

SUBCOMMITTEE RECOMMENDATION

Item 36: Oregon Business Development Department State 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 recommend including an increase of \$29.2 million in the Federal Funds expenditure limitation for the Oregon Business Development Department, in a budget reconciliation bill during the 2024 legislative session, for receipt of the second tranche of the State Small Business Credit Initiative grant award.

U.S. Treasury awarded a total of \$83.5 million to Oregon in August 2022 for the State Small Business Credit Initiative. Funds are to be used for loans that support small business startup or expansions. The funding is made available in three separate disbursements, which can be requested when the majority of the previous disbursement has been obligated or expended. This second tranche is expected to be deployed by late 2024 or early 2025. In total, the Department anticipates that the \$83.5 million federal grant award will benefit 1,000 small businesses by 2032, with a goal of creating or retaining approximately 5,000 jobs.

The Transportation and Economic Development Subcommittee recommends approval.