

**NOTICE OF PROPOSED RULEMAKING HEARING\***

A Statement of Need and Fiscal Impact accompanies this form.

<u>Department of Consumer and Business Services-Office of Minority Women and Emerging Small Business</u>		445
Agency and Division		Administrative Rules Chapter Number
Sheila Haywood		503-947-7950 – Office
(Sheila.l.haywood@state.or.us)	350 Winter Street NE, Salem OR 97309-0405	503-373-7041 - Fax
Rules Coordinator	Address	Telephone

**RULE CAPTION**

The Emerging Small Business eligibility requirements are modified to create a two-tier designation system.

**Not more than 15 words that reasonably identifies the subject matter of the agency’s intended action.**

February 17, 2006	10:00 AM	350 Winter Street NE, Labor & Industries Building, Conference Room F	Sheila Haywood
Hearing Date	Time	Location	Hearings Officer

*Auxiliary aids for persons with disabilities are available upon advance request.*

**RULEMAKING ACTION**

**ADOPT:**

**AMEND:**

445-050-0115, 445-050-0125 and 445-050-0135

**REPEAL:**

**RENUMBER:**

**AMEND & RENUMBER:**

ORS 200.500

Stat. Auth.

Other Authority

2005 Oregon Laws Chapter 683

Stats. Implemented

**RULE SUMMARY**

These rule changes implement the following changes made by 2005 Oregon Laws Chapter 683:

Creates a two-tier system for certification of emerging small businesses and modifies the qualifications by increasing the employee and gross-receipts thresholds. “Tier one firm” means a business that employs fewer than 20 full-time equivalent employees and has average annual gross receipts for the last three years that do not exceed \$1.5 million for a business performing construction, as defined in ORS 446.310, or \$600,000 for a business not performing construction. “Tier two firm” means a business that employs fewer than 30 full-time equivalent employees and has average annual gross receipts for the last three years that do not exceed \$3 million for a business performing construction, as defined in ORS 446.310, or \$1 million for a business not performing construction.

Increases the limit on certification from seven to twelve years, six years at each tier. Allows reinstatement of a formerly certified business if the business still qualifies as an emerging small business and has eligibility remaining.

Transfers the Emerging Small Business Account from the Consumer and Business Services Fund to the State Highway Fund.

The Agency requests public comment on whether other options should be considered for achieving the rule’s substantive goals while reducing the negative economic impact of the rule on business.

February 17, 2006

**Last Day for Public Comment**

Last day to submit written comments to the Rules Coordinator

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed name

\_\_\_\_\_  
Date

\*The *Oregon Bulletin* is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation. Notice forms must be submitted to the Administrative Rules Unit, Oregon State Archives, 800 Summer Street NE, Salem, Oregon 97310 by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a Saturday, Sunday or legal holiday when Notice forms are accepted until 5:00pm on the preceding workday.