

HB 4165 A STAFF MEASURE SUMMARY**Carrier:** Rep. Owens**House Committee On Rules****Action Date:** 02/18/20**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 7-0-0-0**Yeas:** 7 - Drazan, Fahey, Holvey, Nosse, Smith Warner, Sprenger, Zika**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Melissa Leoni, LPRO Analyst**Meeting Dates:** 2/18, 2/18**WHAT THE MEASURE DOES:**

Allows the Eastern Oregon Border Economic Development Board to establish programs through which grants and loans may be made for the purposes of enhancing and expanding workforce development and economic development in the Eastern Oregon Border Economic Development Region. Allows Board to operate the programs directly with the assistance of the Oregon Business Development Department (Business Oregon) or through a contract with a third-party administrator. Limits Board to having ten active programs at any one time. Requires the Board to establish grant and loan program criteria by rule in consultation with Business Oregon. Clarifies roles and responsibilities of Business Oregon and third-party administrator in Board programs. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Intent for Board to manage ten programs and not ten grants

EFFECT OF AMENDMENT:

Clarifies that Business Oregon shall assist the Board in evaluating applications for grants and loans made through established programs, but that the agency does not need to adopt rules for grants and loans made through a program operated by a third-party administrator. Allows third-party administrator to also assess and charge fees, including application fees, for grants and loans under established programs.

BACKGROUND:

House Bill 2012 (2017) established the Eastern Oregon Border Economic Development Board (Board), a seven-member board appointed by the Governor to formulate and implement strategies and practices for strategic investment in workforce development and economic development in the Eastern Oregon Border Economic Development Region. The region is defined as any territory within 20 miles of the Oregon border with Idaho, which includes the cities of Ontario, Vale and Nyssa, and Willowcreek, Brogan, and the areas southwest of Vale.

The Board is authorized to make up to ten grants or loans to eligible applicants to advance workforce development and economic development of the region. The Legislative Assembly approved a one-time \$5,000,000 General Fund appropriation to the Oregon Business Development Department (Business Oregon), for use by the Board to make loans and grants to eligible applicants.

The Board reported its progress to the House Interim Committee on Economic Development on November 18, 2019. The Board has identified two incentive programs (Competitive Housing Incentive Program and Property Improvement Rebate Program); three loan programs (Infrastructure Revolving Loan Program, Housing Rehabilitation Loan Program, and Industrial Land Certification Loan Program); and four grant programs (Ready Workforce Mobilization Grant, Education and Workforce Training Grant, Community Improvement Planning

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Grant, and Border Region Economic Edge Grant) to implement.

House Bill 4165-A allows the Board to implement the grant and loan programs they have identified and to operate the programs through Business Oregon or through a contract with a third-party administrator.