



KATE BROWN
Governor

February 23, 2021

To: House Committee on Economic Recovery and Prosperity

From: Governor Kate Brown

Re: HB 2161, Access to Capital

For far too long, Oregon's Black, Indigenous, Latino, Latina, Latinx, Asian, Pacific Islander, immigrant, refugee, Native American, and Tribal communities have not had a seat at the table.

Last summer I created the Racial Justice Council to center the voices who are most impacted by historical and institutional racism in Oregon. And to build a better Oregon.

The Council is an advisory group that I've charged with examining and beginning to dismantle the racist policies that have created grave disparities in virtually every sector of our society. This includes: education, criminal justice reform, access to housing, health outcomes, economic opportunity and wealth creation. The council members come from a diverse set of backgrounds, reflecting the diverse populations of Oregon.

Our budgets, policy agenda, and priorities should reflect, support, and honor the communities who have been most deeply impacted by systemic racism. Achieving these goals will require a new approach, and establishing racial justice will take foundational reform. As such, I asked the Council to develop specific investments and policy proposals that are now interwoven throughout my recommended budget and policy agenda.

Today you will hear about one of these proposals – HB 2161. This bill is the result of the RJC's economic opportunity committee. This committee is focused on supporting the long-term economic success of those who experience systemic economic disadvantages in business creation, as well as access to traditional capital and wealth creation. For small businesses owned by members of Oregon's Black, Indigenous, Latino, Latina, Latinx, Asian, Pacific Islander, Native American, Tribal, and linguistically-diverse communities, access to capital has been a persistent struggle.

The RJC has prioritized promoting economic development and empowerment through grounding racial justice and providing access to capital specifically for businesses owned by people of color, and underserved entrepreneurs. Doing so will help build equitable access to capital. It will

also reduce barriers posed by collateral requirements, and enhance efforts to enable mobility and opportunity towards a safe, secure, and resilient quality of life in Oregon.

HB 2161 will begin to bridge the gap of the economic inequities in historically-underserved and marginalized communities through establishing new programs at Business Oregon. Our small businesses are the backbone of our economy, including many owned by Native American, Black, Indigenous, tribal, and people of color throughout the state.

This bill is one small step towards creating a more just and equitable Oregon.