



March 18, 2025

Subject: Testimony in Support of HB 5024 – Funding for Oregon SBDC and OMEP

Dear Chair Gomberg, Chair Woods, and Members of the Joint Ways and Means Subcommittee on Transportation and Economic Development,

Thank you for the opportunity to provide testimony in support of HB 5024, which will determine critical state funding allocations for the coming biennium. On behalf of the South Coast Development Council (SCDC), I urge the committee to fully fund both the Oregon Small Business Development Center (SBDC) Network and the Oregon Manufacturing Extension Partnership (OMEP), with appropriate Cost of Living Adjustments (COLA) and necessary increases to ensure continued economic success.

The Oregon SBDC Network provides invaluable support to over 5,000 small business owners and aspiring entrepreneurs annually across its 19 Centers statewide, delivering advising, training, and business resources that strengthen Oregon's economy. The Southwestern SBDC alone served 204 advising clients in 2024 and is on pace to exceed that significantly in 2025, with 78 clients served so far. The center offers and hosts dozens of events that reach hundreds of regional business owners, including its nine-month Small Business Management (SBM) program. Additionally, they are our partner in the Southwest Oregon Innovation Hub (one of only nine in the state) as well as our South Coast Accelerator, a business incubator.

SBDC services are equitable and accessible, with over 60% of Southwestern SBDC's clients being women, and 17% representing Hispanic, Native American/Native Alaskan, or other underserved communities. Additionally, 5% of clients served are Veterans, reinforcing the SBDC's commitment to providing critical resources to historically underrepresented business owners. The Southwestern SBDC grew its client base by 17% in 2024 over the previous year and is currently on pace for over 50% growth in 2025—all while operating with fewer than 3.0 FTE in total staffing.

Similarly, OMEP plays a crucial role in strengthening Oregon's manufacturing sector by providing expert consulting, operational improvements, and data-driven strategies to enhance competitiveness and efficiency. Oregon's manufacturers are among the best-paying employers in the state, with average wages of \$91,000 per year—\$36,000 above the state's average for all industries. The work OMEP does helps small and mid-sized manufacturers scale, grow, and thrive, ensuring continued prosperity for working families and local economies. We support the request for a 20% increase in OMEP funding over previous biennia to account for inflation and COLA adjustments, ensuring manufacturers have access to the resources they need.

Investing in SBDC and OMEP is an investment in Oregon's small businesses, workforce, and economic future. These programs drive job growth, increase business competitiveness, and contribute to a strong, diversified economy. We urge the Legislature to fully fund these initiatives through HB 5024 to ensure Oregon businesses remain resilient and successful.

Sincerely,

A handwritten signature in black ink that reads 'Lexie Woodward'.

Lexie Woodward, PCED, CEcD
Executive Director