

A-Engrossed
House Bill 3251

Ordered by the House April 5
Including House Amendments dated April 5

Sponsored by Representative HELM, Senators KNOPP, DEMBROW, Representatives BONHAM, GOMBERG, HELT, SMITH DB, WITT, Senator THOMSEN; Representatives STARK, ZIKA, Senator GOLDEN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Authorizes Oregon Business Development Department to *[make loans and]* award matching grants to membership organizations and business accelerators in outdoor *[recreation]* **gear and apparel** industry.

[Declares emergency, effective on passage.]

A BILL FOR AN ACT

Relating to the outdoor recreation industry; creating new provisions; and amending ORS 285B.290.

Be It Enacted by the People of the State of Oregon:

SECTION 1. As used in this section and section 2 of this 2019 Act:

(1) "Business accelerator" means a company:

(a) Operating principally in this state;

(b) With demonstrated success in operating educational programs in which outdoor gear and apparel industry veterans mentor cohorts of founders of emerging outdoor gear and apparel industry companies located in this state; and

(c) Whose purpose is to help incubate and accelerate the growth of emerging companies.

(2) "Membership organization" means a nonprofit organization:

(a) Operating principally in this state;

(b) Consisting of member businesses from the outdoor gear and apparel industry whose principal place of business is in this state; and

(c) That has the purpose of growing the outdoor gear and apparel industry at the state or regional level.

(3) "Outdoor gear and apparel industry" means all traded sector businesses that manufacture gear and apparel for use in outdoor recreation.

(4) "Outdoor recreation" means activities undertaken for pleasure outdoors in natural environments.

(5) "Traded sector" has the meaning given that term in ORS 285B.280.

SECTION 2. (1)(a) The Oregon Business Development Department may award matching grants to membership organizations and business accelerators in accordance with this section.

(b) Matching grants awarded under this section must be used by the receiving membership organizations and business accelerators for the purposes of capacity building and tech-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 nical assistance in the outdoor gear and apparel industry.

2 (2)(a) The department shall provide public notice whenever there are funds available for
3 matching grants under this section.

4 (b) The notice must include information about the requirements for eligibility and the
5 application process for the matching grants.

6 (3)(a) A membership organization or business accelerator seeking a matching grant un-
7 der this section must file with the department an application in accordance with rules
8 adopted by the department pursuant to paragraph (c) of this subsection. The information
9 included with the application must demonstrate that the applicant is a membership organ-
10 ization or business accelerator.

11 (b) The department may charge an application fee in an amount that does not exceed the
12 actual costs incurred by the department in processing applications filed pursuant to this
13 section.

14 (c) The department shall adopt rules that establish the application process for matching
15 grants awarded under this section.

16 (4) The department may not pay the amount of a matching grant to a membership or-
17 ganization or business accelerator unless the recipient has entered into a grant agreement
18 with the department that establishes the deliverables required from, and other goals to be
19 met by, the recipient.

20 **SECTION 3.** There is allocated for the biennium beginning July 1, 2019, from the Admin-
21 istrative Services Economic Development Fund, to the Oregon Business Development De-
22 partment, the amount of \$500,000, for deposit in the Industry Competitiveness Fund
23 established under ORS 285B.290, for the purpose of awarding matching grants under section
24 2 of this 2019 Act.

25 **SECTION 4.** ORS 285B.290 is amended to read:

26 285B.290. (1) The Industry Competitiveness Fund is established in the State Treasury, separate
27 and distinct from the General Fund.

28 (2) The Industry Competitiveness Fund shall consist of all moneys credited to the fund, including
29 moneys from the Administrative Services Economic Development Fund. Interest earned by the In-
30 dustry Competitiveness Fund shall be credited to the fund.

31 (3)(a) **Except as provided in paragraph (b) of this subsection,** moneys in the fund are con-
32 tinuously appropriated to the Oregon Business Development Department to provide funds for activ-
33 ities outlined in ORS 285B.286.

34 (b) **Moneys in the fund that are deposited or otherwise credited to the fund for the pur-**
35 **pose of awarding grants under section 2 of this 2019 Act are allocated to the department for**
36 **such purpose and may not be used for any other purpose.**

37 **SECTION 5.** No later than September 15, 2020, the Oregon Business Development De-
38 partment shall submit, in the manner provided in ORS 192.245, a report that sets forth the
39 investments made pursuant to section 2 of this 2019 Act to the interim committees of the
40 Legislative Assembly related to economic development.