

HB 3272 A STAFF MEASURE SUMMARY

House Committee On Economic Development and Small Business

Action Date: 04/04/23

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 6-5-0-0

Yeas: 6 - Bynum, Lively, Nguyen D, Pham H, Ruiz, Walters

Nays: 5 - Diehl, Elmer, Javadi, Morgan, Osborne

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Erin Seiler, LPRO Analyst

Meeting Dates: 3/7, 3/9, 3/23, 4/4

WHAT THE MEASURE DOES:

Permits Secretary of State (SOS) to collect information about ethnicity, gender, veteran status and street address or electronic mail address of each owner and principal of business that applies for or renews business registration. SOS may not include information about ethnicity, gender, veteran status, and street address or electronic mail address in Oregon License Directory unless person to whom information pertains has given explicit written consent to make information available and searchable. SOS may share or communicate with organizations that SOS determines are: community-based; foster economic development; and engage in substantive efforts to increase in this state the number of minority-owned businesses, women-owned businesses, and businesses that veterans own. Provides rulemaking authority to SOS. Measure becomes operative January 1, 2027. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Opportunity to support women-owned and businesses of color with services and technical assistance that enhance their operation
- Ability of business owner to decide whether to provide requested information
- States' ability to accurately track whether legislation is increasing participation by underrepresented and underserved communities
- Discretion in collection and reporting of information to Secretary of State (SOS)
- How information would be utilized by organizations that SOS may share it with

EFFECT OF AMENDMENT:

Permits Secretary of State (SOS) to collect information about ethnicity, gender, veteran status and street address or electronic mail address of each owner and principal of business that applies for or renews business registration. SOS may not include information about ethnicity, gender, veteran status, and street address or electronic mail address in Oregon License Directory unless person to whom information pertains has given explicit written consent to make information available and searchable. SOS may share or communicate with organizations that SOS determines are: community-based; foster economic development; and engage in substantive efforts to increase in this state the number of minority-owned businesses, women-owned businesses and businesses that veterans own. Provides rulemaking authority to SOS. Measure becomes operative January 1, 2027.

BACKGROUND:

The 2011 Legislative Assembly passed House Bill 3247 establishing a Business Registration Information Center (Center), calling for a “One Stop Shop for Business” online portal to be established by the Secretary of State. The Business Xpress online portal provides resources for starting, expanding, and operating a business in Oregon or relocating a business within or to Oregon. Using the Business Xpress online portal, entrepreneurs can access

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information, forms, and other important documents needed for business.

House Bill 3272 A allows the Secretary of State (SOS) to collect information about ethnicity, gender, veteran status and street address or electronic mail address of each owner and principal of business that applies for or renews business registration. The measure permits the SOS to share the information collected with organizations that SOS determines are: community-based; foster economic development; and engage in substantive efforts to increase in this state the number of minority-owned businesses, women-owned businesses, and businesses that veterans own.