

**HB 4157 STAFF MEASURE SUMMARY**  
**House Committee On Economic Development**

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**Action Date:** 02/10/20  
**Action:** Do pass and be referred to Ways and Means by prior reference  
**Vote:** 8-0-3-0  
**Yeas:** 8 - Barreto, Bonham, Fahey, Helm, Lively, Marsh, McLain, Wilson  
**Exc:** 3 - McKeown, Wallan, Witt  
**Fiscal:** Fiscal impact issued  
**Revenue:** No revenue impact  
**Prepared By:** Melissa Leoni, LPRO Analyst  
**Meeting Dates:** 2/10

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**WHAT THE MEASURE DOES:**

Authorizes Oregon Business Development Department (Business Oregon) to provide matching grants to membership organizations and business accelerators for program development, program execution, business education, business mentoring, business advising, business plan development, regional outreach, and technical assistance in the outdoor gear and apparel industry. Requires Business Oregon to establish application process rules and report to Legislative Assembly by December 31, 2020. Requires grant agreement between Department and grant recipient to establish deliverables or other goals to be met. Appropriates \$250,000 to Department for deposit in Industry Competitiveness Fund for matching grants. Takes effect on the 91st day following adjournment *sine die*.

**ISSUES DISCUSSED:**

- Benefits of connecting entrepreneurs with networks, mentors, and capital
- Growth of Oregon's outdoor gear and apparel industry
- Apparel industry design and production trends

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

The Oregon Business Development Department, commonly known as Business Oregon, is the state's economic development agency. Its mission is to invest in Oregon businesses, communities, and people to promote a globally competitive, diverse, and inclusive economy. Business Oregon supports the retention and expansion of existing Oregon businesses within traded sectors, carries out strategies to create a dynamic startup and entrepreneurial environment, and recruits companies from outside the state to fill supply chain gaps and grow existing industry clusters. Supported by Lottery Funds, the Industry Competitiveness Fund supports strategies to increase the local, national, and global competitiveness of Oregon businesses and high-value industries. Its current target industries include advanced materials, apparel and outdoor gear, business services, food and beverage, forestry and wood products, and high technology.

According to Business Oregon, the apparel and footwear sector accounted for 17,739 jobs with an average wage of \$143,949 in 2016. The outdoor gear sector provided 5,542 jobs with an average wage of \$57,823 in 2016. The total export value from both sectors in 2016 was \$538.8 million.

House Bill 3251 (2019) would have provided matching grants to nonprofit organizations of outdoor gear and apparel businesses and business accelerators to support outdoor recreation manufacturers. The measure unanimously passed out of the House Committee on Economic Development and was in the Joint Committee on Ways and Means at the close of session. House Bill 4157 is an update to that measure and provides matching

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grants to membership organizations and business accelerators to provide business and technical assistance to the outdoor gear and apparel industry.