

HB 2155 -1 STAFF MEASURE SUMMARY

House Committee On Economic Development and Trade

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Sub-Referral To: House Committee On Revenue

Meeting Dates: 3/20

WHAT THE MEASURE DOES:

Extends sunset for tax credit for qualified equity investment to July 1, 2022. Increases the maximum amount of qualified equity investments that Oregon Business Development Department (Business Oregon) may certify per tax year to \$24 million. Allows higher limitations on amount of qualified low-income community investments that may be made with proceeds of qualified equity investments that are certified for tax credit for bioscience incubator to \$40 million. Takes effect on 91st day following sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Replaces measure. Extends sunset for tax credit for qualified equity investment to January 1, 2023. Increases the maximum amount of qualified equity investments that Oregon Business Development Department (Business Oregon) may certify per tax year from \$16 million to \$24 million. Caps fees paid to qualified community development entities at three percent of the qualified equity investment. Removes provisions relating to bioscience incubator. Takes effect on 91st day following sine die.

Fiscal: Minimal fiscal impact

Revenue:

BACKGROUND:

A qualified low income community investment is an equity investment in, or long-term debt security issued by, a qualified community development entity (CDE) which meets specified conditions and obtains certification from the Oregon Business Development Department.

House Bill 2155 would extend the sunset for qualified equity investments to July 1, 2022. The measure would also allow Business Oregon to issue up to \$24 million in tax credits.