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SB 5524

January 20, 2019

Joint Ways and Means Committee on Transportation and Economic Development
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Dear Committee Members;

I was dismayed when I learned that ROI funding was not included in the governor's budget. Even though it is a relatively new program, it is definitely impacting us, and I assume other rural areas as well. I am a retired local entrepreneur who volunteers in our local program, called Klamath IDEA, because I am concerned with the difficulty of cultivating entrepreneurship in a rural area. Statistics show that in recent years, most of these entrepreneurs would be better off working for someone else, and without a program to assist their development, that is what is happening. Without local employment opportunities, many leave the area, and high poverty and unemployment are the results. Since there is intense competition to recruit new industry and a low success rate, rural communities need to grow their own businesses, and to do that, help is needed.

ROI creates the financial capacity in a rural community such as Klamath Falls to invest in entrepreneur based economic development and help support efforts that produce results. We have used ROI dollars to leverage community government dollars and private support, and are well into the start of a program which we think will be crucial to the long term health of our area. Without ROI dollars to kickstart the program, we fear we have wasted significant financial resources as well as time and effort.

It appears that SB258 would divert rural funds to predetermined entities located in non-rural areas, who then would dole out the funds to rural areas in their region. Why would they be able to replace the tangible and measurable work that is already being completed by Klamath IDEA thanks to ROI funding? We have already received invaluable assistance from a nationally recognized organization that works with rural communities to home grow entrepreneurship. We don't need someone else telling us how to repair our entrepreneurial ecosystem. What a waste of time, energy, dollars and resources when the pathway has already been laid out and undertaken by interested and committed locals.

ROI allowed rural communities to compete for funding based on locally developed projects. SB258 takes away the competition and transparency and deprives rural communities the opportunity to voice the need of their community. That's an important component of this process. Please find a way to continue this most important resource for rural communities.

Thank you,



Neal Eberlein