



OREGON SMALL BUSINESS DEVELOPMENT CENTER NETWORK

Helping Build Oregon's Best Businesses

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Testimony on HB 2152A

Chair Beyer and Members of the Committee,

I'm Mark Gregory, Executive Director of the Oregon Small Business Development Center Network.

I will try to be brief in my testimony here today, as I know this committee has a full agenda.

House Bill 2152 was introduced following discussion by the House Committee on Small Business Growth during the interim. Earlier this session, the bill was refined by the House Committee on Economic Development and Trade to minimize the impact to Business Oregon and state agencies.

This bill comes at an important time for the SBDC Network and our 19 centers across Oregon. We have more tools than ever to help small businesses grow, but we don't have the ability we need to tell people about them.

This bill has two parts: a marketing authorization component and a component that encourages state agencies to work with the Small Business Development Centers.

I will first address the marketing piece in Section 1.

I often hear, even in my own community, that our SBDC's are one of the state's best kept secrets. We would like to be less secretive so we can help more small business owners and entrepreneurs in Oregon. This bill helps address this issue.

SBDC's are federally funded through the Small Business Administration and receive matching funds from the state to provide our essential business assistance services to small businesses across Oregon. This federal money, and the state match, comes with specific restrictions about how these funds can be used for marketing under the federal rules under which our funding is authorized.

We can use federal money to market a specific program paid for with SBA and state matching funds, but the rules don't allow us to market our services broadly. For example, a center could not place an ad in the Portland Business Journal encouraging business owners and entrepreneurs to come to an open house event where they could learn more about our services. We also couldn't use federal money to pay for such an event. The same is true for billboards, podcasts or social media ads that may be really effective at helping us reach more people.

This bill helps Oregon SBDC's by allowing funds that aren't used as part of the federal match to be used for marketing, which helps us reach more people and create more jobs.

HB 2152 does not allocate any additional funding to the SBDC's and we don't anticipate that it will have a fiscal impact. It simply allows us to use additional funds if allocated by the legislature to reach more potential clients.

Section 3 of the bill is about collaboration.

This helps codify into law some of the existing best practices that we are already implementing working with other state agencies.

We already do excellent work with the Secretary of State and the Bureau of Labor and Industries on business regulation. We also have an active program with ODOT to help small businesses with contracting in addition to prior work with the Public Utilities Commission and the Department of Corrections.

Our SBDC's across the state are already working with many of the small businesses that our other state agencies need to communicate with. We want to make it easier for small business owners to access training opportunities that help them succeed and comply with regulations. Small business owners and entrepreneurs are busy, and reducing the number of stops by combining training and outreach can save everyone time, energy and resources.

Section 3 helps establish this legislative intent that we will work together through the SBDC's to make small businesses into Oregon's best businesses.

Thank you.

I'm happy to answer any questions.