

HB 2295 STAFF MEASURE SUMMARY

House Committee On Emergency Management, General Government, and Veterans

Prepared By: Patrick Brennan, LPRO Analyst

Meeting Dates: 2/9, 2/21

WHAT THE MEASURE DOES:

Extends public contracting preference for businesses owned by service-disabled veterans to businesses owned by any veteran. Defines terms "veteran" and "veteran-owned business" for purposes of measure. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Competitive disadvantage for some businesses
- Comparison of veteran-owned businesses in Oregon and Washington
- Process for qualifying for preference

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Under Oregon law, a business owned by a service disabled veteran (SDV) may be certified for contract preferences with state, county, and city governments, as well as special jurisdiction contracts with entities such as hospitals and universities. Certification is based on the individual owner, rather than the size of business. Qualifying businesses must be a for-profit entity; must register with the Secretary of State; and have gross receipts not exceeding \$23.98 million over a three-year average. Qualifying business owners must be a U.S. citizen or permanent resident; own and control at least 51 percent of the business; control and manage day-to-day operations; be properly licensed; and have made a contribution of capital. Applicants apply through Business Oregon's Certification Office for Business Inclusion and Diversity.

House Bill 2295 extends eligibility for contracting preferences to all veteran-owned businesses