

SUBCOMMITTEE RECOMMENDATION

Item 33: Oregon Business Development Department Small Business Credit Initiative

To: Ways and Means Full Committee
From: Transportation and Economic Development Subcommittee
Carrier: Representative Gomberg

The Transportation and Economic Development Subcommittee recommends that the Joint Interim Committee on Ways and Means approve, retroactively, the submission of a grant application to the U.S. Department of the Treasury in the amount of \$91,531,236 under the State Small Business Credit Initiative program and recommend including proposed budgetary changes, after further review and refinement, in a budget reconciliation bill during the 2022 legislative session.

On November 29, 2021, the Oregon Business Development Department provided the Legislature with notification of its intent to apply for the federal grant. The initial application was due December 11, 2021. The final application package is due on February 10, 2021.

There is a ten-year performance period for the grant running through December 31, 2031. The federal funding is planned for deployment by the agency through a number of existing debt and equity investment vehicles; each investment requiring significant leverage of private funds. Program rules allow for up to 5% of the initial funding award to be used for administrative expenses and the Department is requesting four limited duration positions. No state matching funds are required.

The Subcommittee recommends approval.