over local government

EFFECT OF COMMITTEE AMENDMENT:

[-2 amendment] Replaces definition of “government agency” with definition of “local government” as provided in ORS 174.116. Replaces references to “government agencies” with original language in ORS 56.203. Deletes section 3 of measure. Replaces requirement that Office consult and coordinate with local government ombudsman or similar office with directive to work with local governments to facilitate interactions between small businesses and local governments and to work with small businesses and local governments to identify and recommend ways to improve processes and functions of local governments with respect to interactions with small businesses.

[no fiscal impact, no revenue impact on measure with the -2 amendment]

[-3 amendment] Replaces definition of “government agency” with definition of “local government” as provided in ORS 174.116. Replaces references to “government agencies” with original language in ORS 56.203. Deletes section 3 of measure. Replaces requirement that Office consult and coordinate with local government ombudsman or similar office with directive to work with local governments to facilitate interactions between small businesses and local governments and to work with small businesses and local governments to identify and recommend ways to improve processes and functions of local governments with respect to interactions with small businesses. Sets requirements for Office to notify small businesses and local governments requesting assistance whether the Office will work with the requester, updates on status of that work (upon request) and when the work is completed. Authorizes the Office to compile statistical data and reports.

BACKGROUND: The Secretary of State is a statewide official whose duties include registering businesses operating in Oregon and conducting audits. In addition to the audit function, the Office of Secretary of State conducts special investigations regarding the potential misuse of state resources; these investigations may occur at state agencies, local

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This summary has not been adopted or officially endorsed by action of the committee.

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governments, or contractors receiving state or federal funds from state agencies. The Secretary of State's Audits Division also accepts reports of waste, fraud or abuse by phone, Internet or mail.

The Office of Small Business Assistance was created within the Office of Secretary of State with the passage of House Bill 3459 (2013). It was charged with two primary functions: to facilitate interactions between small businesses and state agencies; and to conduct reviews and investigations of complaints received from small businesses with respect to interactions with state agencies. "Small business" is defined for this program as a prospective, new or established business with 100 or fewer employees that is, or will be, located in Oregon.

Senate Bill 1583 expands the duties of the Office of Small Business Assistance to include coordination with, and assistance to, county and municipal governments and authorities. The measure specifies that with regard to reviews and investigations, the Office shall consult and coordinate with the ombudsman or similar office of the county or municipality in question.