

February 22, 2022

To: House Rules Committee
From: Main Street Alliance of Oregon

RE: Support for HJR 205

Chair Smith Warner, Vice Chairs Breese-Iverson and Fahey and Members of the Rules Committee,

Main Street Alliance of Oregon, representing over 3,000 small business owners throughout the state of Oregon, enthusiastically supports HRJ 205, a resolution to amend the Oregon constitution to allow the formation of a state bank.

Main Street Alliance has supported and advocated for a state bank in Oregon since 2011. The small business owners we represent, especially BIPOC and women owned businesses, regularly cite lack of capital as a challenge in starting and growing their businesses. In a period when COVID has knocked many small business owners to their knees, capital access to rebuild and reorganize struggling businesses is more important than ever.

As you may be aware, the Bank of North Dakota, the only state bank in America, has served as a dependable capital source for small businesses and farmers since 1919. It was created to respond to a credit crisis that threatened its agricultural economy. But in an interesting coincidence, we might note, in 1919 the U.S. and the world were in the middle of the Spanish flu pandemic which, like our current Covid outbreak, killed more Americans than the Civil War.

In the past, commercial banks and credit unions have opposed creating a state bank. We feel, however, that, if organized correctly, a state bank would partner with these groups and enhance our ability to provide capital supporting small, minority and women owned businesses.

HJR 205's goal, however, is not to work out the details of such an institution, but to amend the constitution to allow the legislature to come back in further sessions to flesh out the details of a state bank for Oregon.

We ask for your yes vote on HJR 205, to continue supporting small business owners as the engine of Oregon's economy.

Yours Respectfully,

Mark Kellenbeck
Co-Chair
Lee Mercer, Member,
Main Street Alliance of Oregon Executive Team