House Bill 3251

Sponsored by Representative HELM, Senators KNOPP, DEMBROW, Representatives BONHAM, HELT, SMITH DB, WITT, Senator THOMSEN; Representative STARK, Senator GOLDEN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor’s brief statement of the essential features of the measure as introduced.

Authorizes Oregon Business Development Department to make loans and award matching grants to membership organizations and business accelerators in outdoor recreation industry.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to the outdoor recreation industry; creating new provisions; amending ORS 285B.290; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. As used in this section and section 2 of this 2019 Act:

(1) “Business accelerator” means a company:

(a) Having its principal place of business in this state;

(b) With demonstrated success in operating educational programs in which outdoor recreation industry veterans mentor cohorts of founders of emerging outdoor recreation industry companies located in this state; and

(c) Whose purpose is to help the founders incubate and accelerate the growth of their emerging companies.

(2) “Membership organization” means a for-profit or nonprofit organization:

(a) Having its principal place of business in this state;

(b) Consisting of member businesses from the outdoor recreation industry whose principal place of business is in this state; and

(c) That has the purpose of growing the outdoor recreation industry at the state or regional level.

(3) “Outdoor recreation” means activities undertaken for pleasure outdoors in natural environments.

(4) “Outdoor recreation industry” means all traded sector businesses that manufacture goods for use in outdoor recreation or that sell goods and services related to outdoor recreation.

(5) “Traded sector” has the meaning given that term in ORS 285B.280.

SECTION 2. (1)(a) The Oregon Business Development Department may provide financial assistance in the form of loans and matching grants to membership organizations and business accelerators for the purpose of supporting the emerging sector of the outdoor recreation industry.

(b)(A) The department shall provide public notice to the outdoor recreation industry whenever there are funds available for loans or matching grants under this section. The
notice may be made in any manner likely to reach the largest group of membership organ-
izations and business accelerators possible.

(B) The notice shall include information about the requirements for eligibility and the 
application process for loans and matching grants.

(2)(a) A membership organization or business accelerator seeking a loan or matching 
grant under this section must file with the department an application in accordance with 
rules adopted by the department under subsection (9) of this section. The information in-
cluded with the application must demonstrate that the applicant is a membership organi-
zation or business accelerator.

(b) The department may charge an application fee in an amount that does not exceed the 
actual costs incurred by the department in processing applications filed pursuant to this 
section.

(3)(a) If the department rejects an application, the department shall notify the applicant 
and explain the reasons for the rejection.

(b) The department, in its sole discretion, may allow an applicant to modify a rejected 
application without refiling.

(c) The final rejection of an application under this subsection may not be appealed.

(d) Notwithstanding paragraph (c) of this subsection, an applicant is not barred from 
reapplying for a loan or matching grant under this section at any time.

(4) If the department approves an application, the department shall notify the applicant 
and make the loan or award the matching grant, as applicable, from moneys in the Industry 
Competitiveness Fund established under ORS 285B.290 that are appropriated or otherwise 
credited to the fund for the purposes of making loans and awarding matching grants under 
this section.

(5)(a) The maximum amount of a loan made under this section to an individual mem-
bership organization or business accelerator is $________.

(b) The maximum amount of all loans made under this section is $________ per biennium.

(c) The interest rate on loans made under this section may not exceed ______ percent of 
the principal amount. The rate charged shall reflect a reasonable and prudent expectation 
of the ability of the membership organization or business accelerator to repay the loan.

(d) A loan may not be made for a term greater than ______ years.

(6)(a) The maximum amount of a matching grant awarded under this section to an indi-
vidual membership organization or business accelerator is $________.

(b) The maximum amount of all matching grants awarded under this section is $________ 
per biennium.

(c) A matching grant may not be awarded until the department is satisfied that the 
membership organization or business accelerator has secured a match of ______ percent of 
the amount of the matching grant awarded under this section.

(7) A membership organization or business accelerator that receives a loan or matching 
grant under this section may seek and receive other investments of any kind from any public 
or private source.

(8) The department shall require each recipient of a loan or matching grant to submit a 
report to the department. The department may prescribe the time, form, manner and con-
tents of the report on a case-by-case basis.

(9) The department shall adopt rules that establish:
(a) The application process, including, but not limited to, the application form, the information required to be included with the form, the application deadlines and the application fee; and

(b) Any other process that the department considers necessary or convenient for the administration by the department of this section.

SECTION 3. There is appropriated to the Oregon Business Development Department, for the biennium beginning July 1, 2019, out of the General Fund, for deposit in the Industry Competitiveness Fund established under ORS 285B.290, the amount of $500,000, for the purposes of making loans and awarding matching grants under section 2 of this 2019 Act.

SECTION 4. ORS 285B.290 is amended to read:

285B.290. (1) The Industry Competitiveness Fund is established in the State Treasury, separate and distinct from the General Fund.

(2) The Industry Competitiveness Fund shall consist of all moneys credited to the fund, including moneys from the Administrative Services Economic Development Fund. Interest earned by the Industry Competitiveness Fund shall be credited to the fund.

(3)(a) Except as provided in paragraph (b) of this subsection, moneys in the fund are continuously appropriated to the Oregon Business Development Department to provide funds for activities outlined in ORS 285B.286.

(b) Moneys in the fund that are appropriated or otherwise credited to the fund for the purposes of making loans and awarding matching grants under section 2 of this 2019 Act are continuously appropriated to the department for such purposes and may not be used for any other purpose.

SECTION 5. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.