

Mission and Funding of the Oregon Economic Development Department

Compiled by Matteo Luccio

The Oregon Economic Development Department was created in 1973 as a cabinet-level agency directly accountable to the Governor. Its mission is to help create more and better jobs for Oregonians. It does this by supporting the development initiatives of Oregon's 12 economic regions (a county or group of counties) and 13 key industries—aerospace, agriculture, biotechnology, environmental, film and video, fisheries, forest products, high technology, metals, plastics, professional services, software, and tourism.

The department is overseen by the five-member, bipartisan Economic Development Commission. The commission was established by the Legislature in 1993

to ensure an integrated approach and continuous policy direction that could transcend changes in executive and legislative leadership. Commissioners, appointed by the governor and confirmed by the Senate, serve staggered four-year terms.

The department's investments and services are funded by Oregon Lottery proceeds, federal funds, bond proceeds, and repayments on revolving loans. State lottery funds first were dedicated to economic development in 1984 by a constitutional amendment adopted by voters and expanded to include education in 1995. At year-end 1994 the department had 158 employees organized in five divisions.

Oregon Lottery Allocation

\$768.4 Million

1995-97 Legislatively Approved

Of the total lottery allocation, only \$74.7 million is earmarked directly for economic development.

The balance is divided as follows:

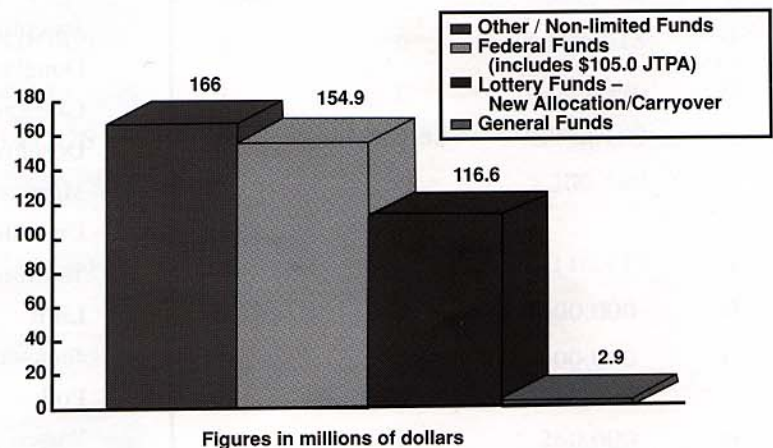
- \$572.5 million for education,
- \$54.7 million for human resources,
- \$23.4 million for natural resources
- \$21.2 million for transportation,
- \$13.1 million for administration,
- \$7.3 million for employment, housing & community development, and
- \$1.5 million for public safety.

The percentage of lottery funds allocated to the department by the Legislature for 1995-97 was 9.7%; it is 11% in the budget proposed by the governor for 1997-99. However, the total lottery funds are projected to decrease from \$768.4 million to \$563.7 million; therefore, despite the percentage increase, the department's funding would drop to \$64 million.

Funding Sources

\$440.4 Million

1995-97 Legislatively Approved



Other: grant receipts, interagency agreements, and cooperative ventures. *Non-limited:* bond proceeds, bond debt service, revolving loan funds, loan guarantees (total outstanding loans). *Carryover:* loan fund reserves (cash), committed funds, funds projected to be expended but not yet committed.

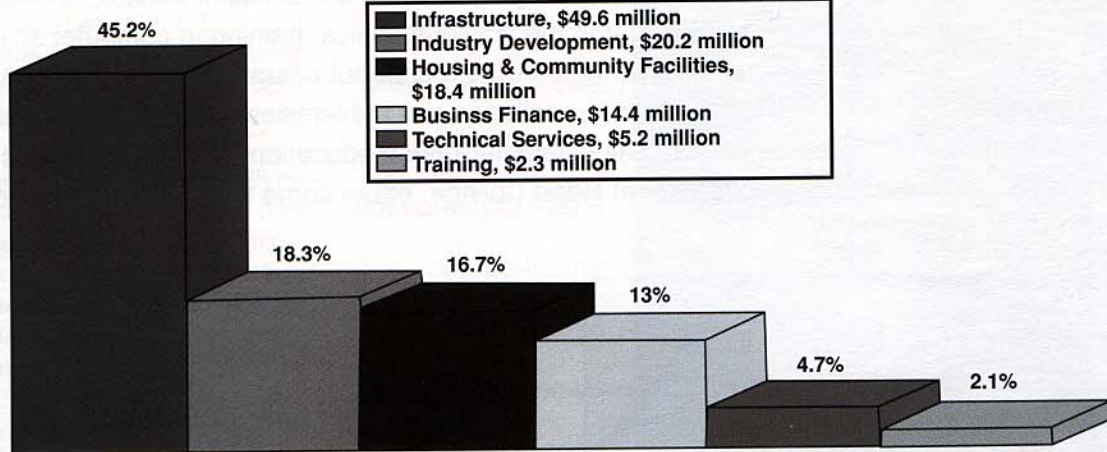
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The department's actual investments in the Oregon economy—after excluding the Job Training Partnership Act, bonds, the Film & Video Office, and central and field operations—amount to \$110.1 million. Of these, \$36.4 million (33%) go to business and \$73.7 million (67%) go to local governments.

COUNTY	INVESTMENT	
	TOTAL	PER CAPITA
Wheeler	1,124,906	703.07
Wallowa	3,435,797	473.90
Morrow	2,994,518	332.72
Sherman	510,768	268.83
Harney	1,632,556	217.67
Baker	3,580,758	217.02
Gilliam	392,768	206.72
Crook	2,197,414	138.20
Coos	7,162,764	116.09
Hood River	1,921,306	101.12
Clatsop	3,355,848	96.99
Curry	2,096,828	95.31
Tillamook	2,190,271	92.03
Lake	535,556	70.93
Jefferson	991,894	58.69
Malheur	1,674,251	58.34
Lincoln	2,414,259	57.21
Benton	4,063,698	53.47
Union	1,207,775	49.30
Columbia	1,949,607	48.62
Grant	381,421	47.09
Josephine	3,183,391	44.21
Douglas	3,819,877	38.74
Clackamas	11,746,299	37.50
Deschutes	3,244,929	33.11
Marion	8,227,491	31.31
Umatilla	1,901,808	29.04
Yamhill	2,234,590	28.83
Linn	2,259,316	22.59
Jackson	3,670,074	21.85
Polk	1,116,499	19.83
Wasco	439,887	19.55
Klamath	1,035,383	16.81
Lane	4,533,005	14.82
Washington	3,039,153	8.07
Multnomah	4,877,669	7.67
Statewide	8,970,898	2.82

Source: Oregon Economic Development Dep., presentation to the 1997 Legislative Assembly, Joint Committee on Ways and Means, Subcommittee on Transportation and Economic Development, *Overview of the Oregon Economic Development Department*, March 1997.

Budget Allocation



Division	General Fund	Lottery	Other	Non-limited	Federal	TOTAL	FTE
Industry Development	0	19,477,085	1,923,611	66,600,000	106,439,950	194,440,646	57
Regional Development	0	70,256,964	837,745	91,713,478	29,634,401	192,442,588	28
Office of the Director	0	6,539,986	940,052	0	17,264,104	24,744,142	41
Ports Development	24,940	5,337,250	1,343,163	1,500,000	0	8,205,353	4
Tourism	0	5,466,015	540,000	0	0	6,006,015	9
Strategic Reserve Fund	0	5,664,306	0	0	0	5,664,306	0
Arts	2,284,645	0	149,928	0	1,507,529	3,942,102	5
Regional Development Officers	0	2,209,049	500	0	0	2,209,549	11
Progress Board	632,479	0	514,000	0	0	1,146,479	3
Craterian Theater	0	500,000	0	0	0	500,000	0
Advanced Navigation & Positioning	0	500,000	0	0	0	500,000	0
High Desert Museum	0	250,000	0	0	0	250,000	0
Discovery Center	0	200,000	0	0	0	200,000	0
Portland Metro Sports Program	0	100,000	0	0	0	100,000	0
World Affairs Council	0	90,000	0	0	0	90,000	0
Film & Video	0	0	0	0	0	0	0
GRAND TOTAL	2,942,064	116,590,655	6,248,999	159,813,478	154,845,984	440,441,180	158