

## HOUSE AMENDMENTS TO HOUSE BILL 2053

By COMMITTEE ON ECONOMIC DEVELOPMENT

April 11

- 1 On page 1 of the printed bill, line 3, after “285A.075,” insert “285B.059, 285B.410,”.
- 2 Delete line 17 and insert “Oregon Business Development Department for an entire calendar year  
3 based on amounts determined by the Employment Department.”.
- 4 On page 5, line 11, before the colon insert “, and in addition to the definitions under ORS  
5 285A.010 applicable to ORS chapter 285B”.
- 6 On page 15, lines 22 and 23, delete the boldfaced material.
- 7 Delete lines 28 through 45.
- 8 On page 16, delete lines 1 through 35 and insert:
- 9 **“SECTION 15.** ORS 285B.626 is amended to read:
- 10 **“285B.626.** As used in ORS 285B.625 to 285B.632, **and in addition to the definitions under**  
11 **ORS 285A.010 applicable to ORS chapter 285B:**
- 12 **“(1) ‘County or state wage’ means the average wage:**
- 13 **“(a) Where a regionally significant industrial site is located; and**
- 14 **“(b) For all employment, unless the Oregon Business Development Department has**  
15 **adopted a rule limiting ‘county or state average wage’ to mean the average wage for private**  
16 **sector employment only.**
- 17 *“[(1) ‘Eligible employer’ means an employer that:]*
- 18 *“[(a) Is conducting a traded sector business on a regionally significant industrial site; and]*
- 19 *“[(b)(A) With respect to a rural site, has hired at least 25 full-time employees whose wages average*  
20 *at least 150 percent of the county or state average wage, whichever is less; or]*
- 21 *“[(B) With respect to an urban site, has hired At least 50 full-time employees whose wages average*  
22 *at least 150 percent of the county or state average wage, whichever is less.]*
- 23 **“(2) ‘Eligible employer’ means an employer that is conducting business in a traded sector**  
24 **industry on a regionally significant industrial site at which, following the site’s designation**  
25 **under ORS 285B.627, one or more eligible employers have cumulatively hired:**
- 26 **“(a) At least 50 full-time equivalent employees whose compensation averages at least 150**  
27 **percent of the county or state wage; or**
- 28 **“(b) If the site is located in a rural area, at least 25 full-time equivalent employees whose**  
29 **compensation averages at least 130 percent of the county or state wage.**
- 30 *“[(2)] (3) ‘Estimated incremental income tax revenues’ means the Oregon personal income tax*  
31 *revenues that are equivalent to the amount of tax that employees of an eligible employer, [who*  
32 *are] hired by the eligible employer on a designated regionally significant industrial site, have paid*  
33 *under ORS chapter 316 in the tax years following the first tax year in which the eligible employer*  
34 *begins conducting a traded sector business on [the] a designated regionally significant industrial*  
35 *site.*

1 “[(3)] (4) ‘Industrial use’ means employment activities, including but not limited to manufactur-  
2 ing, assembly, fabrication, processing, storage, logistics, warehousing, importation, distribution,  
3 transshipment and research and development, that generate income from the production, handling  
4 or distribution of goods or services, including goods or services in the traded sector.

5 “[4] (5) ‘Project sponsor’ means:

6 “(a) A public owner of a regionally significant industrial site that is investing in preparation of  
7 the site for industrial use by a third party; or

8 “(b) A public entity that has entered into a development or other agreement with the private  
9 owner of a regionally significant industrial site to prepare the site for industrial use.

10 “[5] (6) ‘Regionally significant industrial site’ means a site planned and zoned for industrial  
11 use that:

12 “(a)(A) Is suitable for the location of new industrial uses or the expansion of existing industrial  
13 uses and that can provide significant additional employment in the region;

14 “(B) Has site characteristics that provide significant competitive advantages that are difficult  
15 or impossible to replicate in the region; and

16 “(C) Has superior access to transportation and freight infrastructure, including but not limited  
17 to rail, port, airport, multimodal freight or transshipment facilities and other major transportation  
18 facilities or routes; or

19 “(b) Is located in an area designated by Metro, as defined in ORS 197.015, as a regionally sig-  
20 nificant industrial area.

21 “[6] *‘Rural site’ means a regionally significant industrial site located in an area outside of a*  
22 *metropolitan statistical area, as defined by the most recent federal decennial census.]*

23 “[7] *‘Traded sector’ has the meaning given that term in ORS 285A.010.]*

24 “[8] *‘Urban site’ means a regionally significant industrial site located in a metropolitan statistical*  
25 *area, as defined by the most recent federal decennial census, that is located inside a regional or met-*  
26 *ropolitan urban growth boundary.]*

27 “[9] *‘Wage’ has the meaning given that term pursuant to rules adopted by the Oregon Business*  
28 *Development Department.]”.*

29 On page 20, delete lines 6 and 7 and insert:

30 “**SECTION 20.** ORS 285B.059 is amended to read:

31 “285B.059. (1) The Oregon Business Development Commission may approve a business develop-  
32 ment project proposed in an application filed under ORS 285B.050 to 285B.098 if, after investigation,  
33 the commission finds that:

34 “(a) The proposed business development project is feasible and a reasonable risk from practical  
35 and economic standpoints, and that the loan has reasonable prospect of repayment.

36 “(b) The applicant can provide good and sufficient collateral for the loan.

37 “(c) Moneys in the Oregon Business Development Fund are or will be available for the proposed  
38 business development project.

39 “(d) There is a need for the proposed business development project.

40 “(e) The applicant has not received or entered into a contract or contracts exceeding \$1 million  
41 with the commission, under authority of ORS 285B.050 to 285B.098, for the previous 365 days.

42 “(2)(a) Except as provided in paragraph (b) of this subsection, the total amount of moneys loaned  
43 from the fund for a business development project may not exceed 50 percent of the cost of the  
44 project.

45 “(b) The total amount of moneys loaned from the fund for a business development project may

1 exceed 50 percent of the cost of the project if two or more lenders have denied requests from the  
2 applicant to commit to participate in the financing of the project and the applicant has no other  
3 available financing.

4 “(3)(a) Except as provided in paragraph (b) of this subsection, moneys may not be loaned from  
5 the fund for a business development project unless there exists a commitment from a commercial  
6 or private lender, or a local development group, to participate in the financing of the project.

7 “(b) Moneys may be loaned from the fund for a business development project without a com-  
8 mitment from a commercial or private lender, or a local development group, to participate in the  
9 financing of the project if:

10 “(A) The applicant is a county or municipality;

11 “(B) There are payments other than the scheduled principal and interest payments; or

12 “(C) Two or more lenders have denied requests from the applicant to commit to participate in  
13 the financing of the project and the applicant has no other available financing.

14 “(4) To encourage private sector and local development group participation in the financing of  
15 business development projects, the commission may subordinate the security position of the fund to  
16 that of other lenders.

17 “(5) In each fiscal year of a biennium, 15 percent of all moneys available for lending from the  
18 fund is reserved for loans to emerging small business enterprises as defined by the Oregon Business  
19 Development Department by rule, which are located in or draw their workforces from within rural  
20 or distressed areas as determined by the Oregon Business Development Department in cooperation  
21 with the Employment Department of this state. If the Oregon Business Development Department was  
22 unable to obtain a sufficient number of approvable applications to meet the requirements of this  
23 subsection in the previous fiscal year, it may, in the current fiscal year and notwithstanding the  
24 limitations imposed by ORS 285B.050 (2), make loans, in an amount that does not exceed the 15  
25 percent reserved for the prior fiscal year less the amount of loans made to emerging small business  
26 enterprises located in rural or distressed areas during the previous fiscal year, to service and retail  
27 businesses operated by small business enterprises that are located in or draw their workforces from  
28 within rural or distressed areas as determined by the Oregon Business Development Department in  
29 cooperation with the Employment Department of this state. Service and retail businesses operated  
30 by small business enterprises under this section need not be engaged in traded sector activities.  
31 *[As used in this subsection, ‘rural area’ and ‘distressed area’ have the meaning given those terms in*  
32 *ORS 285A.010.]*

33 “**SECTION 21.** ORS 285B.410 is amended to read:

34 “285B.410. As used in ORS 285B.410 to 285B.482, unless the context requires otherwise:

35 “(1) ‘Airport’ means:

36 “(a) A runway, taxiway, aircraft parking apron, ramp, auto parking area, access road, safety  
37 area or runway protection zone;

38 “(b) An airport-related facility, including a hangar, terminal, air traffic control tower or other  
39 building;

40 “(c) A signal, navigational aid or traffic control system; or

41 “(d) A fuel tank or other physical airport improvement.

42 “(2)(a) ‘Community development project’ means a project that involves strategic planning,  
43 training or other technical assistance as defined by the Oregon Business Development Department  
44 by rule, and that is aimed at strengthening the economic development, community development or  
45 infrastructure priority setting of a municipality or region.

1 “(b) ‘Community development project’ includes the following activities:  
2 “(A) Developing and managing short-term and long-term projects;  
3 “(B) Developing priorities for infrastructure projects;  
4 “(C) Strategic planning related to furthering economic or community development; or  
5 “(D) Training related to economic or community development, including training to improve  
6 leadership skills, technical skills or analytical skills, particularly in rural and distressed areas.  
7 “(c) ‘Community development project’ includes projects that may encompass a municipality or  
8 any part of a municipality and may be undertaken in cooperation with another municipality.  
9 “(3) ‘Development project’ means a project for the acquisition, improvement, construction, dem-  
10 olition, or redevelopment of municipally owned utilities, buildings, land, transportation facilities or  
11 other facilities that assist the economic and community development of the municipality, including  
12 planning project activities that are necessary or useful as determined by the Oregon Infrastructure  
13 Finance Authority.  
14 “(4) ‘Direct project management costs’ means expenses directly related to a project that are in-  
15 curred by a municipality solely to support or manage a project eligible for assistance under ORS  
16 285B.410 to 285B.482. ‘Direct project management costs’ does not include routine or ongoing ex-  
17 penses of the municipality.  
18 “(5) ‘Emergency project’ means a development project resulting from an emergency as defined  
19 in ORS 401.025, to which federal disaster relief has been committed.  
20 “(6) ‘Energy system’ means a facility necessary for the distribution, transmission or generation  
21 of energy, including but not limited to facilities powered by wind, solar energy or biofuel and facil-  
22 ities for the collection, storage, transmission or distribution of a fuel, including natural gas, methane  
23 or hydrogen.  
24 “(7) ‘Levee project’ means a community development project, development project, planning  
25 project or other project that is associated with levee inspection, accreditation, certification or re-  
26 pair.  
27 “(8) ‘Marine facility’ means:  
28 “(a) A wharf, dock, freight handling or passenger facility;  
29 “(b) A navigation channel or structure, including a project funded under ORS 777.267; or  
30 “(c) Any other physical marine facility improvement.  
31 “(9) ‘Municipality’ means an Oregon city or county, the Port of Portland created by ORS 778.010,  
32 a county service district organized under ORS chapter 451, a district as defined in ORS 198.010, a  
33 drainage district organized under ORS chapter 547, a tribal council of a federally recognized Indian  
34 tribe in this state or an airport district organized under ORS chapter 838.  
35 “(10) ‘Planning project’ means:  
36 “(a) A project related to a potential development project for preliminary, final or construction  
37 engineering;  
38 “(b) A survey, site investigation or environmental action;  
39 “(c) A financial, technical or other feasibility report, study or plan; or  
40 “(d) An activity that the authority determines to be necessary or useful in planning for a po-  
41 tential development project.  
42 “(11) ‘Project’ means a development, community development, planning, levee or emergency  
43 project.  
44 “(12) ‘Railroad’ means:  
45 “(a) A main line, siding, yard, connecting or auxiliary track, right of way or easement;

1           “(b) An industrial spur or related facility, including a depot, shop, maintenance building or other  
2 building;

3           “(c) A signal or traffic control system;

4           “(d) A bridge or tunnel;

5           “(e) A dock, pit, conveyor, bin, crane, piping system, tank or pavement for unloading, loading  
6 or transfer of freight, trailers or containers; or

7           “(f) Any other physical railroad improvement.

8           “(13) ‘Road’ means a street, highway or thruway or a road-related structure that provides for  
9 continuity of a right of way, including a bridge, tunnel, culvert or similar structure or other physical  
10 road-related improvement.

11           “[(14) ‘Rural area’ has the meaning given that term in ORS 285A.010.]

12           “[(15)] (14) ‘Solid waste disposal site’ has the meaning given the term ‘disposal site’ in ORS  
13 459.005.

14           “[(16)] (15) ‘Telecommunications system’ means equipment or a facility for the electronic trans-  
15 mission of voice, data, text, image or video.

16           “[(17)] (16) ‘Transportation’ means a system for movement of freight or passengers.

17           “[(18)] (17) ‘Utilities’ means a solid waste disposal site or a water, sewage, storm water drainage,  
18 energy or telecommunications system.

19           “**SECTION 22. ORS 285B.600 to ORS 285B.620 are added to and made a part of ORS**  
20 **chapter 285B.**

21           “**SECTION 23. ORS 285B.625 to ORS 285B.632 are added to and made a part of ORS**  
22 **chapter 285B.**

23           “**SECTION 24. This 2019 Act takes effect on the 91st day after the date on which the 2019**  
24 **regular session of the Eightieth Legislative Assembly adjourns sine die.”.**

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