



SENATE MAJORITY OFFICE

Oregon State Legislature
State Capitol
Salem, OR

NEWS RELEASE

February 11, 2014

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Senate votes to increase support for Oregon's small businesses

SB 1563A raises cap on business fund with proven record of getting Oregonians back to work

SALEM – Today the Oregon Senate voted to raise the cap on a business development fund that the state offers to small businesses looking to hire and expand. Senate Bill 1563A passed the Senate with a 29-0 vote.

“This program has helped many small businesses in a wide variety of industries get off the ground,” said Senator Alan Bates (D-Medford). “But it can still be difficult for small businesses to find the capital they need to grow. It’s time we expanded this successful program so it can do more good for Oregon and get more people back to work.”

Oregon’s Entrepreneurial Development Loan Fund (EDLF) helps small businesses get off the ground by providing start-up and expansion funding. Since 2009, Business Oregon, the agency that manages the fund, has provided over 50 loans to small businesses through EDLF. Nearly 60 percent of loans provided through this program go to small businesses outside of Oregon’s largest metropolitan areas. The bill also directs Business Oregon to focus on business development in rural Oregon.

Senate Bill 1563A raises the amount of support that a small business can receive through EDLF to a total of \$100,000, up from the current cap of \$70,000. The program has provided more than \$1.6 million in loans to a broad range of businesses in sectors ranging from natural resources to high tech.

“We have heard from small business owners like Evann and Jose that these loans provide critical support to kick-start new ventures and expand operations,” said Senate Majority Leader Diane Rosenbaum (D-Portland), who carried the bill on the floor. “Expanding the cap will give Main Street businesses across Oregon another line of support to grow and revitalize our local communities.”

Evann Remington, owner of Fresh n' Local Foods, told a Senate committee that similar loans allowed her business to grow from seven to 19 employees. Earlier this year, Jose Gonzalez, owner of Tu Casa Real Estate, shared his experience about how the availability of affordable credit can make the difference between hiring more employees or making the difficult decision to cut jobs.

“Raising the cap will really mean a lot for small business who need to hire that extra employee, expand their premises, or invest in new equipment,” said Senator Lee Beyer (D-Eugene).

Senate Bill 1563A will now head over to the Oregon House of Representatives for consideration.

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