

HB 2211 B STAFF MEASURE SUMMARY

Carrier: Sen. Courtney

Senate Committee On Veterans and Emergency Preparedness

Action Date: 05/22/19

Action: Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

Vote: 4-0-1-0

Yeas: 4 - Baertschiger Jr, Boquist, Monnes Anderson, President Courtney

Exc: 1 - Olsen

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: C. Ross, Counsel

Meeting Dates: 4/24, 5/15, 5/22

WHAT THE MEASURE DOES:

Includes qualifying disabled veterans with disability ratings of at least 70 percent, as determined by the federal Veterans' Administration, among severely disabled business owners who are eligible for Entrepreneurial Development Loans from the Oregon Business Development Department.

ISSUES DISCUSSED:

- Second certification process for veterans whose disability has already been determined by the federal Veterans' Administration
- How to achieve parity between "severe" disability required for loan eligibility, and veterans' disability ratings expressed as percentages
- Federal Veterans' Administration disability ratings tied to capability to work, compared to certification processes through the Department of Human Services and the Commission for the Blind, which are tied to the federal definition of "disabled" for purposes of Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI)
- Disability ratings changing over time; the higher the veterans' disability rating, the less capable of working

EFFECT OF AMENDMENT:

Establishes minimum 70 percent total disability rating for eligible veterans to apply for entrepreneurial loans available to severely disabled persons.

BACKGROUND:

The Oregon Business Development Department (Business Oregon) administers an Entrepreneurial Development Loan Program for businesses that meet one or both of the following criteria: the business owner is certified as having a severe disability by the Oregon Department of Human Services (DHS) or the Commission for the Blind (the Commission); and/or the business has \$500,000 or less in revenue in the 12 months preceding application. Applicants must also meet a handful of other criteria, such as being enrolled in a small business counseling program. The maximum loan amount is \$75,000 (\$100,000 total loans), with a maximum term and amortization period of five years, and a minimum fixed interest rate of prime plus two percent. In order to apply for these loans, veteran business owners whose disability ratings are determined by the federal Veterans' Administration (VA), must obtain duplicative verification through DHS or the Commission.

House Bill 2211-B allows qualifying veterans with disability ratings of at least 70 percent, as determined by the federal VA, to apply for entrepreneurial loans from Business Oregon that are available to severely disabled business owners.