

SUBCOMMITTEE RECOMMENDATION

HB 2266

Relating to business assistance

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

HB 2266 creates two distinct programs at the Oregon Business Development Department.

The measure creates a program to make awards to fund loan-loss reserves of qualified lenders for the purpose of increasing lending to business owners who currently lack access to capital to start or grow their business. Awards are to be provided to qualified lenders based on a competitive proposal process. A General Fund appropriation of \$10 million is included in the bill for the purpose of operating the program.

The measure also creates a direct loan program at the Oregon Business Development Department for the purpose of making loans to certain eligible business that have been certified by the Certification Office for Business Inclusion and Diversity and have been referred to the department by a technical assistance provider. The measure establishes the Disadvantaged and Emerging Small Business Loan Fund for the purpose of making the loans and appropriates \$10.0 million General Fund for deposit in the fund.

The recommended amendment makes changes to the bill relating to loan-loss agreements with lenders, removing a provision that allows the agency to assign certain collection efforts to the Department of Revenue upon request of the lender.

The Transportation and Economic Development Subcommittee recommends HB 2266 be amended by the –A4 amendment and be reported out do pass, as amended.