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Small business resources should be promoted in communities

HB 2152 allows business development centers to use state grants for outreach

SALEM – Business development centers are important resources to help small businesses – the backbone of the state’s economy, particularly in rural areas – to start up, grow and thrive. They also happen to be a well-kept secret in many communities.

House Bill 2152 – which passed the Oregon Senate by a 26-1 vote today – works to change that by allowing business development centers to use state grants for outreach and marketing their services to entrepreneurs.

Under current law, business development centers are not allowed to use state funds for outreach or promoting their programs. This bill removes that restriction. **Sen. Lee Beyer (D-Springfield)** – who represents large portions of rural Lane and Linn counties – carried the bill in the Senate.

“The key to strong, sustainable economic development – particularly in rural communities – is small business,” Beyer said. “Small businesses have this important resource available to them and, in many cases, they may not even know about it. This bill fixes that by allowing business development centers to put more resources into getting the word out. You can’t use a service if you don’t know it exists.”

Beside authorizing the centers to use state grant funding for outreach and marketing, the bill also directs the centers to collaborate with state agencies, state-supported organizations and private-sector entities to provide specific services and referrals for services to small businesses.

“We need to make sure that the services offered by the business development centers are pertinent to the needs of local small businesses in their communities,” Beyer said. “This will improve the centers’ ability to effectively develop their local economies by providing the most useful services and connecting with the small businesses that need them their services the most.”

Currently there are 19 small business development centers operating statewide, mostly in conjunction with community colleges and public universities. They provide business advising, training and other resources to existing small businesses and startups. Currently, these centers are prohibited from using state funds for marketing and outreach efforts to publicize their services. Many have been creative in finding ways to reach out to businesses at no cost, but their hands are tied, in a sense, because they are severely limited due to current financial restrictions.

“The key to economic development in rural Oregon is small business,” Beyer said. “We need entrepreneurs in communities all over the state to start businesses and create jobs. Business development centers can help them navigate the pitfalls of business management and open doors to resources that a new entrepreneur may not know about. Business development center provide the services that help small businesses become big businesses – and big employers in Oregon.”

House Bill 2152 now goes to Gov. Kate Brown for her signature.

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