



## SENATE MAJORITY OFFICE

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### NEWS RELEASE

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#### **Key Senate Democratic priority to help small businesses grow and create jobs moves out of committee**

*SB 494 builds on success of 2010's Access to Business Capital Act*

SALEM – Legislation that builds on the success of the Access to Business Capital Act from the February 2010 Session passed out of the Senate General Government, Consumer and Small Business Protection Committee this afternoon. By removing the sunset date and making permanent the changes made in February 2010, SB 494 is a key piece of the Senate Democrats' agenda commitment to remove barriers to loans and capital for Oregon's small businesses.

The Access to Business Capital Act provides Business Oregon, the state's economic development agency, more flexibility in administering two important programs: the Oregon Business Development Fund and the Entrepreneurial Development Loan Fund. Since 2010, twenty-six small businesses have received those funds and more than \$5 million in loans have been made to Oregon companies. These loans have helped leverage more than \$50 million in additional, private-sector project financing, helping to create and retain nearly 300 jobs across Oregon.

"The Access to Business Capital Act has been successful in creating and retaining family-wage jobs during a time of economic stress in Oregon," said Senator Suzanne Bonamici, the chief sponsor of both the legislation from 2010 and SB 494. "By removing the sunset date and making other small changes to the Access to Business Capital Act, SB 494 will give Business Oregon powerful tools to help businesses—and the people they employ—thrive."

In the past year, the Access to Business Capital Act has broadened the pool of applicants for loan consideration, expedited the loan approval and processing time, and allowed Business Oregon to fill a larger financing gap per project to respond to the tighter lending criteria that has been imposed on even sound borrowers during the financial crisis.

"It's been just a year since we passed the original legislation to help Oregon businesses get access to much-needed loan programs," said Senator Chip Shields, chair of the committee. "In that year, we've already seen great success in helping Oregon's small businesses. SB 494 is the appropriate next step to help more business get access to the capital that will help them grow and create jobs."

After being signed into law in April 2011, loans have been made to small businesses in cities across the state,

including Coos Bay, John Day, Portland, Eugene, Albany, Hood River, Baker City and Medford. Projects include:

- Ninkasi Brewing in Eugene obtained a loan to expand their bottling line, and plan to create at least 17 new jobs.
- Frog Eyes Wasabi in Pacific City was able to finance a new greenhouse, helping to retain 2 jobs.
- Ochoco Lumber in John Day created 11 new jobs through the construction of a new pellet facility.
- Rogue Truck Body received a loan helping them to stay in business and create/retain 11 jobs.

Business Oregon reports there are more than 10 potential projects in the pipeline, including loans for small businesses in Salem, Bend, and Klamath Falls. Businesses that are interested in applying for financing through the Oregon Business Development Department can check out available programs here:

<http://www.oregon4biz.com/Business-financing-resources/Oregon-Finance-Programs/>

SB 494 will now to the Ways and Means Committee for consideration.

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