## ECONOMIC IMPACT OF HB 4157: Support for Outdoor Products Manufacturing

Oregon House Bill 4157 provides state funding for outdoor products manufacturing companies with SCALABLE, HIGH GROWTH business models.

It aims to help Oregon-based companies **GROW IN PLACE** and to entice out-of-state companies to **RELOCATE TO OREGON** 

Each grant increases the ability to

produce initial products which enhances access to new markets which leads to accelerated revenue growth which leads to increased survival rates and accelerated jobs growth

## HB 4157 is Smart Money:

National research shows combining early investment funds with mentoring and coaching **increases startup survival rates by 50%**. (Sources: Kauffman Foundation and Ford Foundation).

Every job in a manufacturing company **supports another 2.2 – 2.4 indirect jobs**; Every dollar in final sales of manufactured products **supports \$1.33 in output from other sectors**—this is the largest multiplier of any economic sector. *(Source: Manufacturing Institute)* 

Early state investment helps accelerate revenue, jobs and investment

We anticipate 20 companies receiving assistance from a state investment of \$250,000 in the half biennium, and \$500,000 for full bienniums. From that, we can expect the following economic impact and state ROI:

Third Biennium '23-'24

First Half-Biennium '20/21

\$1.25 MM total business revenues 23 direct employees 50 indirect jobs \$845 k direct payroll \$480 k investment \$ \$71k state tax revenue (28% ROI) Second Biennium '21-'22

\$20 MM total business revenues
120 direct employees
264 indirect jobs
\$6.2 MM payroll
\$28.8 MM investment \$
\$521k state tax revenue (104% ROI) \$22 MM total business revenues
353 employees
776 indirect jobs
\$22.6MM payroll
\$36.0 MM investment \$
\$1.9 MM state tax revenue (379% ROI)

Economic Benefits of HB 4157, Jan. 2020 Contact Erik Kancler with questions at erik@kanclerconsulting.com