



COLUMBIA
ECONOMIC
TEAM

March 19, 2025

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The Honorable David Gomberg, Co-Chair
Joint Committee on Ways & Means
Subcommittee on Transportation and Economic Development

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Re: HB 5024, Written Testimony in Support and Validation of OMIC R&D (Oregon Manufacturing Innovation Center)

Co-Chairs Woods and Gomberg, and Members of the Joint Committee on Ways & Means Subcommittee on Transportation and Economic Development;

On behalf of the full Board of Directors and membership of the Columbia Economic Team, we are privileged to provide testimony in support of funding for the Oregon Manufacturing Innovation Center (OMIC R&D), and we thank you for the opportunity.

Columbia Economic Team (CET) is certainly an industry partner with OMIC R&D, but the relationship goes far deeper in dimension, owing greatly to how effectively OMIC and its host university, Oregon Tech, agilely collaborate at all levels to maximize the impact of Oregon's only advanced & additive manufacturing applied research facility and team. Just this week, OMIC R&D is working closely with CET and Business Oregon to host Japanese industrialists and trading partners, helping CET and Oregon compete as a global finalist to recruit a European advanced manufacturer — and 250 jobs, and developing the funding plan for an Advanced & Additive “solutions” accelerator for start-up and expanding small manufacturers, leveraging federal investment in top-of-class design. And that's just this week.

Based upon performance and impactful contribution alone, we strongly encourage the committee to fully restore the \$1.25 million budget reduction, including necessary inflation adjustments, which is currently reflected in the Governor's Recommended Budget. Funding for OMIC R&D is investment that actually generates a return.

OMIC R&D has demonstrated substantial economic impact since its inception, securing over \$23.9 million in combined private and federal funding. Of this, \$5,304,384 comes from federal grants—critical dollars that amplify the investments made by private companies like OMIC's consistently growing membership base. These federal funds help bridge the gap between research and real-world application, allowing OMIC R&D to accelerate innovation, de-risk new technologies, and drive economic growth in Oregon's manufacturing sector.

Collaborations facilitated by OMIC R&D among higher education institutions and industry partners tackle real-world industry challenges head-on. That's what applied research does. Driving development of cutting-edge solutions with sophisticated machine makers, their customers, and top research engineers, OMIC R&D work enhances manufacturing efficiency, reduces production costs, develops innovative techniques and even establishes new industry best practices. This work, in collaboration with top global manufacturers and top research & technical universities produces new tools, techniques, and products in Oregon that help drive innovation and advancement in the global marketplace. Furthermore, OMIC R&D's initiatives in workforce development address talent shortages by offering specialized training through partnerships with educational institutions such as PCC, OSU, and Oregon Tech, ensuring professionals entering our workforce have the skills to meet the evolving demands of the manufacturing sector.

Naturally, helping drive more efficient and increased production through applied research also stimulates family-wage employment and local economies across Oregon, particularly in the traded sector, further reinforcing OMIC's role as a cornerstone for regional economic stability and growth. Maintaining consistent funding for OMIC R&D is essential for sustaining these beneficial outcomes and supporting that continued economic growth within the state.

After its start-up period – much like any new business or enterprise, OMIC work is more robust and active than ever before, so this is not the time to reduce OMIC funding, it is the time to continue to invest. A reducing to OMIC R&D's budget would have the reverse effect of what Oregon needs --- investment in industry advancement that stimulates all aspects of Oregon's economy. Manufacturing generates the highest economic multiplier of any sector, 3.41 times every dollar invested. Oregon's investment in OMIC R&D is throwing good money where it generates the greatest return.

We respectfully request your support in restoring the appropriate and intended level of funding for OMIC R&D, to ensure the continued strength, growth, innovation and resilience of Oregon's manufacturing industry, its workforce, its traded sector, and its communities where people live and work.

Thank you for your service to our state, for your leadership, for thoughtful consideration, and for making the important decisions to preserve Oregon's investment in OMIC R&D.

Sincerely,



Paul Vogel
Executive Director