A New Vision for Investing in Oregon's Opportunities

State Treasurer Ted Wheeler outlines investing in economic opportunities

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SALEM – State Treasurer Ted Wheeler is outlining to legislators the goals of an innovative investment proposal that will boost Oregon business opportunities and spark small business hiring.

In a hearing Wednesday of the Senate Interim Committee on Business, Transportation and Economic Development, Wheeler spoke about the need in Oregon need for additional business capital, and he offered a first look at the Oregon Investment Act, which he said will be an economic development powerhouse for the state.

The plan is being developed in coordination with and on behalf of Gov. John Kitzhaber, and the details are being hammered out by a bipartisan panel of experts convened by the Treasurer.

The Oregon Investment Act will increase business investment in Oregon by combining Lottery and private resources. The goals include: increase the flow of out-of-state capital into Oregon, provide more financing for Oregon ventures, improve the availability of loans for established businesses that are ready to expand, and enhance Oregon's business climate for starting companies and growing jobs.

"We want Oregon to be able to compete on the world stage, and win," said Treasurer Wheeler. "Oregon has strategic opportunities because of our location, our resources and our strong workforce – but opportunities do not become strategic advantages unless you invest in them."

> Treasurer working with Gov. Kitzhaber, business leaders to design 'Oregon Investment Act'

The centerpiece of the vision is the Oregon Growth Fund, which will redirect and amplify investment of Oregon Lottery dollars into chosen Oregon sectors and ventures. Another element is an envisioned Oregon Growth Mutual Fund, which will be a way for Oregon individuals and foundations to also invest into Oregon opportunities.

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Kitzhaber asked Wheeler to help generate business development ideas for the 2011 Legislative session, and the Treasurer worked with Portland attorney Wally Van Valkenburg, the chairman of the Oregon Economic and Community Development Commission, and State Rep. Tobias Read, D- Beaverton, to propose a "one stop" concierge desk for businesses that contact the state. Lawmakers endorsed that concept.

In addition to Wheeler, the Treasurer's panel drafting the Oregon Investment Act includes Van Valkenburg; Rep. Read; Allen Alley, the former chairman of Pixelworks; and Scott Nelson, the governor's economic development adviser.

The Treasurer intends to offer a framework of the proposal to the 2012 Legislature, and then to work with a larger group of architects to design the full plan. That vision would then be submitted to the 2013 Legislature.

The Treasury already commits energy to in-state economic development through the Oregon Growth Account. That fund has steered tens of millions of Lottery dollars since 1995 to help Oregon startups hire more people and to convert good ideas into hopefully profitable ventures. Those companies now number more than 80, and their combined payroll in 2010 was an estimated $42 million.

The Oregon Growth Account would become part of the new strategy.