

House Bill 4061

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Economic Development, Small Business, and Trade for Representative Daniel Nguyen)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would have Business Oregon work with other state and local bodies to update the state's unified trade strategy. The Act would have DAS make a procurement reform roadmap by December 15 of this year. The Act would set up a task force to advise on how to retain business and private investment in this state. (Flesch Readability Score: 61.3.)

Directs the Oregon Business Development Department to collaborate with the Port of Portland, the Oregon Tourism Commission, the State Department of Agriculture and other stakeholders on updating the unified trade strategy for Oregon.

Directs the Oregon Department of Administrative Services to produce a procurement reform roadmap and deliver the roadmap to a committee or interim committee of the Legislative Assembly related to general government no later than December 15, 2026.

Establishes the Task Force on Business Retention for the purpose of making recommendations to the Legislative Assembly for improving strategies to retain businesses and private investment in this state.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

Relating to a unified trade strategy for Oregon; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) There is allocated for the biennium ending June 30, 2027, from the Administrative Services Economic Development Fund, to the Oregon Business Development Department, the amount of \$300,000 for the purposes set forth in subsection (2) of this section.

(2) The Oregon Business Development Department, in collaboration with the Port of Portland, the Oregon Tourism Commission, the State Department of Agriculture and other stakeholders selected by the Oregon Business Development Department, shall update the unified trade strategy for Oregon, including, but not limited to:

(a) Identifying opportunities to increase Oregon's presence in foreign markets, including in-market capacity for emerging markets;

(b) Supporting outbound and inbound trade missions for government and businesses, including support with aligned messaging;

(c) Promoting Oregon exports and attracting foreign direct investments in Oregon; and

(d) Providing technical assistance to Oregon exporters, including those impacted by tariffs, to support international market access and business expansion.

SECTION 2. (1) The Oregon Department of Administrative Services shall produce a procurement reform roadmap. The roadmap must include:

(a) A legal analysis of current procurement laws to identify barriers to effective local procurement, especially for businesses in economically distressed communities.

(b) An assessment of state procurement spending over the past five years to determine

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 what proportions of spending have gone to entities in this state and outside of this state.

2 (c) A tax impact analysis comparing local and non-local contracts.

3 (d) A review of existing best practices being used by the state with regard to procure-
4 ment.

5 (e) Recommendations for implementation.

6 (2)(a) The department shall deliver and report on a draft procurement reform roadmap
7 to a committee or interim committee of the Legislative Assembly relating to general gov-
8 ernment no later than September 15, 2026.

9 (b) The department shall deliver and report on the final procurement reform roadmap to
10 a committee or interim committee of the Legislative Assembly relating to general govern-
11 ment no later than December 15, 2026.

12 **SECTION 3.** Section 2 of this 2026 Act is repealed on January 2, 2027.

13 **SECTION 4.** (1) The Task Force on Business Retention is established for the purpose of
14 making recommendations to the Legislative Assembly for improving strategies to retain
15 businesses and private investment in this state.

16 (2) The task force consists of nine members appointed as follows:

17 (a) The President of the Senate shall appoint two nonvoting members from among
18 members of the Senate, one from the majority party and one from the minority party.

19 (b) The Speaker of the House of Representatives shall appoint two nonvoting members
20 from among members of the House of Representatives, one from the majority party and one
21 from the minority party.

22 (c) The Governor shall appoint five members as follows:

23 (A) The Governor or the Governor's designee.

24 (B) One member representing the Oregon Economic Development Association.

25 (C) One member representing an economic development organization serving the
26 Portland metro region.

27 (D) One member representing an economic development organization serving communi-
28 ties west of the Cascades.

29 (E) One member representing an economic development organization serving communi-
30 ties east of the Cascades.

31 (3) The task force, in collaboration with any other task force established by the Legisla-
32 tive Assembly and charged with a scope of work that overlaps or intersects with the work
33 of the Task Force on Business Retention, shall develop recommendations to:

34 (a) Solicit input from existing businesses and economic development organizations to in-
35 form the work of the task force.

36 (b) Expand and enhance business incentive programs to compete more effectively with
37 other states.

38 (c) Consolidate and streamline existing business retention and recruitment programs.

39 (d) Increase proactive communication with businesses to understand their needs and
40 concerns.

41 (e) Encourage collaboration between state, regional and local economic development or-
42 ganizations to create a cohesive and integrated approach to business retention and recruit-
43 ment.

44 (f) Provide targeted support for businesses looking to expand within Oregon.

45 (4) Recommendations developed under subsection (3) of this section must include:

1 (a) Statutory changes needed to ensure that federal, state and local funds are being spent
2 to maximize outcomes and resource efficiency;

3 (b) Policy changes recommended based on a comparative analysis of policies in other
4 states that spend less on business incentives but demonstrate better business retention and
5 growth outcomes; and

6 (c) Any governance changes that would facilitate greater alignment of spending decisions
7 between federal, state and local economic development agencies.

8 (5) A majority of the voting members of the task force constitutes a quorum for the
9 transaction of business.

10 (6) Official action by the task force requires the approval of a majority of the voting
11 members of the task force.

12 (7) The task force shall elect one of its members to serve as chairperson.

13 (8) If there is a vacancy for any cause, the appointing authority shall make an appoint-
14 ment to become immediately effective.

15 (9) The task force shall meet at times and places specified by the call of the chairperson
16 or of a majority of the voting members of the task force.

17 (10) The task force may adopt rules necessary for the operation of the task force.

18 (11)(a) The task force shall provide draft recommendations developed under subsections
19 (3) and (4) of this section to the interim committees of the Legislative Assembly related to
20 economic development no later than September 15, 2026.

21 (b) The task force shall submit a final report of the task force's recommendations, in the
22 manner provided by ORS 192.245, to the interim committees of the Legislative Assembly re-
23 lated to economic development no later than December 15, 2026.

24 (12) The Legislative Policy and Research Director shall provide staff support to the task
25 force, including by:

26 (a) Researching and providing analysis on current business retention strategies in
27 Oregon communities;

28 (b) Reviewing strategies that have been successful in other states;

29 (c) Reviewing data related to the challenges faced by Oregon businesses in remaining in
30 or growing in Oregon; and

31 (d) Reviewing programs offered by state and local economic development agencies.

32 (13) Members of the Legislative Assembly appointed to the task force are nonvoting
33 members of the task force and may act in an advisory capacity only.

34 (14) Members of the task force who are not members of the Legislative Assembly serve
35 as volunteers on the task force and are not entitled to compensation or reimbursement for
36 expenses.

37 (15) All agencies of state government, as defined in ORS 174.111, are directed to assist
38 the task force in the performance of the duties of the task force and, to the extent permitted
39 by laws relating to confidentiality, to furnish information and advice that the members of
40 the task force consider necessary to perform their duties.

41 SECTION 5. Section 4 of this 2026 Act is repealed on December 31, 2027.

42 SECTION 6. This 2026 Act being necessary for the immediate preservation of the public
43 peace, health and safety, an emergency is declared to exist, and this 2026 Act takes effect
44 on its passage.