



SENATE MAJORITY OFFICE

Oregon State Legislature
State Capitol
Salem, OR

NEWS RELEASE

February 24, 2012

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Credit enhancement bill will expand growth for Oregon business *HB 4150 will allow more businesses to qualify for capital*

SALEM – A bill that will increase access to capital for Oregon businesses earned unanimous support in the Oregon Senate this morning. House Bill 4150, introduced by Democrats in the House of Representatives, opens up eligibility for more businesses to tap the state’s Credit Enhancement Fund, a loan insurance program that helps Oregon companies grow and create jobs.

“With the state’s economy in recovery, many small businesses across Oregon are poised to grow, but have difficulty accessing loans,” said Senator Laurie Monnes Anderson (D-Gresham), who carried the bill on the floor. “HB 4150 will allow the Credit Enhancement Fund to partner with banks and guarantee loans for non-traded sector businesses located throughout the state. This is a great proposal to help small businesses thrive in this recovering economy.”

Currently, the Credit Enhancement Fund is used to help traded sector businesses access capital. With the economy improving, many small businesses across Oregon are poised to grow, but have difficulty accessing loans. HB 4150 temporarily extends the fund to non-traded sector businesses, partnering with financial institutions to help businesses access working capital.

“Standing up for small businesses is the best way to improve our economy and get Oregonians back to work,” said Senator Mark Hass (D-Beaverton), chief sponsor of the bill. “This bill will help Oregon businesses access the resources they need to grow and expand.”

The Credit Enhancement Fund, which was created in 1993 and is administered by the Oregon Business Development Department, is a loan insurance program available to lenders to assist businesses in obtaining access to capital. The Fund guarantees loans made by lenders providing working capital or fixed-asset loans to businesses and is available for traded sector manufacturing, production, processing and distribution companies.

The bill now goes to the Governor for his approval.

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