

HB 2012 -1 STAFF MEASURE SUMMARY

House Committee On Economic Development and Trade

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/20, 4/12, 4/17

WHAT THE MEASURE DOES:

Creates the Eastern Oregon Border Economic Development Region (Region), the Eastern Oregon Border Development Board (Board), and the Eastern Oregon Border Economic Development Fund (Fund). Defines the Region as including Ontario, Vale, and Nyssa, having no more than 15 miles separating the northern and southern boundary, and being within 20 miles of the Oregon and Idaho border. Specifies Board membership, duties, and authorities. Requires Oregon Business Development Department (Business Oregon) to staff the Board. Authorizes issuance of \$10 million in lottery bonds to support the Fund. Allows the Board to award grants and loans from the Fund to enhance workforce development or economic development. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Opportunities and challenges for economic development in eastern Oregon
- Authorities of the proposed Board
- Market size and potential of the Treasure Valley

EFFECT OF AMENDMENT:

-1 Replaces measure. Creates the Eastern Oregon Border Economic Development Region (Region), the Eastern Oregon Border Development Board (Board), and the Eastern Oregon Border Economic Development Fund (Fund). Defines Board membership, duties, and authorities. Specifies Board in consultation with the Oregon Business Development Department (Business Oregon) will define the geographic extent of the Region within specified parameters. Allows Board to identify laws, rules, or regulations that place the Region at an economic competitive disadvantage and request an exception or waiver to the law. Prohibits Board from identifying and requesting exceptions for laws, rules, or regulations related to employment or state taxation. Requires Board to report to the interim committees of the Legislative Assembly related to business and economic development on or before December 31st of each year. Authorizes issuance of \$10 million in lottery bonds to support the Fund. Allows the Board to award grants and loans from the Fund to enhance workforce development or economic development in Region. Declares emergency, effective on passage.

Fiscal: Fiscal lite

Revenue: Revenue lite

BACKGROUND:

According to the Bureau of Labor Statistics, over the past 10 years areas of eastern Oregon have consistently had higher rates of unemployment and lower household incomes when compared to Oregon as a whole. In the most recent winter, there has been roughly \$100 million in snow damage to storage sheds and processing facilities reported.

House Bill 2012 would create the Eastern Oregon Economic Development Region (Region) in Malheur County, along with the Eastern Oregon Border Development Board (Board) to oversee the region, and would provide \$10 million dollars in lottery bond funding. The measure would allow the Board to make grants and loans supporting economic and workforce development in the region.