

HB 4209 STAFF MEASURE SUMMARY
Joint Committee On The First Special Session of 2020

Carrier: Rep. Owens

Action Date: 06/24/20

Action: Do Pass.

House Vote

Yeas: 7 - Bynum, Drazan, Holvey, Lewis, Salinas, Speaker Kotek, Stark

Senate Vote

Yeas: 7 - Burdick, Frederick, Girod, Knopp, President Courtney, Prozanski, Thatcher

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: Melissa Leoni, LPRO Analyst

Meeting Dates: 6/24

WHAT THE MEASURE DOES:

Allows Eastern Oregon Border Economic Development Board to adopt program rules and enter into an agreement with a third-party administrator to operate no more than ten active programs to award grants and make loans to enhance and expand workforce development and economic development in the Eastern Oregon Border Economic Development Region. Distributes all moneys in the Eastern Oregon Border Economic Development Board Fund to third-party administrator for awarding grants and making loans upon approval of the agreement by Oregon Business Development Department. Requires return of moneys to the Fund if the agreement is terminated. Requires staffing of Board by third-party administrator under the agreement. Allows third-party administrator to enter into an agreement with a lending partner for administering loans. Requires report by June 30 of each year from third-party administrator to Board and a report by September 15 of each year from Board to Joint Ways and Means or Emergency Board. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Third-party administrator definition and examples
- Legislative oversight
- Regular reports to Legislative Assembly by Eastern Oregon Border Economic Development Board

EFFECT OF AMENDMENT:

No amendment.

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, for use by the Board to make loans and grants to eligible applicants.

In 2019, the Board identified nine programs for implementation, including:

- Incentive programs (Competitive Housing Incentive Program and Property Improvement Rebate Program);

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- Loan programs (Infrastructure Revolving Loan Program, Housing Rehabilitation Loan Program, and Industrial Land Certification Loan Program); and,
- Grant programs (Ready Workforce Mobilization Grant, Education and Workforce Training Grant, Community Improvement Planning Grant, and Border Region Economic Edge Grant).

House Bill 4209 allows the Board to implement the programs they have identified and to operate the programs under an agreement with a third-party administrator.