



## SENATE MAJORITY OFFICE

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# NEWS RELEASE

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## **Senate supports traded sector businesses in rural Oregon** *HB 2242 adds flexibility for using Oregon funding to support manufacturing*

SALEM – The Oregon Senate voted today to send a bill that will help provide much needed business capital to traded-sector businesses, particularly in rural Oregon, to Gov. Kate Brown for signature.

House Bill 2242 – which passed by a 30-0 vote on the Senate floor – increases Business Oregon’s flexibility to use funding to support traded-sector industries that manufacture and distribute products from office space, as well as manufacturing facilities. The bill also specifies that the 15 percent of Business Oregon funding currently reserved for emerging small businesses in rural or distressed areas be allowed to be loaned to businesses in those areas not engaged in traded sector activities.

“One of the biggest problem small businesses face, particularly in rural Oregon, is access to capital they need to expand and acquire the equipment and facilities they need to hire more employees,” said Sen. Lee Beyer (D-Springfield), who carried the bill. “This will help expand the criteria so more businesses can access funding through Business Oregon, with a portion of the funding set aside specifically for rural Oregon businesses.”

The Oregon Business Development Fund – which is overseen by Business Oregon – is a revolving loan fund that provides fixed-rate financing for land, buildings, equipment, machinery and permanent working capital. Program participants must create or retain jobs, typically in traded-sector businesses that engage in manufacturing, processing or distribution activities. The program gives preference to projects located in rural or distressed areas, as well as small businesses with fewer than 100 employees.

Under current law, it is difficult for the department to provide the loans to companies that manufacture and distribute their products within office space or corporate headquarters. These businesses can include technology, software or value-added manufacturing companies, as opposed to more traditional manufacturing centers. This bill provides the flexibility for these businesses to access the low-interest loans to support their growth.

HB 2242 now goes to Gov. Kate Brown for signature.

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