

SB 1502 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Action Date: 02/28/20

Action: Do pass with amendments. (Printed A-Eng.)

Senate Vote

Yeas: 7 - Beyer, Frederick, Johnson, Monnes Anderson, Roblan, Steiner Hayward, Wagner

Abs: 5 - Boles, Girod, Hansell, Heard, Thomsen

House Vote

Yeas: 6 - Gomberg, Holvey, McLain, Nosse, Piluso, Rayfield

Abs: 3 - Drazan, Smith G, Stark

Prepared By: Linnea Wittekind, Department of Administrative Services

Reviewed By: Steve Bender, Legislative Fiscal Office

**Oregon Business Development Department
2019-21**

Budget Summary*

	2019-21 Legislatively Adopted Budget	2020 Committee Recommendation	Committee Change from 2019-21 Leg. Adopted	
			\$ Change	% Change
Lottery Funds	\$ -	\$ 120,000	\$ 120,000	100.0%
Total	\$ -	\$ 120,000	\$ 120,000	100.0%

* Excludes Capital Construction Expenditures

Summary of Revenue Changes

Senate Bill 1502 does not change revenue to the state or to the Oregon Business Development Department. House Bill 5203, however, increases the Lottery Funds allocation from the Administrative Services Economic Development Fund to the Oregon Business Development Department for business, innovation and trade. An amount of \$120,000 of that allocation increase is for deposit in the Agricultural Cooperative Member Low-Interest Loan Fund, to operate the Agricultural Cooperative Member Low-Interest Loan Fund program established in Senate Bill 1502.

Summary of Capital Construction Subcommittee Action

The Subcommittee approved transferring the loan program established in the bill from the State Department of Agriculture to the Oregon Business Development Department (OBDD). The Subcommittee also increased the agency’s Lottery Funds expenditure limitation for business, innovation and trade by \$120,000, for loan program costs. Of the \$120,000, OBDD may apply up to \$20,000 towards its costs of operating the program. The remaining funds will be able to authorize approximately \$100,000 in low-interest loans. The loans will be used to assist farmers who were members of cooperatives that became bankrupt to transition into producing other high-viability crops. The Oregon Department of Agriculture will assist OBDD if requested in evaluating loan applications.

The loan program will become operative on January 1, 2021 and will sunset in 2040. OBDD may spend money prior to loan program’s operative date if needed to set up the new program for operation.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Business Development Department
 Linnea Wittekind 503-378-3108

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
SCR 210 - Business Innovation & Trade									
Services and Supplies	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000		
Special Payments	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000		
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TOTAL SUBCOMMITTEE ADJUSTMENTS	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 120,000		