

**SUBCOMMITTEE RECOMMENDATION**

**SB 5524**

**Oregon Business Development Department**

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SB 5524 is the budget bill for the Oregon Business Development Department. The Department implements the state's economic development strategy and administers programs that aid businesses and communities. This budget also includes funding for the Arts Commission, Cultural Trust, and Oregon Film and Video Office.

The Department's budget totals \$817.9 million, including \$61.5 million General Fund, \$118.1 million Lottery Funds, \$349.7 million Other Funds, \$43.1 million Federal Funds, \$245.5 million Other Funds Nonlimited, and 135 positions. The budget is a 2.1% decrease from the 2017-19 legislatively approved budget and includes \$2.5 million in General Fund and Lottery Funds reductions, as well as Other Funds decreases to align limitation with anticipated expenditures.

The Subcommittee approved Lottery Funds support of \$629,199 for the Oregon Growth Fund to increase capital available to the state's early-stage businesses and \$750,000 for the Rural Opportunity Initiative grant program. Funding was included to replace the Department's legacy financial portfolio management system. The approved budget also aligns staff and resources with the Department's organizational structure and reduces administrative expenditures in the Oregon Cultural Trust. The Subcommittee approved key performance measures and targets, as well as two budget notes related to state support for the Signature Research Centers and Rural Opportunity Initiative outcomes.

The Transportation and Economic Development Subcommittee recommends SB 5524 be amended by the –1 amendment and be reported out do pass, as amended.