

March 18, 2020

Joint Special Committee on Coronavirus Response

Co-Chairs Roblan and Holvey,

Thanks to you and all the members of the committee for agreeing to serve and spend your time working with stakeholders to address the complex challenges we face here in Oregon in responding to the Coronavirus. I am confident that whatever solutions you agree to and recommend will help but will not be enough to fully mitigate the impact of this outbreak on Oregon citizens and businesses.

As the Chair of the House Committee on Economic Development I want to share a few thoughts that the members of my committee and many stakeholders discussed as we worked to recommend HB4033 in the last session. I believe these are a key part of any strategy conversation around how to respond to the Coronavirus crisis.

1. Oregon is primarily a small business state. Hundreds of these small businesses are emerging businesses any one of which might become our next great success story. These businesses employ thousands of Oregonians around our state.
2. The new and emerging businesses provide a unique opportunity for women, people of color, members of minority groups, veterans and citizens located in Rural Oregon to not only start their own business but to provide goods and services in a manner which has often not been available before.
3. These small businesses do not qualify for financial support through traditional banking channels but instead rely on a network of small non-profit lenders throughout Oregon who provide unique programs to support start-up and emerging businesses. The network of providers includes Federal Recognized CDFI lenders, economic development organizations, cities, counties and Council of Governments. Without this separate network providing capital and just as importantly technical support, we would not see these companies starting up and providing the thousands of jobs they do each year in Oregon.
4. The unique nature of these businesses, the unlimited opportunities they represent and the potential they represent for the future of Oregon, demands that any efforts currently to address the challenges of the Coronavirus crisis should pay particular attention to sustaining the network they rely on for support and/or actions to help as many as possible not just survive but be in a position to grow once this crisis is over. Unfortunately, we have already begun to see some of these companies close and will only see many more close despite any of our efforts.

In your deliberations I implore you to pay attention to these truly small companies here in Oregon and the unique challenge they face versus those businesses who have greater access to tradition financing and support programs.

You have a daunting challenge, but I am confident you are all dedicated to the best possible outcomes. Time to act is now, but those actions should be focused on not just the immediate but positioning for once the recovery is underway.

Thank you for your consideration of my thoughts.

John Lively
State Rep., District 12
Chair, House Committee on Economic Development