





March 23, 2020

Joint Special Committee on Coronavirus Response Co-Chairs Senator Arnie Roblan and Representative Paul Holvey 900 Court Street NE Salem, Oregon 97301

## RE: SUPPORT FOR THE OREGON OUTDOOR RECREATION ECONOMY

Co-Chairs Senator Arnie Roblan and Representative Paul Holvey, Members of the Committee,

We are writing today as representatives for the broad outdoor industry in Oregon and on behalf of the collective memberships of Oregon Outdoors, Oregon Outdoor Alliance, and Bend Outdoor Worx.

Oregon Outdoors is a membership organization that focuses on advocacy for the outdoor industry in Oregon broadly, with a focus on recreation, conservation, and outdoor businesses. Oregon Outdoor Alliance is a membership-based organization that helps support and provides resources for outdoor businesses across the State. Bend Outdoor Worx is a products accelerator focused specifically on outdoor products manufacturing companies. All three organizations work together to provide resources to hundreds of small to mid-sized outdoor businesses, while working to protect Oregon's natural resources and recreational opportunities.

The health, safety, and well-being of Oregonians is our top priority. We have sailed into perilous and uncharted waters, and now face an unprecedented public health and economic emergency with COVID-19. The response to the pandemic requires immediate action at all levels of government, across all industry sectors, and throughout each and every community. Emergency response and recovery efforts require regular communication and accessibility to everyone in this time of need.

Many hundreds of outdoor companies call Oregon home. In total they are estimated to support 170,000 jobs and provide \$5.1 billion in salaries across the state. Outdoor companies, and in particular products manufacturers, already face several unique challenges in their early stages, including limited access to capital, qualified mentorship, vetted resources, and qualified talent, to name just a few.

We anticipate our entire industry will be sorely impacted from both crippled overseas and domestic supply chains. Outdoor product brands, small manufacturers, and retailers will all feel the pain immediately. Nonprofits are also already suffering - with cancelled programs, significantly decreased donations, and an expectation of curtailed grants. Access to capital will be imperative to their survival short- and long-term survival. We must ensure funding sources are extended in the short term, via bridge loans and credit lines, and other similar means, as well develop a plan for longer-term recovery.

Once our communities recover from this pandemic, we all anticipate a real recession. Our organizations will be called upon as critical resources to help the outdoor industry recover. Over the past week, we asked members of our organizations what has impacted them most, and what would help them the most, and have developed recommendations to help see us through to the other side.







Although you are likely already considering many measures promoted by supporters of business and industry, there are several specific items that could help our businesses in both the short and long-term.

## I. Outdoor Industry Workforce Support

- Direct kicker or tax rebate payments (Direct stimulus)
- Enhanced unemployment benefits to cover the wage gap. Including doubling up the first payment.
- PTO reimbursement program
- Loans with forgiveness options, or grants for businesses and non-profits continuing to provide payroll and benefits to employees.

## II. Business/Industry Support

- Postpone the CAT tax for all businesses (for at least six months) to reassess the impact it might have. Outdoor businesses will be stressed to survive now, and this new tax will present a challenge for many.
- Access to capital through banks and Business Oregon, a potential bridge loan program, production financing
- PTO Extension reimbursement program
- Tax rebates or credits for businesses

Small businesses, nonprofits, employees and families need cash now if they are to make it through the coming weeks and months. Options for loans and grants for cash, with low interest and/or forgiveness options will be critical to their survival.

As you already know, we are an industry known for grassroots support movements, and many of us are already launching proactive efforts to help address the state in the current crisis. We produce everything from tents, backpacks and cooking stoves to water filtration, dehydrated and energy-packed foods and are working to connect supplies and inventory to those in need. We are currently involved in efforts to coordinate the supply chain for key raw materials and goods necessary to our country's efforts during this pandemic. EchoSystem is leading an effort to build the supply chain for many critical items. The current focus is on items listed on Schedule A (chemicals used for making hand sanitizer, soap, disinfectant, water treatment) and Schedule B (medical supplies, swabs, ventilators). The detailed schedules are listed within the EchoSystem link above. EchoSystem is also working on the development of Schedule C which will include items the Outdoor Industry can help to provide: nonperishable food, clothing, shoes, bedding, cots, and the like.

Thank you for your incredible efforts during these trying times. As you are, we are focused on creating solutions first and foremost for managing the public health crisis, then for the acute and immediate impacts to workers and businesses, then for the mid-long-term recovery support that will be needed to ensure that we come out the other side as quickly and strongly as possible.

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