



**Reshoring
Institute**

OREGON

State Economic Survey and Incentive Comparison

CONTACT INFORMATION

Contact Names: Jill Miles, Senior Business
Recruitment Officer

Contact Phone Numbers: 503-551-0997

Contact Email Addresses:
jill.a.miles@biz.oregon.gov

US State Name: Oregon

State Abbreviation: OR

State Economic Development Web Address:
www.oregon.gov/biz

**State Economic Development Email
Address:**
Business.Oregon_Info@biz.oregon.gov

**State Economic Development Phone
Number:** 503-986-0123

INCOME AND OUTPUT

This section highlights your state's productivity and income to provide an understanding of the amount of business conducted and the rate of growth for businesses and individuals.

Gross Domestic Product, in millions: \$ 272,190.9

<https://apps.bea.gov/itable/?ReqID=70&step=1&acrdn=1#eyJhcHBpZCI6NzAsInN0ZXBzIjpbMSwyNF0sImRhdGEiOltbIIRhYmxlSWQiLCI1MDUiXV19>

Gross Domestic Product % Growth: 4.8% (10 year)

<https://apps.bea.gov/itable/?ReqID=70&step=1&acrdn=1#eyJhcHBpZCI6NzAsInN0ZXBzIjpbMSwyNF0sImRhdGEiOltbIIRhYmxlSWQiLCIyMSJdLFsiQ2xhc3NpZmljYXRpb24iLCJOb24tSW5kdXN0c2kiXV19>

Per Capita Personal Income (*GDP/Population) this is often used as a standard of living measurement:
\$61,596

<https://apps.bea.gov/itable/?ReqID=70&step=1&acrdn=1#eyJhcHBpZCI6NzAsInN0ZXBzIjpbMSwyNCwyOSwyNV0sImRhdGEiOltbIIRhYmxlSWQiLCIyMSJdLFsiQ2xhc3NpZmljYXRpb24iLCJOb24tSW5kdXN0c2kiXV19>

Per Capita Personal Income % Change: 4.1% (10 year)

<https://apps.bea.gov/itable/?ReqID=70&step=1&acrnd=1#eyJhcHBpZCI6NzAsInN0ZXBzIjpbMSwyNCwyOSwyNV0sImRhdGEiOltbIIRhYmxlSWQiLCIyMSJdLFsiQ2xhc3NpZmljYXRpb24iLCJOb24tSW5kdXN0cnkiXV19>

All data from U.S. Bureau of Economic Analysis, 2021

WORKFORCE

This section gives manufacturers an idea of the industry's environment in your state, including the makeup of the available workforce, the labor requirements, and recent trends.

Total Population: 4,237,256 as of 2020 Census

Population percent change from 2010 to 2020: 10.6%

Total Civilian Labor Force: 2,196,152

Total Number of Persons Employed: 2,108,952

Total Number of Persons Unemployed: 87,200

Unemployment Rate %: 4.0%

Manufacturing Employment: 198,800

Professional and Business Services Employment: 262,700

State Right-to-Work Law Y/N: No

Factory Openings during previous year:

N/A

Factory Closures during previous year:

N/A

Source: Data from U.S. Census and Oregon Employment Department (2020 and 2022)

EDUCATION

This section provides further insight into the potential workforce education levels, advanced areas of education, and partnerships between higher education and industry for insight into quality of labor force and growth sustainability.

All data from US Census American Community Survey, 2021

% High School Diploma or More: 92%

% Bachelor's Degree or Higher: 36%

Enrollment in Higher Education Institutions: 243,667



(408) 605 - 8867

www.ReshoringInstitute.org

Oregon State and Portland State University Engineering Degrees offered:

Oregon State			
Undergraduate	Undergraduate Minor:	Graduate	Doctorate
Bioengineering	Aerospace Engineering	Bioengineering	Bioengineering
Chemical Engineering	Humanitarian Engineering	Biological and Ecological Engineering	Chemical Engineering
Civil Engineering		Chemical Engineering	Civil Engineering
Computer Science		Civil Engineering	Computer Science
Computer Science (OSU-Cascades)		Computer Science	Electrical and Computer Engineering
Construction Engineering Management		Electrical and Computer Engineering	Environmental Engineering
Ecological Engineering		Environmental Engineering	Materials Science
Electrical and Computer Engineering		Industrial Engineering	Industrial Engineering
Environmental Engineering		Materials Science	Mechanical
Energy Systems Engineering (OSU-Cascades)		Mechanical Engineering	Medical Physics
Industrial Engineering		Medical Physics (in partnership with OH)	Nuclear Engineering
Manufacturing Engineering		Nuclear Engineering	Radiation Health Physics
Mechanical Engineering		Radiation Health Physics	Robotics
Nuclear Engineering		Robotics	
Radiation Health Physics			
Portland State			
Undergraduate	Undergraduate Minor:	Graduate	Doctorate
Civil Engineering	Electrical Engineering	Civil Engineering	Electrical Engineering
Computer Engineering	Environmental Engineering	Computer Engineering	Computer Engineering
Computer Science	Computer Science	Computer Science	Civil Engineering
Electrical Engineering		Electrical Engineering	Mechanical and Materials Engineering
Environmental Engineering		Environmental Engineering	Environmental Engineering
Mechanical and Materials Engineering		Mechanical Engineering	Systems Science
		Material Science Engineering	Technology Management
		Systems Engineering	
		Engineering and Technology Management	

Science and Engineering Graduate Students:

Both Portland State University and Oregon State University are accredited universities for their engineering and computer science schools. They have evolved with Oregon’s growing technology and semiconductor industries for decades. OIT, Oregon Institute of Technology, offers programs focused on applied technologies, engineering, health professions, applied sciences, communication, and business.



(408) 605 - 8867

www.ReshoringInstitute.org

List of High school, College, or University Manufacturing Partnership Programs *These are partnerships with manufacturers to help train future employees in certain skills:*

OMEP, Oregon Manufacturing Extension Partnership is a program designated to grow businesses in the manufacturing industry. OMEP exists to provide skill-sharpening educational events, fuel strategic partnerships, and act as the entry point to an ecosystem of manufacturing resources.

<https://www.omep.org/>

Additional Manufacturing Training Programs:

Portland Community College offers many engineering and manufacturing technology programs.

<https://www.pcc.edu/programs/machine-manufacturing/>

Central Oregon Community College offers various certifications in manufacturing technology.

<https://catalog.cocc.edu/programs/>

COST OF DOING BUSINESS

This section highlights the costs associated with doing business in your state including taxes, wages, insurance, and energy expenses.

State Corporate Income Tax %: 7.6% (2023)

<https://taxfoundation.org/publications/state-corporate-income-tax-rates-and-brackets/>

State Individual Income Tax %: 4.75% to 9.9% with 4 brackets (2023)

<https://taxfoundation.org/publications/state-individual-income-tax-rates-and-brackets/#Structures>

State Level Sales Tax %: None

State Use Tax: None

Unemployment Insurance Tax %: rates range from 0.7 to 5.4%, with a new employer base rate of 2.1% (taxable wage base of \$50,900)

Additional Relevant Taxes:

Workers' Compensation Employer Insurance Costs per \$100 of Payroll: \$0.93 (2022)

Average Industrial Electric Rate: 5.97 cents per kWh (2021)

https://www.eia.gov/electricity/sales_revenue_price/

Average Price of Natural Gas Delivered to Industrial Consumers: \$5.07 per thousand cubic feet (2021)

<https://www.eia.gov/dnav/ng/hist/n3035or3m.htm>



(408) 605 - 8867

www.ReshoringInstitute.org

Average Hourly Earnings of Production Workers in Manufacturing: \$20.71 (2021)

Minimum Wage: \$13.50 in standard counties, \$14.75 in Portland Metro, \$12.50 in non-urban counties

<https://www.oregon.gov/boli/workers/pages/minimum-wage.aspx>

Pending Legislation Regarding Minimum Wage: No

If you answered YES to the above question, What is the proposed minimum wage?

If you answered YES to the above question, What is the legislative bill number?

ENTREPRENEURSHIP AND INNOVATION

This section underscores the successes of your state in terms of business innovation through awards, venture capital, and intellectual property attainment.

Total Small Business Innovation Research (SBIR) Awards Found at:

https://www.sbir.gov/sbirsearch/award/all/?f%5B0%5D=itm_field_award_yr%3A2017&f%5B1%5D=im_field_state%3A105846&f%5B2%5D=im_field_program%3A105792 : 67 (2021)

Total Small Business Technology Transfer (STTR) Awards Found at:

https://www.sbir.gov/sbirsearch/award/all/?f%5B0%5D=itm_field_award_yr%3A2017&f%5B1%5D=im_field_state%3A105846&f%5B2%5D=im_field_program%3A105792: 14 (2021)

Venture Capital Deals, in billions: 144 companies totaling \$1.64 billion. (2021)

<https://nvca.org/wp-content/uploads/2022/08/Oregon.pdf>

% of State with Internet Accessibility: 92% of households (2021 US Census American Community Survey)

<https://data.census.gov/table?q=internet+access&g=0400000US41&tid=ACSST1Y2021.S2801>

New Businesses: 4,064 (June 2022, US Bureau of Labor Statistics, Establishment Births)

Registered Patents: 4,093 (2020, US Patent and Trademark Office)



(408) 605 - 8867

www.ReshoringInstitute.org

FOREIGN DIRECT INVESTMENT

This section provides insight into the amount of current investment overseas and the potential state market for manufacturers to reshore.

Foreign Direct Announcements:

Element Six
Mitsubishi Gas & Chemical
St Cousair Oregon Orchards
Genentech
Centrotherm Clean Solutions
EV Group
Framas
JSR Micro

New Foreign Direct Employment: 500 (2021 U.S. Bureau of Economic Analysis)

New Foreign Direct Investment, in millions: \$1.1 billion (2021, U.S Bureau of Economic Analysis)

TRANSPORTATION AND INFRASTRUCTURE

This section sheds light on the basic infrastructure of your state and what a company can expect in terms of the logistics of shipping their product.

Number of major 2 or 4-Lane Highways running through state: Four primary interstate highways, I-5, I-80N, I-82, and I-84. There are four auxiliary interstate highways including, I-105, I-205, I-305, I-405, and I-505.

Number of major railways going through state: There are four, Union Pacific Railroad, BNSF Railway, Portland & Western Railroad Co., and the Central Oregon & Pacific Railroad

<https://www.oregonlegislature.gov>

Number of major ports connected to state: 23

<https://www.oregonports.com/oregon-ports>

Number of airports throughout state: 97

<http://www.airnav.com/airports/us/OR>

Number of International airports throughout state: One

Number of distribution centers:



(408) 605 - 8867

www.ReshoringInstitute.org

Oregon has a large number of distribution centers due to its convenient location on the West coast. Oregon has access to Canada, Mexico, and Asia. The largest distribution centers Oregon has are, Amazon (Salem), Nordstrom (Portland), Bob's Red Mill (Clackamas), Pacific Foods (Wilsonville), Frito Lay (Salem), Lowes (Lebanon), Platt Electric (Beaverton), and much more.

Number of foreign trade zones: Two, Port of Portland and International Port of Coos Bay Commission.

INCENTIVES

Different states offer different incentives to entice companies to move to their state. This section will allow you to highlight these incentives.

Pending Legislation

Proposed Incentives Currently Pending Approval (Y/N): No

Cash Incentives

Does your state provide any CASH incentives? (Y/N): Yes

If you answered YES above, Please provide details of this incentive including the contact information and website if applicable:

1. **Business Expansion Program (BEP)** - is available to existing companies expanding operations in Oregon or new companies coming into the state. The Oregon Business Expansion Program (BEP) is a cash-based incentive (forgivable loan) equivalent to the estimated increase in income tax revenue from the new hiring. <https://www.oregon.gov/biz/programs/BEP/Pages/default.aspx>
2. **Governor's Strategic Reserve Fund (SRF)** - discretionary incentive needing approval from Oregon Governor. The SRF is a cash-based incentive (forgivable loan) tied to job creation, wages, and public benefit commitments.

<https://www.oregon.gov/biz/programs/SRF/Pages/default.aspx>

Source: Business Oregon

State Tax Credits

Does your state provide any Tax Credit incentives? (Y/N): Yes

If you answered YES above, Please describe the available tax credits:

1. **Oregon New Market Tax Credit (NMTC) Program** - delivers below-market-rate investment options to Oregon businesses and creates jobs in low-income communities. Applications are no longer being accepted.



(408) 605 - 8867

www.ReshoringInstitute.org

2. **Federal Work Opportunity Tax Credit** - Congress provides this incentive to private-sector companies for hiring individuals from target groups, for which the state of Oregon has instituted systems to expedite and facilitate documentation.
3. **Reservation Enterprise Zone** - Federally-recognized Tribes in Oregon may have any of the Tribe's land designated as a "reservation enterprise zone." The Tribal government is the zone "sponsor." A Tribe also may create a special "partnership" zone through an agreement with a local government. Both designation types include a state income tax credit for any type of business to offset the Tribal taxes that it might pay
4. **Renewable energy resource equipment manufacturing** - tax credit offered of the total cost of renewable energy resource equipment in a manufacturing facility that is certified by the Oregon Business Development Department.
5. **Oregon low-income community jobs initiative/new markets** - tax credit was allowed for qualified equity investments in low-income community businesses.
6. **Electronic commerce zone investment** - credit is available to qualified businesses engaged in e-commerce in an approved enterprise zone. The credit is equal to 25 percent of the investment in capital assets that are used in the designated area primarily for electronic commerce operations.

Source: Oregon Department of Revenue, Oregon corporation tax credits and Business Oregon

State Tax Exemptions

Does your state provide any Tax Exemptions? (Y/N): Yes

If you answered YES above, Please describe the available tax exemptions:

1. **Construction-in-Process** - unfinished facility improvements may be exempt from local property taxes for up to two years while under construction with April 1 filing each year. In an **enterprise zone**, most authorized businesses enjoy a broader tax abatement using a different form.
2. **Long-term Rural Enterprise Zone Facilities** - Available in most rural designations, the long-term program extends property tax abatement to as many as 15 years on new facility improvements and installations. Any type of non-retail business activity is eligible, but these incentives depend on local approval and varying levels of minimum investment, job creation and employee compensation at the facility, depending on location.
3. **Standard Enterprise Zone** - 3-5 year property tax abatement. In exchange for locating or expanding into any enterprise zone, eligible (generally non-retail) businesses receive total exemption from the property taxes normally assessed on new plant and equipment. Subject to local authorization, timely filings.
4. **Food Processing Machinery and Equipment (M&E)** - for five years starting in or before 2020, newly operational M&E is exempt if certified by the Oregon Department of Agriculture. This exemption encompasses real or personal property used in the primary processing of many types of goods for human consumption with certain limitations.
5. **Fee in Lieu of Property Taxes** - Pursuant to executing an agreement with the county (and city, if inside one), any solar project may be exempt for up to 20 years, contingent on annual payment to the



(408) 605 - 8867

www.ReshoringInstitute.org

county/city of a fee equal to \$7,000 per megawatt of the project's nameplate capacity and provided that the project is or was not subject to any other exemption.

6. **State Energy Loan Program (SELP)** - for renewable energy, including manufacturing facilities. Loans range from 5 to 20 years and \$20,000 to \$20 million, depending on the borrower's need and financial situation. The Oregon Department of Energy finances these low-interest loans with authority to issue state general obligation bonds.
7. **Alternative Energy Systems (ORS 307.175)** - This abatement exempts the additional taxable value of equipping a property with net metering or with alternative systems for onsite electricity or climate control as compared to a conventional system until 2023.
8. **Strategic Investment Program (SIP)** - offers a 15-year property tax exemption on a portion of large capital investments. The program was created in the 1990s to induce large, capital-intensive facilities to locate and grow anywhere in Oregon. Businesses must serve the traded sector and the project's cost must be at least \$25 million.
9. **Rural Renewable Energy Development Zones** - A three- to five-year exemption from property taxes on new investments in solar energy farms, geothermal power generation, biofuel production facilities and other eligible projects in a designated county.
10. **Oregon Investment Advantage (OIA)** - Helps businesses start or locate new operations in many Oregon counties and can be certified as many as 10 consecutive times to annually deduct or subtract taxable income related to those operations, potentially eliminating any state business income tax liability for that period.

Source: Oregon Department of Revenue, Oregon corporation tax credits and Business Oregon

State Grants

Does your state provide any Grant incentives? (Y/N): Yes

If you answered YES above, Please describe the available grants:

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs are federal programs designed to stimulate technological innovation and provide opportunities for small businesses to conduct research and development (R&D) with commercialization potential. The programs help small businesses explore their technological potential and get their products closer to market. The programs are known as "America's largest seed fund."

Source: Business Oregon



(408) 605 - 8867

www.ReshoringInstitute.org

State Loans

Does your state provide any Low-Interest Financing incentives? (Y/N): Yes

If you answered YES above, Please describe the available financing opportunities:

1. **Oregon Business Development Fund (OBDF)** - provides direct loans that leverage private capital and provides incentives for businesses to expand or locate in Oregon.
2. **Small Business Expansion Loan Fund (SBELF)** - provides direct loans to help early stage (post R & D and prototyping), scalable, and high-margin small businesses obtain short-term working capital to support rapid growth.
3. **Entrepreneurial Development Loan Fund (EDLF)** - offers direct loans to help start-ups, micro-enterprises and small businesses expand or become established in Oregon
4. **Credit Enhancement Fund (CEF)** - provides loan guarantees to financial institutions to increase capital availability to small businesses.
5. **Capital Access Program (CAP)** - provides a form of loan portfolio loss reserve so financial institutions may make business loans that carry higher than conventional risks while complying with federal and state banking regulations.
Industrial Development Bonds (IDB) - are available to manufacturing projects, exempt facilities, and nonprofit organizations to provide access to capital primarily for value-added manufacturing.
6. **Aggie Bonds (Beginning and Expanding Farmer Loan Program)** - provides new farmers tax-exempt financing for capital purchases.

<https://www.oregon.gov/biz/programs/homeareas/fundbusiness/Pages/default.aspx>

Training Programs

Does your state provide any Specialized Training Program incentives? (Y/N): Yes

If you answered YES above, Please describe the available training programs:

1. On-the-Job training grant offers cash reimbursement for on the job training for specific employer needed skills.
2. Rural technology workforce development - equals 12 percent of a taxpayer's expenses that are incurred to establish and implement an employee training program. A qualifying employee training program must be operated in collaboration with a local community college operated under ORS Chapter 341.

Source: Oregon Department of Revenue, Oregon corporation tax credits

Zoning

Does your state provide any Special Zoning incentives? (Y/N): No

Source: Business Oregon



(408) 605 - 8867

www.ReshoringInstitute.org

State Marketing and Promotions

Does your state provide any Marketing and Promotional incentives? (Y/N): Yes

If you answered YES above, Please describe the available special marketing or promotional opportunities:

Business Oregon, the state's economic development agency offers the STEP program and the Oregon Trade Promotion Program (OTPP).

<https://www.oregon.gov/biz/programs/Export/Pages/default.aspx>

Innovation Centers

Does your state have Innovation Centers or Additional Resource available for companies? (Y/N): Yes

If you answered YES above, Please describe the available innovation centers or additional resources:

ONAMI I (Oregon Nanoscience and Microtechnologies Institute) is a place for academia, business and government come together to accelerate research and bring breakthrough ideas to market.

<https://onami.us/>

OTRADI (The Oregon Translational Research and Development Institute) was initiated in 2007 with a mission to translate scientific research developed in the state of Oregon's research laboratories into commercial ventures. The word "translational" refers to this task: transforming research into industry.

<https://www.otradi.org/>

Vertue Lab partners with funders and innovators in clean technologies to make a global environmental impact. Through a series of focused programs and funding opportunities, we advance promising technologies to market while helping innovators find the resources they need to move their vision forward.

<https://vertuelab.org/>

REGIONAL INFORMATION

Please see the below link which shows Oregon's 12 regions:

<https://www.oregon.gov/biz/aboutus/regions/Pages/default.aspx>

Here are Oregon's Target Industries which cross all regions:

<https://www.oregon.gov/biz/programs/homeareas/byboregon/targetIndustries/Pages/default.aspx>



(408) 605 - 8867

www.ReshoringInstitute.org

AMERICAN MADE LABEL REQUIREMENTS

Federal Trade Commission oversees “Truth in Advertising” regulations including promotion or disclosure of products displaying “Made in USA” labeling. FTC requires products advertised as “Made in USA” be “all or virtually all” made in the U.S. “all or virtually all” means the product should contain no – or negligible – foreign content.

Made In USA Requirements

Does your state have any specific requirements for labeling products "Made in USA"? (Y/N): No

If you answered YES to the question above, What are the requirements for labeling products "Made in USA":

Is there pending legislation regarding these requirements? (Y/N): N

If you answered YES to the question above, Please describe the proposed legislation including the bill number:

Made In YOUR STATE Requirements

Does your state have any specific requirements for labeling products "Made in YOUR STATE"? (Y/N): No

If you answered YES to the question above, What are the requirements for labeling products "Made in YOUR STATE":

Is there pending legislation regarding these requirements? (Y/N): No

If you answered YES to the question above, Please describe the proposed legislation including the bill number:
No

Is there an organization or entity that monitors state labeling? (Y/N): No

If you answered YES to the question above, Please provide the name and contact information for the organization or entity:

Jill Miles
Senior Business Recruitment & Trade Officer
Business Oregon
jill.a.miles@biz.oregon.gov
503-551-0997

Date of Submission February 9, 2023

Thank you for your time. Please email your responses to alevy@reshoringinstitute.org and your responses will be recorded and available online for review at www.reshoringinstitute.org.