

House Bill 2342

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of Representative Susan Morgan and Representative Jeff Merkley)

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**.

Allows small business development centers in state universities. Extends purpose of centers to include counseling.

Requires assent of Commissioner for Community College Services and Chancellor of State Board of Higher Education before Economic and Community Development Department may make grant to state university.

A BILL FOR AN ACT

Relating to small business; creating new provisions; and amending ORS 285B.165, 285B.168 and 285B.174.

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

SECTION 1. Section 2 of this 2001 Act is added to and made a part of ORS 285B.165 to 285B.171.

SECTION 2. As used in ORS 285B.165 to 285B.171, "state university" means a state institution of higher education listed in ORS 352.002.

SECTION 3. ORS 285B.165 is amended to read:

285B.165. (1) The purpose of ORS 285B.165 to 285B.171 is to establish **and sustain** a statewide network of [*community college-based*] small business development centers.

(2) The Legislative Assembly finds that:

(a) It is in the state's interest to help small businesses develop and improve skills in such areas as marketing, management and capital formation through a network of small business development centers [*because*];

[(a)] (b) Small business employers create most of the new jobs in Oregon and are vital to Oregon's long term economic [*recovery*] **vitality**;

[(b)] (c) Community colleges **and state universities** [*present the possibility of a statewide network able to link*] **can link** small business with college resources, expert resource people in the business community and [*with*] other training resources throughout the state; and

[(c)] (d) [*While many factors affect the vitality of small business,*] **Information resources, business counseling and training assistance in a [*form, location and time directly related to the problem to be solved is chief among them*] convenient format support the vitality of small business.**

SECTION 4. ORS 285B.168 is amended to read:

285B.168. (1) The Economic and Community Development Department may make **grants** available **on a justified need basis** to a community college [*and*] **district, a community college service district or, with the concurrence of the Commissioner for Community College Services and the Chancellor of the State Board of Higher Education, a state university** [*districts on a justified need basis grants*] to assist in the formation, [*and*] improvement **and operation** of small business

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.

development centers. The grant application shall include:

(a) Evidence of the potential demand for assistance;

(b) Plans for involving other training resources and expert resource people from the business community in the program;

(c) An outline of training options to be available, including[, *but not limited to, time of day, length of training*] **subject**, training location, **electronic availability** and other considerations important to the small business community;

(d) Plans for the establishment and maintenance, either in a geographically accessible location or in electronic form, of resource information critical to the success of small business;

(e) Plans for providing small business owners and managers individual counseling, to the greatest extent practicable, in subject areas critical to small business success;

[(d)] **(f)** A budget for the year for which a grant is requested, including [*college, client and Economic and Community Development Department grant shares*] **cost apportionment among the Economic and Community Development Department, small business clients, the community college or state university and other sources;** and

[(e)] **(g)** A plan for evaluating the effect of the program on small business clients served.

(2) The grants made under subsection (1) of this section are to be used by the community college **district**, [*or*] community college service district **or state university** to **provide funds for:**

(a) [*Provide funds for*] Small business development center staff and support staff;

(b) [*Provide funds to retain*] Expert resource persons from the business community;

(c) [*Provide funds to retain*] Other training **and business** resources [*as necessary to enhance the training capability of the centers*] in [*certain*] skill areas **for which**, or areas of the state [*in instances where the*] **where, the community college** [*or*] district, **community college service district or state university** can demonstrate it does not **otherwise** have the capacity or expertise to provide [*such*] **the** resources; and

(d) [*Provide funds for*] Other costs related to [*operation of the centers and provision of*] **providing** training, **counseling and business resources** to small business clients.

[(3)] **(3)** [*In order*] To be eligible for grants under subsection (1) of this section, existing programs shall be required to provide funds, [*or*] in-kind contributions or some combination of funds and contributions, in accordance with rules adopted by the Economic and Community Development Department.

[(4)] **(3)** [*In order*] To be eligible for grants under subsection (1) of this section, existing programs shall be required to provide funds, [*or*] in-kind contributions or some combination of funds

and contributions, in accordance with rules adopted by the Economic and Community Development Department.

SECTION 5. ORS 285B.174 is amended to read:

285B.174. In cooperation with other state and public agencies, **state universities as defined in section 2 of this 2001 Act** and community colleges may develop programs to assist Oregon businesses with the procurement of government contracts and grants. [*The*] Small business development centers established under ORS 285B.165 to 285B.171 may assist with these programs.