

A-Engrossed
Senate Bill 418

Ordered by the Senate March 11
Including Senate Amendments dated March 11

Sponsored by Senator BEYER (Presession filed.)

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.

Modifies requirement that start-up businesses that may be assisted by regional collaboration facilitated by Oregon Business Development Department have as purpose commercialization of university-based or university-assisted [*research*] **academic activities** and increasing number, and ensuring retention, of such businesses.

Appropriates moneys to Oregon Business Development Department for direct distribution pro rata to Oregon State University Advantage Accelerator (OSU Advantage) and Regional Accelerator & Innovation Network (RAIN Eugene) and requires equal match. Provides that start-up businesses assisted with appropriated moneys must be traded sector businesses or businesses with traded sector potential, with stated exceptions.

Requires OSU Advantage and RAIN Eugene each to submit report to interim legislative committees related to economic development on or before September 15, 2020, setting forth specified metrics related to their assistance to start-up businesses.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to entrepreneurial ecosystem development programs located outside Metro; creating new
3 provisions; amending ORS 284.751; and declaring an emergency.

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

5 **SECTION 1.** ORS 284.751 is amended to read:

6 284.751. (1) For [*the*] purposes of this section, "Oregon Solutions Network" means the Oregon
7 Solutions Network established pursuant to Executive Order 11-12 dated December 16, 2011, including
8 but not limited to regional advisory committees and regional solutions centers within the network.

9 (2) The Oregon Business Development Department shall facilitate regional collaboration among
10 the University of Oregon, Oregon State University and the Oregon Solutions Network in Lane, Linn
11 and Benton Counties, for the purpose of assisting technology-based[,] start-up businesses in this state
12 [*whose primary purpose is to commercialize*] **that have as a purpose the commercialization of**
13 university-based or university-assisted [*research*] **academic activities** and [*to increase*] **increasing**
14 the number [*of*], and [*ensure*] **ensuring** the retention, of[,] such businesses in the region.

15 (3) The collaboration **facilitated** under subsection (2) of this section shall include, but not be
16 limited to, the following:

17 (a) Providing financial assistance to programs, entities and providers of technical business de-
18 velopment and creation assistance and providing support to technology-based[,] start-up businesses
19 [*whose primary purpose is to commercialize*] **that have as a purpose the commercialization of**
20 university-based or university-assisted [*research*] **academic activities**.

21 (b) Identifying and recruiting entrepreneurial talent, qualified investors and other sources of
22 capital.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 (c) Acquiring, procuring, furnishing or improving facilities in or near Lane, Linn or Benton
2 Counties, as identified by the University of Oregon, Oregon State University and the Oregon Sol-
3 utions Network, for the operation or support of businesses receiving assistance under this section,
4 signature research centers and other businesses, programs and entities involved in the
5 commercialization of university-based or university-assisted [*research*] **academic activities**.

6 (d) Establishing, connecting or expanding support programs, directly or indirectly, that provide
7 assistance to technology-based[,] start-up businesses [*whose primary purpose is to commercialize*] **that**
8 **have as a purpose the commercialization of** university-based or university-assisted [*research*]
9 **academic activities** within and outside the region.

10 (4) The department may enter into contracts and agreements with the University of Oregon,
11 Oregon State University and the Oregon Solutions Network for the purpose of implementing and
12 accomplishing the objectives set forth in subsection (3) of this section.

13 (5) The department shall adopt rules to implement the provisions of this section.

14 **SECTION 2. There is appropriated to the Oregon Business Development Department, for**
15 **the biennium beginning July 1, 2019, out of the General Fund, the amount of \$1,000,000 for**
16 **the purposes described in section 3 of this 2019 Act.**

17 **SECTION 3. (1) As used in this section and section 4 of this 2019 Act:**

18 (a) **“OSU Advantage” means the Oregon State University Advantage Accelerator.**

19 (b) **“RAIN Eugene” means the Regional Accelerator & Innovation Network.**

20 (2)(a) **The Oregon Business Development Department shall distribute the moneys appro-**
21 **riated under section 2 of this 2019 Act pro rata to OSU Advantage and RAIN Eugene, or**
22 **their successor organizations, by whatever name called, to be used for the respective pur-**
23 **poses for which OSU Advantage and RAIN Eugene were organized.**

24 (b) **The department shall distribute the respective shares of the moneys directly to OSU**
25 **Advantage and RAIN Eugene and not through any intermediary, including a division within**
26 **the department. No conditions other than those contained in this section may be imposed**
27 **on the distributions.**

28 (3) **Distributions may not be made under subsection (2) of this section unless OSU Ad-**
29 **vantage and RAIN Eugene each match the moneys distributable under this section with an**
30 **equal amount of funds from Oregon State University or the University of Oregon, respec-**
31 **tively, local governments, the private sector, public or private grants or any other source.**

32 (4)(a) **Start-up businesses assisted by OSU Advantage and RAIN Eugene with moneys**
33 **distributed under this section must be traded sector businesses or businesses that have the**
34 **potential to become traded sector businesses.**

35 (b) **Notwithstanding paragraph (a) of this subsection, a nontraded sector business may**
36 **be admitted to a class, or allowed to use space or services, provided by OSU Advantage or**
37 **RAIN Eugene, if necessary to fill a class or a rentable space or to make provision of the**
38 **services economically feasible.**

39 **SECTION 4. (1) On or before September 15, 2020, OSU Advantage and RAIN Eugene, or**
40 **their successor organizations, by whatever name called, shall each submit a report in the**
41 **manner provided in ORS 192.245 to the interim committees of the Legislative Assembly re-**
42 **lated to economic development.**

43 (2) **In the reports required under this section, OSU Advantage and RAIN Eugene shall**
44 **each briefly set forth:**

45 (a) **The number of traded sector start-up businesses, nontraded sector start-up busi-**

1 nesses and start-up businesses that have the potential to become traded sector businesses,
2 separately stated, that OSU Advantage or RAIN Eugene has assisted;

3 (b) The nature of the assistance provided, including but not limited to funding, classes
4 or other forms of training, space and personal services;

5 (c) Business funding raised and the number of jobs created by start-up businesses after
6 completion of training by OSU Advantage or RAIN Eugene;

7 (d) Industry sectors represented by the start-up businesses assisted by OSU Advantage
8 or RAIN Eugene; and

9 (e) Any other metric OSU Advantage or RAIN Eugene considers important to be included
10 in the report.

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

14 _____