THE ECONOMIC IMPACT OF AVOCADO GROWERS AND HANDLERS IN THE STATE OF CALIFORNIA

Presented to:

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TABLE OF CONTENTS

THE ECONOMIC IMPACT OF AVOCADO GROWERS AND HANDLERS IN THE STATE OF CALIFORNIA

EXECUTIVE SUMMARY

INTRODUCTION AND PURPOSE

In August 2020, the California Avocado Commission (hereafter, CAC) retained The Tootelian Company to assist it in conducting a study to assess the economic impact avocado growers and handlers have within the State of California (hereafter, State). The impact includes the increased business activity created by growing and bringing avocados to market, the jobs created as a result of this growth in activity throughout the various sectors of the State's economy, the increased income generated by those being employed, and the incremental business taxes created.

It is important to note that the analysis for handlers only focuses to their activities related to avocados grown in California. Handlers also bring imported avocados to market as well as provide their services to many other types of agricultural growers. Accordingly, their economic impact on the State is considerably greater overall than what is included in this portion of their business.

The specific issues addressed in this study of avocado growers and handlers in California are:

- How much business activity do they create and how could the overall impact be diffused through the various sectors of the State's economy?
- How many jobs do they create on an annual full-time-equivalent basis?
- How much labor income do they create, and how could that income be diffused within the State's economy due to increased household spending?
- How much do they generate in indirect business taxes, and how could those tax dollars be used to help fund State programs to serve residents?

Two models were used in this analysis. A specially designed model was created to estimate expenditure levels by growers and handlers within the State. Then, IMPLAN was used to compute the overall economic impacts of avocado growers and handlers.

FINDINGS AND CONCLUSIONS

Economic impact analyses were conducted for the total expenditures of avocado growers and handlers in California. ***It is important to note that these projections are based on annual expenditures, which means that this impact is what is expected to occur each year that such spending occurs***.

Combined Grower and Handler Impact. The Output, Employment, Labor Income, and Indirect Business Taxes generated by ***growers and handlers*** (only that portion relating to avocados grown in California) of avocados are summarized below. Growers and handlers spend more than $764.7 million annually in California. This equates to nearly $2.1 million per day.

Combined Grower and Handler Impact	Total	Total Per Day
Output	$1,527,152,959	$4,183,981
Employment	14,511.3	n.a.
Labor Income	$666,735,217	$1,826,672
Indirect Business Taxes	$40,869,914	$111,972

Based on the findings of this study, avocado growers and handlers have a significant impact on California's economy. Overall, growers and handlers create:

- More than $1.5 billion annually in economic output, the best measure of economic activity, each year. This equates to nearly $4.2 million dollars each day of the year.

- More than 14,510 jobs on a full-time equivalent basis as a result of their business activities and the multiplier effect created by the fact that their purchases create jobs in a variety of farming and non-farming economic sectors.

- More than $666.7 million annually in labor income as a result of their business activities, or more than $1.8 million every day of the year. These are dollars going to wages and salaries for new employment as well as expanded incomes to those already in the labor force (e.g., overtime pay). These dollars are diffused throughout the State's economy as the funds are spent for a wide array of goods and services.

- Nearly $40.9 million annually in indirect business taxes, or nearly $112,000 per day, not including income taxes. Depending on how these funds are used, they can help pay for portions of various State programs that further benefit the people residing in California's communities.

Grower Impact. The Output, Employment, Labor Income, and Indirect Business Taxes generated by avocado growers are summarized below. Growers spend more than $681.3 million annually in California. This equates to nearly $1.9 million per day.

Grower Economic Impact	Total	Total Per Day
Output	$1,371,911,144	$3,758,661
Employment	12,685.8	n.a.
Labor Income	$581,813,975	$1,594,011
Indirect Business Taxes	$35,539,673	$97,369

Based on the findings of this study, growers of avocados have a significant impact on California's economy. Overall, growers create:

- Nearly $1.4 billion annually in economic output, the best measure of economic activity, each year. This equates to nearly $3.8 million dollars each day of the year.

- Nearly 12,700 jobs on a full-time equivalent basis as a result of their business activities and the multiplier effect created by the fact that their purchases create jobs in a variety of farming and non-farming economic sectors.

- More than $581.8 million annually in labor income as a result of their business activities, or nearly $1.6 million every day of the year. These are dollars going to wages and salaries for new employment as well as expanded incomes to those already in the labor force (e.g., overtime pay). These dollars are diffused throughout the State's economy as the funds are spent for a wide array of goods and services.

- More than $35.5 million annually in indirect business taxes, or nearly $97,400 per day, not including income taxes. Depending on how these funds are used, they can help pay for portions of various State programs that further benefit the people residing in California's communities.

Handler Impact. The Output, Employment, Labor Income, and Indirect Business Taxes generated by the variable costs of avocado handlers ***for their activities associated only with avocados grown in California*** are summarized below. These organizations spend more than $83.4 million annually in California on avocados produced in the State. This equates to nearly $228,500 per day.

Handler Economic Impact	Total	Total Per Day
Output	$155,241,815	$425,320
Employment	1,825.5	n.a.
Labor Income	$84,921,242	$232,661
Indirect Business Taxes	$5,330,240	$14,603

Based on the findings of this study, handlers of avocados grown in California have a significant impact on the State's economy. Overall, handlers create:

- More than $155.2 million annually in economic output, the best measure of economic activity, each year. This equates to more than $425,300 each day of the year.

- About 1,825 jobs on a full-time equivalent basis as a result of their business activities and the multiplier effect created by the fact that their purchases create jobs in a variety of farming and non-farming economic sectors.

- More than $84.9 million annually in labor income as a result of their business activities, or nearly $232,700 every day of the year. These are dollars going to wages and salaries for new employment as well as expanded incomes to those already in the labor force (e.g., overtime pay). These dollars are diffused throughout the State's economy as the funds are spent for a wide array of goods and services.

- More than $5.3 million annually in indirect business taxes, or more than $14,600 per day, not including income taxes. Depending on how these funds are used, they can help pay for portions of various State programs that further benefit the people residing in California's communities.

Overall. These findings demonstrate the important role avocado growers and handlers play in strengthening the economic climate of the State. They generate significant amounts of economic activity, create a substantial number of jobs on a full-time-equivalent basis, create large amounts of labor income that can be spent by households, and generate considerable indirect business taxes that can help fund State programs. Overall, their activities create benefits that are diffused throughout California's economy, touching nearly every aspect of life in the State.

THE ECONOMIC IMPACT OF AVOCADO GROWERS AND HANDLERS IN THE STATE OF CALIFORNIA

SUMMARY REPORT OF FINDINGS

INTRODUCTION AND PURPOSE

In August 2020, the California Avocado Commission (hereafter, CAC) retained The Tootelian Company to assist it in conducting a study to assess the economic impact avocado growers and handlers have within the State of California (hereafter, State). The impact includes the increased business activity created by growing and bringing avocados to market, the jobs created as a result of this growth in activity throughout the various sectors of the State's economy, the increased income generated by those being employed, and the incremental business taxes that are created.

It is important to note that the analysis for handlers only focuses to their activities related to avocados grown in California. Handlers also bring imported avocados to market as well as provide their services to many other types of agricultural growers. Accordingly, their economic impact on the State is considerably greater overall than what is included in this portion of their business.

Issues of the Study

The specific issues addressed in this study of avocado growers and handlers in California are:

- How much business activity do they create and how could the overall impact be diffused through the various sectors of the State's economy?
- How many jobs do they create on an annual full-time-equivalent basis?
- How much labor income do they create, and how could that income be diffused within the State's economy due to increased household spending?

- How much do they generate in indirect business taxes, and how could those tax dollars be used to help fund State programs to serve residents?

The Tootelian Company

The Tootelian Company is a Sacramento, California-based marketing and management consulting firm. It specializes in performing economic impact and cost-benefit studies, conducting market research, and assisting its clients with their business and marketing plans. The consultant was Dennis H. Tootelian, Ph.D. Dr. Tootelian is an Emeritus Professor of Marketing and former Director of the Center for Small Business in the College of Business Administration at California State University, Sacramento. He received his Ph.D. in Marketing from Arizona State University, with minor fields in Accounting and Management.

Dr. Tootelian has conducted numerous economic impact studies on a wide variety of subjects, but mostly for various agricultural crops. Other such studies include ones for the Chicago 2016 Olympic Games Committee, McDonald's Corporation, and other trade and professional associations.

Dr. Tootelian also has published approximately one hundred articles dealing with all facets of business, and has co-authored six texts on marketing and small business management. His academic research has appeared as peer-reviewed articles (i.e., reviewed by academicians for quality of research methodology) in such journals as the Journal of Marketing, Journal of Retailing, Journal of Business Research, Journal of Food Products Marketing, Journal of Health Care Marketing, and Journal of Professional Services Marketing. Results of some of his applied research and writing have appeared in The Congressional Record, The Wall Street Journal, Forbes, The Kiplinger Report, USA Today, ABC National News website, and even The National Enquirer.

In addition to conducting economic impact studies in the agricultural sector, Dr. Tootelian has worked in a consulting capacity with Fortune 500 companies (e.g., McDonald's Corporation, Merck, Johnson & Johnson, Nestles U.S.A., McKesson Corporation), not-for-profit organizations (e.g., California Pharmacists Association, California Dental Association), and federal and State governmental agencies (e.g., California Department of Food and Agriculture, Centers for Disease Control and Prevention, California Environmental Protection Agency, and California Department of Parks and Recreation).

METHODOLOGY

Two models were used in this analysis. A specially designed model was created to estimate expenditure levels by growers and handlers within the State. Then, IMPLAN was used to compute the overall economic impacts of avocado growers and handlers jointly and individually.

Specialty Feeder Model

Economic impact is a function of expenditures within a defined geographic area. To measure the level of expenditures, the analyst developed a "feeder" economic model that specifically addressed the variables and the critical issues associated with growing avocados in California and bringing avocados to market. This model not only provided the data used in the IMPLAN analysis, but it illustrated in more detailed ways how the economic impact of growers and handlers are diffused throughout the State's economy.

Because agricultural revenues and expenditures can fluctuate significantly from year-to-year, an "average year" was created based on historical and industrial operating statistics from 2018 to 2020. It is important to note, therefore, that the economic impact of avocado crops could vary on an annual basis depending on grower and handler spending.

The feeder model considered a wide variety of variables. These included expenses related to growing and harvesting avocados on bearing acreage, costs associated with developing non-bearing acreage for future avocado production, costs of moving avocados from the field to consumer markets, etc.

IMPLAN

The model used to compute the economic impact was IMPLAN. It provides modeling based on data and tools to assess economic impacts at the national, state, and local levels. IMPLAN is widely used, and some of its clients include federal and state governments, universities, and private sector consultants.

The benefit of using an input-output model like IMPLAN is that it helps evaluate the effects industries have on each other based on the supposition that industries use the outputs of other industries as inputs. An input-output model makes it possible to examine economic relationships between businesses and between businesses and consumers.

Each industry that produces goods and services has an influence on, and in turn is influenced by, the production of goods and services of other industries. These interrelationships are captured through a multiplier effect as the demand and supply trickle over from industry to industry and thus impact total output, employment, employee compensation, and indirect business taxes.

The full range of economic impacts includes direct, indirect, and induced benefits:

- ***Direct benefits*** consist of economic activity contained exclusively within the agricultural sector. This includes all expenditures made and all people employed.

- ***Indirect benefits*** define the creation of additional economic activity that results from linked businesses, suppliers of goods and services, and provision of operating inputs.

- ***Induced benefits*** measure the consumption expenditures of direct and indirect sector employees who spend their incremental income. Examples of induced benefits include employees' expenditures on items such as retail purchases of food and clothing, housing, entertainment, and medical services.

The total direct, indirect, and induced benefits arising due to the multiplier effect are presented in four ways:

- ***Output*** accounts for total dollar revenues including all sources of income for a given time period. This is the best overall measure of business and economic activity and total economic impact.

- ***Employment*** demonstrates the number of jobs generated, and is calculated on an annual full-time-equivalent basis.

- ***Labor Income*** includes all forms of employee compensation paid by employers (e.g., total payroll costs including benefits, wages and salaries of workers), and proprietary income (e.g., self employment income, income received by private business owners).

- ***Indirect Business Taxes*** consist of property taxes, excise taxes, fees, licenses, and sales taxes paid by businesses. Taxes on profits or income are not included.

The ***multiplier effect*** for sales and employment reflect the increased economic activity that comes from sales being generated, and expenses being incurred, by growers. For example, when a grower plants, cultivates, and harvests avocados, it must spend money to purchase a variety of goods and other services and hire people through the cultivating and harvesting processes. Purchases made by the grower represent sales to other firms who must then also purchase goods and services and hire people to meet their new demand. The additional hiring to meet demand means more people will have income which they will use to purchase goods and services for their households. All of this brings added sales to firms across most economic sectors in California. The net effect is that sales dollars are recycled in the State through this process of sales requiring additional purchases and employment, which result in sales for other firms who must use that money to make their own purchases and hire people.

Data Sources

Industry statistics were used to determine average expenses and some other operating data for this study. However, to ensure that this information was appropriate, the CAC was asked to verify that the statistics being used were reasonable for growers and handlers. Information from economic impact studies conducted by the analyst for other specialty crop organizations also was used in some instances and verified as appropriate.

Data used to assess the economic impact came from a variety of sources. These include:

- California Avocado Commission.
- California Department of Food and Agriculture's California Agricultural Statistics Review 2018-2019.
- Census of Agriculture, U.S. Department of Agriculture.
- Census of Business, United States Bureau of the Census.
- Economic Research Unit, Federal Reserve Bank of St. Louis.
- State of California's official website.
- United States Bureau of Labor Statistics.
- University of California, Davis Agriculture and Natural Resources. Publications:
    - Avocado Sample Establishment and Production Costs and Profitability Analysis for San Diego and Riverside Counties, Conventional Production Practices, 2011
    - Avocado Sample Establishment and Production Costs and Profitability Analysis for San Diego and Riverside Counties, Organic Production Practices, 2011
    - Avocado Sample Establishment and Production Costs and Profitability Analysis for Ventura, Santa Barbara and San Luis Obispo Counties, Conventional Production Practices, 2011
    - Avocado Sample Establishment and Production Costs and Profitability Analysis for Ventura, Santa Barbara and San Luis Obispo Counties, Organic Production Practices, 2011
    - Avocado Sample Establishment and Production Costs and Profitability Analysis for San Diego and Riverside Counties, 2001
    - Avocado Sample Establishment and Production Costs and Profitability Analysis for Ventura and Santa Barbara Counties, 2001

FINDINGS OF THE ANALYSES

The findings of this study are presented in four sections: Computation of Expenditures Used in the Analyses, Combined Economic Impact of Growers and Handlers, Economic Impact of Growers Only, and Economic Impact of Handlers Only. Tabled data is presented at the end of this Summary Report.

Computation of Annual Grower and Handler Net Expenditures

Grower expenditures were computed as the average cost per acre multiplied by the number of acres. This was calculated individually for acres in production and acres in development. Handler expenditures were based on revenues received as "packing charges" minus depreciation and profit.

Grower Expenditures

The numbers of acres in production and in development in California were obtained from the CAC. The number of acres in production and in development for the three years of 2017, 2018, and 2019 were averaged and then used in calculating average cost per acre. The average number of acres in production in California was determined to be 46,857, and the average number of acres in development was 7,657.

Grower expenditure estimates per acre were computed in two ways. The first was based on average costs per acre as reported in the University of California, Davis (hereafter, UC Davis) studies of avocados in 2001 and 2011. These expenditure levels were for both acres in production and acres in development, including depreciation and amortization. Since the economic impact of growing and harvesting avocados on the State's economy is a function of actual spending, it was not considered appropriate to include depreciation and amortization in these analyses.

The rates of growth in costs per acre for acres in production and acres in development were computed from 2001 through 2011, and those rates were used to estimate grower costs for 2012 through 2020. Then, the cost per acre for acres in production and acres in development were averaged for 2018 through 2020 to estimate the three-year average grower cost per acre.

This analysis using UC Davis reports focused on conventional and not organic production processes. The main reason for this approach was that insufficient data was available to make analyses using organic production costs. However, from the limited data available, it appeared that organic production costs might be somewhat higher than conventional production costs. Therefore, focusing on conventional production processes provided a more conservative estimate of grower costs.

The second method for computing grower costs per acre used the 2011 UC Davis cost estimates and adjusted those costs per acre for acres in production and in development by

the Producer Price Index (hereafter, PPI) for avocados. This process provided estimates of grower costs for the years 2012 through 2020. PPI data for avocados was provided by the U.S. Bureau of Labor Statistics and the Economic Research Unit of the Federal Reserve Bank of St. Louis. Then, the cost per acre for acres in production and acres in development were averaged for 2018 through 2020 to estimate the three-year average grower cost per acre.

The costs per acre derived from the two methods described above were averaged to determine the estimates of grower costs per acre used in this study. It was believed that just using growth rates from the UC Davis studies from 2001 through 2011 might not adequately represent more current trends. Using the PPI provided more current trends, but was not as specific to California. Blending the two results provided a reasonable estimates of grower costs per acre for acres in production and acres in development.

The results of these computations are shown below. These costs were further adjusted downward as described in "Offsets to Grower and Handler Expenses."

Grower Cost per Acre	Cost/Acre in Production	Cost/Acre in Development
Based on UCD 2001-2011 Growth Rate	$10,718	$9,159
Based on PPI @ 2016-2019 Growth Rate	$17,107	$15,153
Average of UCD and PPI	**$13,912***	**$12,156***

*These costs were adjusted downward. Please see "Offsets to Grower and Handler Expenses" below.

Handler Expenditures

Expenditure estimates for handlers were based on data provided by the CAC. CAC provided the three-year average "packing charge," which is the difference between the price paid to the grower and the fob price at which the fruit is sold to a trade customer. This represents revenues to the handlers.

It is important to note that the analysis for handlers only includes variable costs. Insufficient fixed cost data was available to include some expenditures that normally would be made by handlers. Consequently, the economic impact of handlers is understated since certain fixed expenditures could not be added into the feeder model. The handler cost per 25-pound box was $9.65.

It was assumed that not all revenues will become cash expenditures. Therefore, the average packaging charge was reduced by estimates of depreciation and profit margin to compute handler costs per 25-pound box. This cost was further adjusted downward as described in "Offsets to Grower and Handler Expenses."

The volume of avocados produced from 2017 through 2019 was provided by the CAC. This averaged 256.77 million pounds, or 10,270,667 25-pound boxes.

Offsets to Grower and Handler Expenditures

Grower costs per acre and handler expenditures per 25-pound box were adjusted downward to reflect the possible out-migration of some dollars for purchases of goods and services. In effect, it was assumed that not all grower and handler expenditures would necessarily be made within the State. This served to make the estimate of economic impact more conservative.

It is also important to note that by eliminating depreciation and amortization costs, this study excludes future investments that growers and handlers will be making to replace depreciable assets such as equipment and facilities. Eventually, growers and handlers must make capital investments, but the timing of those expenditures is unknown. The net effect of eliminating these costs is to make the analysis considerably more conservative than it might be in terms of estimating the economic impact on the State's economy.

Grower and Handler Expenses Used in the Analyses

The total net expenditures by growers and handlers in California were computed to be more than $764.7 million annually, with growers accounting for more than $681.3 million and handlers accounting for more than $83.4 million ***for just their activities associated with avocados grown in California***. This is shown below.

Net Total Expenditures by Growers & Handlers	Annual Average
Grower Annual Average Net Expenditures	$681,300,958
Handler Annual Average Net Expenditures	$83,419,850
Total	$764,720,808

The total net expenditure levels for growers and handlers combined, for growers only, and for handlers only were used in IMPLAN for computing the economic impacts in the State.

Combined Annual Economic Impact of Growers and Handlers

Economic impact analyses were conducted based on the combined total net expenditures of growers and handlers in California. ***It is important to note that these projections are based on annual expenditures, which means that this impact is what is expected to occur each year that such spending occurs***.

Combined Growers and Handlers Annual Economic Impact

The Output, Employment, Labor Income, and Indirect Business Taxes generated by avocado growers and handlers are presented in Table One on an annual basis, in Table Two on a daily basis, and summarized below. As previously indicated, growers and handlers spend more than $764.7 annually in California. This equates to nearly $2.1 million per day (i.e., $764.7 million divided by 365 days).

Combined Growers and Handlers Impact	Total	Total Per Day
Output	$1,527,152,959	$4,183,981
Employment	14,511.3	n.a.
Labor Income	$666,735,217	$1,826,672
Indirect Business Taxes	$40,869,914	$111,972

The overall Output, or the amount of overall business activity created, is projected to total more than $1.5 billion annually in California, equating to nearly $4.2 million each day of the year. This includes the direct spending by growers and handlers ("Direct"), the amount of additional business activity created by that spending ("Indirect"), and the amount of additional business activity created by people's spending as a result of their incremental labor income ("Induced"). Just over half of this impact (50.1%) is caused by grower and handler spending, and the remainder (49.9%) is the result of increased business activity.

More than 14,510 additional jobs are expected to be created annually in California as a result of the spending by growers and handlers. This is computed on an annual full-time equivalent basis. About 61.3% of this is the result of grower and handler operations and the rest (38.7%) is due to the increased business activity caused by grower and handler spending.

Labor Income resulting from additional people being employed and current employees earning more is projected to be more than $666.7 million annually, equating to more than $1.8 million each day of the year. About 54.9% of this income is the direct result of spending by avocado growers and handlers, while 35.1% is due to the increased business activity. How these funds are likely to be spent across various sectors of the State's economy is based on consumer purchasing patterns described later in this Summary Report.

Nearly $40.9 million in additional indirect business taxes is created annually in California from the increased business activity caused by growers and handlers, equating to nearly $112,000 each day of the year. These are tax dollars generated from businesses benefiting from the heightened economic activity and the increased employment. About 15.5% of these tax dollars is the direct result of spending by avocado growers and handlers, while 84.5% is due to the increased business activity. As is described later in this Summary Report, these tax dollars can be used to fund programs that further serve the communities within the State.

Finally, as a result of grower and handler spending in California, the industries generating the greatest economic impact, creating the most employment, generating the most labor income, and creating the most indirect business taxes are shown below.

Industry	Output
Farming	$900,365,624
Professional Services	$171,796,006
Real Estate	$108,272,553
Manufacturing	$88,112,745
Retailing & Food Services	$78,607,155

Industry	Employment
Farming	11,085.6
Professional Services	1,088.8
Retailing & Food Services	811.5
Health	365.2
Real Estate	343.9

Industry	Labor Income
Farming	$460,648,484
Professional Services	$73,294,199
Retailing & Food Services	$31,706,799
Health	$28,193,101
Wholesaling	$15,361,843

Industry	Ind. Bus. Taxes
Retailing & Food Services	$8,986,464
Farming	$8,444,489
Wholesaling	$8,277,286
Real Estate	$6,594,091
Professional Services	$5,023,321

Possible Diffusion of Annual Labor Income Spending

Labor Income created by avocado growers and handlers will be diffused throughout the various sectors of the State's economy. As people spend this added income, those funds will be used to purchase a wide array of goods and services.

To illustrate how those funds could be distributed among various economic sectors in California, consumer expenditure patterns were obtained from the U.S. Bureau of Labor Statistics. Assuming that those funds will be spent in the same proportion as consumers currently spend their incomes, the dollars generated for selected economic sectors are shown below and in more detail in Table Three.

Selected Spending Category	Annual Expenditures	Expenditures Per Day
Food	$70,671,332	$193,620
Food at home	$39,153,488	$107,270
Food away from home	$31,517,844	$86,350
Housing	$181,098,758	$496,161
Shelter	$112,623,763	$308,558
Household operations	$13,701,342	$37,538
Housekeeping supplies	$6,160,847	$16,879
Household furnishings and equipment	$17,245,613	$47,248
Apparel and services	$15,842,177	$43,403
Transportation	$83,492,553	$228,747
Vehicle purchases (net outlay)	$33,246,370	$91,086
Gasoline, other fuels, and motor oil	$18,688,694	$51,202
Public and other transportation	$7,778,366	$21,311
Healthcare	$38,788,753	$106,271
Entertainment	$29,305,648	$80,289
Fees and admissions	$7,144,045	$19,573
Pets, toys, hobbies, and playground equipment	$7,294,696	$19,985
Personal care products and services	$6,723,807	$18,421
Education	$11,592,223	$31,760
Cash contributions	$19,981,124	$54,743
Gifts of goods and services	$9,467,247	$25,938

As shown above, the greatest amount of spending is for housing, transportation, and food. These three account for nearly 50.3% of total spending.

Possible Uses for Annual Business Taxes Created

To demonstrate how the indirect business tax dollars generated from spending by growers and handlers could be used to help fund some of California's operations, the State Funds budgets for a variety of agencies were obtained from the State's official website. Some caution should be exercised in using these numbers since budgets are adjusted over the course of the fiscal year. Accordingly, these only are presented as illustrations of general amounts spent by selected State agencies.

Presented below is the percent of each California State department's State Fund budget that could be funded by the business tax dollars generated by growers of avocados' business activities within California. It is important to recognize that the total business tax dollars generated were applied to each State department budget. A sample of department budgets is listed below, and a larger list is presented in Table Four.

State Department	2020-21 Enacted Total State Funds	% of Budget Could Fund*
Arts Council	$32,531,000	125.6%
Children and Families Commission	$347,010,000	11.8%
Department of Aging	$72,831,000	56.1%
Department of Child Support Services	$314,980,000	13.0%
Department of Conservation	$125,182,000	32.6%
Department of Fish and Wildlife	$449,842,000	9.1%
Department of Food and Agriculture	$412,795,000	9.9%
Department of Forestry, Fire Protection	$1,747,694,000	2.3%
Department of Parks, Recreation	$1,194,410,000	3.4%
Department of Rehabilitation	$75,934,000	53.8%
Department of Veterans Affairs	$451,030,000	9.1%
Dept. of Housing, Community Development	$1,321,566,000	3.1%
Dept. of the California Highway Patrol	$2,552,627,000	1.6%
Emergency Medical Services Authority	$15,380,000	265.7%
Military Department	$95,483,000	42.8%
Office of Emergency Services	$516,534,000	7.9%

*If percent exceeds 100.0%, it indicates the indirect business taxes would pay more than the State Funds budget.

Annual Economic Impact of Growers Only

Economic impact analyses were conducted based on the total net expenditures of avocado growers in California. ***It is important to note that these projections are based on annual expenditures, which means that this impact is what is expected to occur each year that such spending occurs***.

Grower Annual Economic Impact

The Output, Employment, Labor Income, and Indirect Business Taxes generated by avocado growers are presented in Table Five on an annual basis, Table Six on a daily basis, and summarized below. As previously indicated, growers spend more than $681.3 million annually in California. This equates to nearly $1.9 million per day (i.e., $681.3 million divided by 365 days).

Grower Economic Impact	Total	Total Per Day
Output	$1,371,911,144	$3,758,661
Employment	12,685.8	n.a.
Labor Income	$581,813,975	$1,594,011
Indirect Business Taxes	$35,539,673	$97,369

The overall Output, or the amount of overall business activity created, is projected to total nearly $1.4 billion annually in California, equating to nearly $3.8 million each day of the year. This includes the direct spending by avocado growers ("Direct"), the amount of additional business activity created by that spending ("Indirect"), and the amount of additional business activity created by people's spending as a result of their incremental labor income ("Induced"). Just under half of this impact (49.7%) is caused by avocado grower spending, and the remainder (50.3%) is the result of increased business activity.

Nearly 12,700 additional jobs are expected to be created annually in California as a result of the spending by avocado growers. This is computed on an annual full-time equivalent basis. About 59.0% of this is the result of grower and handler operations and the rest (41.0%) is due to the increased business activity caused by grower and handler spending.

Labor Income resulting from additional people being employed and current employees earning more is projected to be more than $581.8 million annually, equating to nearly $1.6 million each day of the year. About 52.4% of this income is the direct result of spending by growers, while 47.6% is due to the increased business activity. How these funds are likely to be spent across various sectors of the State's economy is based on consumer purchasing patterns described later in this Summary Report.

More than $35.5 million in additional indirect business taxes is created annually in California from the increased business activity caused by avocado growers, equating to nearly $97,400 each day of the year. These are tax dollars generated from businesses benefiting from the heightened economic activity and the increased employment. About 13.4% of these tax dollars is the direct result of spending by avocado growers and handlers, while 86.6% is due to the increased business activity. As is described later in this Summary Report, these tax dollars can be used to fund programs that further serve the communities within the State.

Finally, as a result of grower spending in California, the industries generating the greatest economic impact, creating the most employment, generating the most labor income, and creating the most indirect business taxes are shown below.

Industry	Output
Farming	$815,739,236
Professional Services	$152,799,227
Real Estate	$96,559,331
Manufacturing	$78,404,516
Retailing & Food Services	$68,893,940

Industry	Employment
Farming	9,657.5
Professional Services	960.0
Retailing & Food Services	710.2
Health	317.8
Real Estate	313.0

Industry	Labor Income
Farming	$399,257,587
Professional Services	$64,858,190
Retailing & Food Services	$27,764,028
Health	$24,527,378
Wholesaling	$13,582,493

Industry	Ind. Bus. Taxes
Retailing & Food Services	$7,864,181
Wholesaling	$7,318,534
Farming	$6,901,955
Real Estate	$5,786,501
Professional Services	$4,546,564

Possible Diffusion of Annual Labor Income Spending

Labor Income created by avocado growers will be diffused throughout the various sectors of the State's economy. As people spend this added income, those funds will be used to purchase a wide array of goods and services.

To illustrate how those funds could be distributed among various economic sectors in California, consumer expenditure patterns were obtained from the U.S. Bureau of Labor Statistics. Assuming that those funds will be spent in the same proportion as consumers currently spend their incomes, the dollars generated for selected economic sectors are shown below, and in more detail in Table Seven.

Selected Spending Category	Annual Expenditures	Expenditures Per Day
Food	$61,670,012	$168,959
Food at home	$34,166,557	$93,607
Food away from home	$27,503,455	$75,352
Housing	$158,032,433	$432,966
Shelter	$98,279,014	$269,258
Household operations	$11,956,219	$32,757
Housekeeping supplies	$5,376,147	$14,729
Household furnishings and equipment	$15,049,060	$41,230
Apparel and services	$13,824,378	$37,875
Transportation	$72,858,210	$199,612
Vehicle purchases (net outlay)	$29,011,821	$79,484
Gasoline, other fuels, and motor oil	$16,308,338	$44,680
Public and other transportation	$6,787,645	$18,596
Healthcare	$33,848,278	$92,735

Selected Spending Category	Annual Expenditures	Expenditures Per Day
Entertainment	$25,573,024	$70,063
Fees and admissions	$6,234,117	$17,080
Pets, toys, hobbies, and playground equipment	$6,365,580	$17,440
Personal care products and services	$5,867,404	$16,075
Education	$10,115,736	$27,714
Cash contributions	$17,436,153	$47,770
Gifts of goods and services	$8,261,415	$22,634

As shown above, the greatest amount of spending is for housing, transportation, and food. These three account for nearly 50.3% of total spending.

Possible Uses for Annual Indirect Business Taxes Created

To demonstrate how the indirect business tax dollars generated from grower spending could be used to help fund some of California's operations, the State Funds budgets for a variety of departments were obtained from the State's official website. Some caution should be exercised in using these numbers since budgets are adjusted over the course of the fiscal year. Accordingly, these only are presented as illustrations of general amounts spent by selected State departments.

Presented below is the percent of each California State department's State Fund budget that could be funded by the business tax dollars generated by growers of avocados' business activities within California. It is important to recognize that the total business tax dollars generated were applied to <u>each</u> State department budget. A sample of department budgets is listed below, and a larger list is presented in Table Eight.

State Department	2020-21 Enacted Total State Funds	% of Budget Could Fund*
Arts Council	$32,531,000	109.2%
Children and Families Commission	$347,010,000	10.2%
Department of Aging	$72,831,000	48.8%
Department of Child Support Services	$314,980,000	11.3%
Department of Conservation	$125,182,000	28.4%
Department of Fish and Wildlife	$449,842,000	7.9%
Department of Food and Agriculture	$412,795,000	8.6%
Department of Forestry, Fire Protection	$1,747,694,000	2.0%
Department of Parks, Recreation	$1,194,410,000	3.0%
Department of Rehabilitation	$75,934,000	46.8%
Department of Veterans Affairs	$451,030,000	7.9%
Dept. of Housing, Community Development	$1,321,566,000	2.7%

State Department	2020-21 Enacted Total State Funds	% of Budget Could Fund*
Dept. of the California Highway Patrol	$2,552,627,000	1.4%
Emergency Medical Services Authority	$15,380,000	231.1%
Military Department	$95,483,000	37.2%
Office of Emergency Services	$516,534,000	6.9%

*If percent exceeds 100.0%, it indicates the indirect business taxes would pay more than the State Funds budget.

Annual Economic Impact of Handlers Only

Economic impact analyses were conducted based on the total ***variable*** expenditures of handlers in California. As previously indicated, fixed costs could not be included due to lack of adequate data. ***It is also important to note that these projections are based on annual expenditures, which means that this impact is what is expected to occur each year that such spending occurs***.

Handler Annual Economic Impact

The Output, Employment, Labor Income, and Indirect Business Taxes generated by avocado handlers are presented in Table Nine on an annual basis, Table Ten on a daily basis, and summarized below. As previously indicated, the variable cost expenditures of avocado handlers are more than $83.4 million annually in California ***for just their activities associated with avocados grown in the State.*** This equates to nearly $228,550 per day (i.e., $83.4 million divided by 365 days).

Handler Economic Impact (CA-grown avocados only)	Total	Total Per Day
Output	$155,241,815	$425,320
Employment	1,825.5	n.a.
Labor Income	$84,921,242	$232,661
Indirect Business Taxes	$5,330,240	$14,603

The overall Output, or the amount of overall business activity created annually in California, is projected to total more than $155.2 million, equating to more than $425,300 each day of the year. This includes the direct spending by handlers ("Direct"), the amount of additional business activity created by that spending ("Indirect"), and the amount of additional business activity created by people's spending as a result of their incremental labor income ("Induced"). Just over half of this impact (53.7%) is caused by handler spending, and the remainder (46.3%) is the result of increased business activity.

About 1,825 additional jobs are expected to be created annually in California as a result of the spending by avocado handlers. This is computed on an annual full-time equivalent basis. About 77.8% of this is the result of handler operations and the rest (22.2%) is due to the increased business activity caused by grower and handler spending.

Labor Income resulting from additional people being employed and current employees earning more is projected to be more than $84.9 million annually, equating to nearly $232,700 each day of the year. About 71.7% of this income is the direct result of spending by avocado handlers, while 28.3% is due to the increased business activity. How these funds are likely to be spent across various sectors of the State's economy is based on consumer purchasing patterns described later in this Summary Report.

More than $5.3 million in additional indirect business taxes is created annually in California from the increased business activity caused by avocado handlers, equating to more than $14,600 each day of the year. These are tax dollars generated from businesses benefiting from the heightened economic activity and the increased employment. About 29.2% of these tax dollars is the direct result of spending by avocado handlers, while 70.8% is due to the increased business activity. As is described later in this Summary Report, these tax dollars can be used to fund programs that further serve the communities within the State.

Finally, as a result of handler spending in California, the industries generating the greatest economic impact, creating the most employment, generating the most labor income, and creating the most indirect business taxes are shown below.

Industry	Output
Farming	$84,626,388
Professional Services	$18,996,780
Real Estate	$11,713,222
Retailing & Food Services	$9,713,215
Manufacturing	$9,708,229

Industry	Employment
Farming	1,428.1
Professional Services	128.8
Retailing & Food Services	101.3
Health	47.4
Real Estate	30.9

Industry	Labor Income
Farming	$61,390,897
Professional Services	$8,436,009
Retailing & Food Services	$3,942,771
Health	$3,665,722
Wholesaling	$1,779,350

Industry	Ind. Bus. Taxes
Farming	$1,542,534
Retailing & Food Services	$1,122,282
Wholesaling	$958,752
Real Estate	$807,590
Professional Services	$476,756

Possible Diffusion of Annual Labor Income Spending

Labor Income created by avocado handlers will be diffused throughout the various sectors of the State's economy. As people spend this added income, those funds will be used to purchase a wide array of goods and services.

To illustrate how those funds could be distributed among various economic sectors in California, consumer expenditure patterns were obtained from the U.S. Bureau of Labor Statistics. Assuming that those funds will be spent in the same proportion as consumers currently spend their incomes, the dollars generated for selected economic sectors are shown below, and in more detail in Table Eleven.

Selected Spending Category	Annual Expenditures	Expenditures Per Day
Food	$9,001,320	$24,661
Food at home	$4,986,931	$13,663
Food away from home	$4,014,389	$10,998
Housing	$23,066,325	$63,195
Shelter	$14,344,750	$39,301
Household operations	$1,745,123	$4,781
Housekeeping supplies	$784,699	$2,150
Household furnishings and equipment	$2,196,552	$6,018
Apparel and services	$2,017,799	$5,528
Transportation	$10,634,344	$29,135
Vehicle purchases (net outlay)	$4,234,549	$11,602
Gasoline, other fuels, and motor oil	$2,380,356	$6,522
Public and other transportation	$990,721	$2,714
Healthcare	$4,940,476	$13,536
Entertainment	$3,732,624	$10,226
Fees and admissions	$909,928	$2,493
Pets, toys, hobbies, and playground equipment	$929,116	$2,546
Personal care products and services	$856,403	$2,346
Education	$1,476,487	$4,045
Cash contributions	$2,544,971	$6,973
Gifts of goods and services	$1,205,832	$3,304

As shown above, the greatest amount of spending is for housing, transportation, and food. These three account for nearly 50.3% of total spending.

Possible Uses for Annual Business Taxes Created

To demonstrate how the indirect business tax dollars generated from avocado handler spending could be used to help fund some of California's operations, the State Funds budgets for a variety of agencies were obtained from the State's official website. Some caution should be exercised in using these numbers since budgets are adjusted over the course of the fiscal year. Accordingly, these only are presented as illustrations of general amounts spent by selected State agencies.

Presented below is the percent of each California State department's State Fund budget that could be funded by the business tax dollars generated by growers of avocados' business activities within California. It is important to recognize that the total business tax dollars generated were applied to each State department budget. A sample of department budgets is listed below, and a larger list is presented in Table Twelve.

State Department	2020-21 Enacted Total State Funds	% of Budget Could Fund*
Arts Council	$32,531,000	16.4%
Children and Families Commission	$347,010,000	1.5%
Department of Aging	$72,831,000	7.3%
Department of Child Support Services	$314,980,000	1.7%
Department of Conservation	$125,182,000	4.3%
Department of Fish and Wildlife	$449,842,000	1.2%
Department of Food and Agriculture	$412,795,000	1.3%
Department of Forestry, Fire Protection	$1,747,694,000	0.3%
Department of Parks, Recreation	$1,194,410,000	0.4%
Department of Rehabilitation	$75,934,000	7.0%
Department of Veterans Affairs	$451,030,000	1.2%
Dept. of Housing, Community Development	$1,321,566,000	0.4%
Dept. of the California Highway Patrol	$2,552,627,000	0.2%
Emergency Medical Services Authority	$15,380,000	34.7%
Military Department	$95,483,000	5.6%
Office of Emergency Services	$516,534,000	1.0%

*If percent exceeds 100.0%, it indicates the indirect business taxes would pay more than the State Funds budget.

Annual Economic Impact of Selected Counties/County Groups

The economic impact of avocado growers in eight selected counties/county groups were conducted as part of this study. Six counties were analyzed individually: San Diego County, Ventura County, Santa Barbara County, Riverside County, San Luis Obispo County, Monterey County. In addition, two groups of counties were analyzed: Orange/San Bernardino/Los Angeles and Tulare/Fresno/Kern.

The estimated annual and daily expenditures of each county/county group are shown below. These expenditures were used to compute their respective economic impacts.

County/County Group	Annual Expenditures	Expenditures per Day
San Diego	$230,437,008	$631,334
Ventura	$171,236,149	$469,140
Santa Barbara	$56,880,524	$155,837
Riverside	$49,816,276	$136,483
San Luis Obispo	$29,029,561	$79,533
Monterey	$1,634,305	$4,478
Orange/San Bernardino/Los Angeles	$17,006,328	$46,593
Tulare/Fresno/Kern	$1,070,149	$2,932

The results of these analyses are summarized in Table Thirteen and provided in more detail in individual reports. The impacts are presented below.

County/County Group	Output	Employment	Labor Income	Indirect Business Taxes
San Diego	$402,171,713	7,329.40	$168,049,397	$10,117,188
Ventura	$311,477,611	3,936.90	$159,596,757	$8,656,242
Santa Barbara	$101,968,515	1,213.90	$56,134,303	$2,468,888
Riverside	$82,396,872	1,022.80	$33,108,545	$2,096,121
San Luis Obispo	$45,052,117	399.5	$15,111,866	$1,011,806
Monterey	$2,824,051	27.6	$1,488,091	$75,804
Orange/San Bernardino/LA	$29,693,126	340.8	$10,500,642	$709,438
Tulare/Fresno/Kern	$1,809,181	16.2	$737,455	$45,684

CONCLUSIONS

Economic impact analyses were conducted for the total expenditures of avocado growers and handlers in California. ***It is important to note that these projections are based on annual expenditures, which means that this impact is what is expected to occur each year that such spending occurs***.

Combined Grower and Handler Impact. The Output, Employment, Labor Income, and Indirect Business Taxes generated by ***growers and handlers*** (only that portion relating to avocados grown in California) of avocados are summarized below. Growers and handlers spend more than $764.7 million annually in California. This equates to nearly $2.1 million per day.

Combined Grower and Handler Impact	Total	Total Per Day
Output	$1,527,152,959	$4,183,981
Employment	14,511.3	n.a.
Labor Income	$666,735,217	$1,826,672
Indirect Business Taxes	$40,869,914	$111,972

Based on the findings of this study, avocado growers and handlers have a significant impact on California's economy. Overall, growers and handlers create:

- More than $1.5 billion annually in economic output, the best measure of economic activity, each year. This equates to nearly $4.2 million dollars each day of the year.

- More than 14,510 jobs on a full-time equivalent basis as a result of their business activities and the multiplier effect created by the fact that their purchases create jobs in a variety of farming and non-farming economic sectors.

- More than $666.7 million annually in labor income as a result of their business activities, or more than $1.8 million every day of the year. These are dollars going to wages and salaries for new employment as well as expanded incomes to those already in the labor force (e.g., overtime pay). These dollars are diffused throughout the State's economy as the funds are spent for a wide array of goods and services.

- Nearly $40.9 million annually in indirect business taxes, or nearly $112,000 per day, not including income taxes. Depending on how these funds are used, they can help pay for portions of various State programs that further benefit the people residing in California's communities.

Grower Impact. The Output, Employment, Labor Income, and Indirect Business Taxes generated by avocado growers are summarized below. Growers spend more than $681.3 million annually in California. This equates to nearly $1.9 million per day.

Grower Economic Impact	Total	Total Per Day
Output	$1,371,911,144	$3,758,661
Employment	12,685.8	n.a.
Labor Income	$581,813,975	$1,594,011
Indirect Business Taxes	$35,539,673	$97,369

Based on the findings of this study, growers of avocados have a significant impact on California's economy. Overall, growers create:

- Nearly $1.4 billion annually in economic output, the best measure of economic activity, each year. This equates to nearly $3.8 million dollars each day of the year.

- Nearly 12,700 jobs on a full-time equivalent basis as a result of their business activities and the multiplier effect created by the fact that their purchases create jobs in a variety of farming and non-farming economic sectors.

- More than $581.8 million annually in labor income as a result of their business activities, or nearly $1.6 million every day of the year. These are dollars going to wages and salaries for new employment as well as expanded incomes to those already in the labor force (e.g., overtime pay). These dollars are diffused throughout the State's economy as the funds are spent for a wide array of goods and services.

- More than $35.5 million annually in indirect business taxes, or nearly $97,400 per day, not including income taxes. Depending on how these funds are used, they can help pay for portions of various State programs that further benefit the people residing in California's communities.

Handler Impact. The Output, Employment, Labor Income, and Indirect Business Taxes generated by the variable costs of avocado handlers ***for their activities associated only with avocados grown in California*** are summarized below. These organizations spend more than $83.4 million annually in California on avocados produced in the State. This equates to nearly $228,500 per day.

Handler Economic Impact	Total	Total Per Day
Output	$155,241,815	$425,320
Employment	1,825.5	n.a.
Labor Income	$84,921,242	$232,661
Indirect Business Taxes	$5,330,240	$14,603

Based on the findings of this study, handlers of avocados grown in California have a significant impact on the State's economy. Overall, handlers create:

- More than $155.2 million annually in economic output, the best measure of economic activity, each year. This equates to more than $425,300 each day of the year.

- About 1,825 jobs on a full-time equivalent basis as a result of their business activities and the multiplier effect created by the fact that their purchases create jobs in a variety of farming and non-farming economic sectors.

- More than $84.9 million annually in labor income as a result of their business activities, or nearly $232,700 every day of the year. These are dollars going to wages and salaries for new employment as well as expanded incomes to those already in the labor force (e.g., overtime pay). These dollars are diffused throughout the State's economy as the funds are spent for a wide array of goods and services.

- More than $5.3 million annually in indirect business taxes, or more than $14,600 per day, not including income taxes. Depending on how these funds are used, they can help pay for portions of various State programs that further benefit the people residing in California's communities.

Overall. These findings demonstrate the important role avocado growers and handlers play in strengthening the economic climate of the State. They generate significant amounts of economic activity, create a substantial number of jobs on a full-time-equivalent basis, create large amounts of labor income that can be spent by households, and generate considerable indirect business taxes that can help fund State programs. Overall, their activities create benefits that are diffused throughout California's economy, touching nearly every aspect of life in the State.

TABLE ONE: ANNUAL ECONOMIC IMPACT OF GROWERS & HANDLERS COMBINED

Annual Economic Impact

INDUSTRY	Output Direct	Output Indirect	Output Induced	Output Total
Manufacturing		$49,936,034	$38,176,711	$88,112,745
Wholesaling		$25,587,536	$20,369,026	$45,956,562
Retailing & Food Services		$6,610,902	$71,996,253	$78,607,155
Real Estate		$21,202,908	$87,069,645	$108,272,553
Professional Services		$59,187,714	$112,608,292	$171,796,006
Administrative		$1,959,417	$5,223,911	$7,183,328
Education		$293,631	$8,563,317	$8,856,948
Health		$441	$47,663,352	$47,663,793
Arts, entertainment, recreation		$4,485,258	$31,464,637	$35,949,896
Accommodations		$77,668	$981,048	$1,058,716
Other		$9,652,842	$6,779,246	$16,432,088
Farming	$764,720,834	$132,461,397	$3,183,392	$900,365,624
Federal		$521,218	$1,177,692	$1,698,910
State and local		$7,631,173	$7,567,463	$15,198,636
Total	$764,720,834	$319,608,139	$442,823,986	$1,527,152,959

INDUSTRY	Employment Direct	Employment Indirect	Employment Induced	Employment Total
Manufacturing		72.4	67.0	139.4
Wholesaling		101.4	80.7	182.1
Retailing & Food Services		45.2	766.4	811.5
Real Estate		136.8	207.1	343.9
Professional Services		285.1	803.7	1,088.8
Administrative		9.3	37.4	46.7
Education		2.7	116.2	118.9
Health		0.0	365.2	365.2
Arts, entertainment, recreation		12.7	112.4	125.1
Accommodations		0.6	8.5	9.2
Other		44.5	92.3	136.8
Farming	8,902.0	2,165.7	17.8	11,085.6
Federal		4.6	9.3	13.9
State and local		20.3	23.9	44.2
Total	8,902.0	2,901.3	2,708.0	14,511.3

INDUSTRY	Labor Income Direct	Labor Income Indirect	Labor Income Induced	Labor Income Total
Manufacturing		$5,341,398	$5,519,738	$10,861,136
Wholesaling		$8,553,114	$6,808,729	$15,361,843
Retailing & Food Services		$2,384,955	$29,321,844	$31,706,799
Real Estate		$6,405,753	$7,645,732	$14,051,485
Professional Services		$24,376,570	$48,917,629	$73,294,199
Administrative		$830,876	$2,186,523	$3,017,399
Education		$170,318	$5,362,864	$5,533,182
Health		$254	$28,192,847	$28,193,101
Arts, entertainment, recreation		$1,366,040	$8,233,684	$9,599,724
Accommodations		$27,552	$356,046	$383,598
Other		$3,147,369	$4,421,444	$7,568,813
Farming	$365,940,212	$93,629,817	$1,078,455	$460,648,484
Federal		$416,251	$791,373	$1,207,624
State and local		$2,470,047	$2,837,782	$5,307,829
Total	$365,940,212	$149,120,314	$151,674,691	$666,735,217

INDUSTRY	Business Taxes Direct	Business Taxes Indirect	Business Taxes Induced	Indirect Business Taxes Total
Manufacturing		$738,106	$815,383	$1,553,489
Wholesaling		$4,608,599	$3,668,687	$8,277,286
Retailing & Food Services		$382,013	$8,604,451	$8,986,464
Real Estate		$366,775	$6,227,316	$6,594,091
Professional Services		$1,901,923	$3,121,398	$5,023,321
Administrative		$138,734	$284,943	$423,677
Education		$6,928	$204,880	$211,808
Health		$3	$547,382	$547,385
Arts, entertainment, recreation		$41,678	$413,225	$454,903
Accommodations		$4,078	$51,418	$55,496
Other		$697,496	$413,078	$1,110,574
Farming	$6,332,008	$2,152,479	-$39,998	$8,444,489
Federal		-$5,116	-$43,280	-$48,397
State and local		-$384,936	-$379,737	-$764,673
Total	$6,332,008	$10,648,761	$23,889,145	$40,869,914

TABLE TWO: AVERAGE DAILY ECONOMIC IMPACT OF GROWERS & HANDLERS COMBINED

Daily Economic Impact

INDUSTRY	Output Direct	Output Indirect	Output Induced	Output Total
Manufacturing		$136,811	$104,594	$241,405
Wholesaling		$70,103	$55,806	$125,908
Retailing & Food Services		$18,112	$197,250	$215,362
Real Estate		$58,090	$238,547	$296,637
Professional Services		$162,158	$308,516	$470,674
Administrative		$5,368	$14,312	$19,680
Education		$804	$23,461	$24,266
Health		$1	$130,585	$130,586
Arts, entertainment, recreation		$12,288	$86,204	$98,493
Accommodations		$213	$2,688	$2,901
Other		$26,446	$18,573	$45,019
Farming	$2,095,126	$362,908	$8,722	$2,466,755
Federal		$1,428	$3,227	$4,655
State and local		$20,907	$20,733	$41,640
Total	$2,095,126	$875,639	$1,213,216	$4,183,981

INDUSTRY	Employment Direct	Employment Indirect	Employment Induced	Employment Total
Manufacturing	n.a.	n.a.	n.a.	n.a.
Wholesaling	n.a.	n.a.	n.a.	n.a.
Retailing & Food Services	n.a.	n.a.	n.a.	n.a.
Real Estate	n.a.	n.a.	n.a.	n.a.
Professional Services	n.a.	n.a.	n.a.	n.a.
Administrative	n.a.	n.a.	n.a.	n.a.
Education	n.a.	n.a.	n.a.	n.a.
Health	n.a.	n.a.	n.a.	n.a.
Arts, entertainment, recreation	n.a.	n.a.	n.a.	n.a.
Accommodations	n.a.	n.a.	n.a.	n.a.
Other	n.a.	n.a.	n.a.	n.a.
Farming	n.a.	n.a.	n.a.	n.a.
Federal	n.a.	n.a.	n.a.	n.a.
State and local	n.a.	n.a.	n.a.	n.a.
Total	n.a.	n.a.	n.a.	n.a.

INDUSTRY	Labor Income Direct	Labor Income Indirect	Labor Income Induced	Labor Income Total
Manufacturing		$14,634	$15,123	$29,757
Wholesaling		$23,433	$18,654	$42,087
Retailing & Food Services		$6,534	$80,334	$86,868
Real Estate		$17,550	$20,947	$38,497
Professional Services		$66,785	$134,021	$200,806
Administrative		$2,276	$5,990	$8,267
Education		$467	$14,693	$15,159
Health		$1	$77,241	$77,241
Arts, entertainment, recreation		$3,743	$22,558	$26,301
Accommodations		$75	$975	$1,051
Other		$8,623	$12,114	$20,736
Farming	$1,002,576	$256,520	$2,955	$1,262,051
Federal		$1,140	$2,168	$3,309
State and local		$6,767	$7,775	$14,542
Total	$1,002,576	$408,549	$415,547	$1,826,672

INDUSTRY	Business Taxes Direct	Business Taxes Indirect	Business Taxes Induced	Indirect Business Taxes Total
Manufacturing		$2,022	$2,234	$4,256
Wholesaling		$12,626	$10,051	$22,677
Retailing & Food Services		$1,047	$23,574	$24,620
Real Estate		$1,005	$17,061	$18,066
Professional Services		$5,211	$8,552	$13,763
Administrative		$380	$781	$1,161
Education		$19	$561	$580
Health		$0	$1,500	$1,500
Arts, entertainment, recreation		$114	$1,132	$1,246
Accommodations		$11	$141	$152
Other		$1,911	$1,132	$3,043
Farming	$17,348	$5,897	-$110	$23,136
Federal		-$14	-$119	-$133
State and local		-$1,055	-$1,040	-$2,095
Total	$17,348	$29,175	$65,450	$111,972

TABLE THREE: POSSIBLE DIFFUSION OF LABOR INCOME RESULTING FROM GROWER & HANDLER SPENDING

Labor Income Diffusion as a Result of Grower & Handler Expenditures

SPENDING CATEGORY	Annual Expenditures	Expenditures Per Day
Food	$70,671,332	$193,620
Food at home	$39,153,488	$107,270
Food away from home	$31,517,844	$86,350
Housing	$181,098,758	$496,161
Shelter	$112,623,763	$308,558
Owned dwellings	$56,708,333	$155,365
Rented dwellings	$48,771,386	$133,620
Utilities, fuels, and public services	$31,359,264	$85,916
Household operations	$13,701,342	$37,538
Housekeeping supplies	$6,160,847	$16,879
Household furnishings and equipment	$17,245,613	$47,248
Apparel and services	$15,842,177	$43,403
Transportation	$83,492,553	$228,747
Vehicle purchases (net outlay)	$33,246,370	$91,086
Gasoline, other fuels, and motor oil	$18,688,694	$51,202
Other vehicle expenses	$23,771,194	$65,127
Public and other transportation	$7,778,366	$21,311
Healthcare	$38,788,753	$106,271
Entertainment	$29,305,648	$80,289
Fees and admissions	$7,144,045	$19,573
Audio and visual equipment and services	$8,277,894	$22,679
Pets, toys, hobbies, and playground equipment	$7,294,696	$19,985
Other entertainment supplies, equipment, services	$6,589,013	$18,052
Personal care products and services	$6,723,807	$18,421
Reading	$903,908	$2,476
Education	$11,592,223	$31,760
Cash contributions	$19,981,124	$54,743
Gifts of goods and services	$9,467,247	$25,938

TABLE FOUR: POSSIBLE USES FOR INDIRECT BUSINESS TAXES RESULTING FROM GROWER AND HANDLER SPENDING

Possible Use of Indirect Business Taxes as a Result of Grower & Handler Expenditures

STATE DEPARTMENT	2020-21 Enacted Total State Funds	% of Budget Could Fund*
Arts Council	$32,531,000	125.6%
California Conservation Corps	$133,617,000	30.6%
Children and Families Commission	$347,010,000	11.8%
Department of Aging	$72,831,000	56.1%
Department of Child Support Services	$314,980,000	13.0%
Department of Conservation	$125,182,000	32.6%
Department of Consumer Affairs	$761,931,000	5.4%
Department of Fish and Wildlife	$449,842,000	9.1%
Department of Food and Agriculture	$412,795,000	9.9%
Department of Forestry, Fire Protection	$1,747,694,000	2.3%
Department of Parks, Recreation	$1,194,410,000	3.4%
Department of Pesticide Regulation	$108,719,000	37.6%
Department of Public Health	$1,312,189,000	3.1%
Department of Rehabilitation	$75,934,000	53.8%
Department of Technology	$7,100,000	575.6%
Department of Veterans Affairs	$451,030,000	9.1%
Dept. of Housing, Community Development	$1,321,566,000	3.1%
Dept. of the California Highway Patrol	$2,552,627,000	1.6%
Emergency Medical Services Authority	$15,380,000	265.7%
Military Department	$95,483,000	42.8%
Office of Emergency Services	$516,534,000	7.9%

*If percent exceeds 100.0%, it indicates the indirect business taxes would pay more than the State Funds budget.

TABLE FIVE: ANNUAL ECONOMIC IMPACT OF GROWERS ONLY

Annual Economic Impact

INDUSTRY	Output Direct	Output Indirect	Output Induced	Output Total
Manufacturing		$45,180,167	$33,224,348	$78,404,516
Wholesaling		$22,897,874	$17,735,576	$40,633,449
Retailing & Food Services		$6,167,479	$62,726,462	$68,893,940
Real Estate		$20,681,027	$75,878,304	$96,559,331
Professional Services		$54,756,411	$98,042,815	$152,799,227
Administrative		$1,880,069	$4,549,533	$6,429,601
Education		$244,040	$7,494,426	$7,738,466
Health		$400	$41,459,389	$41,459,789
Arts, entertainment, recreation		$4,204,800	$27,389,018	$31,593,819
Accommodations		$73,200	$857,799	$931,000
Other		$9,220,525	$5,901,313	$15,121,839
Farming	$681,300,982	$131,667,512	$2,770,741	$815,739,236
Federal		$468,066	$1,025,357	$1,493,424
State and local		$7,534,181	$6,579,327	$14,113,507
Total	$681,300,982	$304,975,753	$385,634,409	$1,371,911,144

INDUSTRY	Employment Direct	Employment Indirect	Employment Induced	Employment Total
Manufacturing		67.8	58.4	126.2
Wholesaling		90.7	70.3	161.0
Retailing & Food Services		42.6	667.6	710.2
Real Estate		132.7	180.3	313.0
Professional Services		259.9	700.1	960.0
Administrative		8.7	32.6	41.2
Education		2.2	101.8	104.0
Health		0.0	317.8	317.8
Arts, entertainment, recreation		12.1	98.0	110.1
Accommodations		0.6	7.5	8.1
Other		43.3	80.4	123.7
Farming	7,481.5	2,160.4	15.5	9,657.5
Federal		4.1	8.1	12.2
State and local		20.1	20.8	40.8
Total	7,481.5	2,845.2	2,359.1	12,685.8

INDUSTRY	Labor Income Direct	Labor Income Indirect	Labor Income Induced	Labor Income Total
Manufacturing		$4,942,682	$4,805,338	$9,748,020
Wholesaling		$7,654,044	$5,928,449	$13,582,493
Retailing & Food Services		$2,219,152	$25,544,877	$27,764,028
Real Estate		$6,265,228	$6,654,309	$12,919,538
Professional Services		$22,260,452	$42,597,738	$64,858,190
Administrative		$787,005	$1,904,076	$2,691,081
Education		$141,584	$4,694,026	$4,835,609
Health		$230	$24,527,148	$24,527,378
Arts, entertainment, recreation		$1,270,427	$7,174,187	$8,444,614
Accommodations		$25,961	$311,327	$337,288
Other		$3,030,697	$3,849,396	$6,880,093
Farming	$305,034,882	$93,284,143	$938,562	$399,257,587
Federal		$372,535	$689,050	$1,061,585
State and local		$2,437,671	$2,468,799	$4,906,469
Total	$305,034,882	$144,691,811	$132,087,281	$581,813,975

INDUSTRY	Business Taxes Direct	Business Taxes Indirect	Business Taxes Induced	Indirect Business Taxes Total
Manufacturing		$653,320	$709,925	$1,363,244
Wholesaling		$4,124,161	$3,194,374	$7,318,534
Retailing & Food Services		$367,459	$7,496,722	$7,864,181
Real Estate		$355,251	$5,431,249	$5,786,501
Professional Services		$1,829,021	$2,717,543	$4,546,564
Administrative		$136,420	$248,180	$384,600
Education		$5,747	$179,336	$185,083
Health		$3	$476,325	$476,328
Arts, entertainment, recreation		$39,339	$359,818	$399,156
Accommodations		$3,843	$44,958	$48,801
Other		$659,583	$359,327	$1,018,910
Farming	$4,773,913	$2,162,768	-$34,726	$6,901,955
Federal		-$4,864	-$37,673	-$42,538
State and local		-$381,507	-$330,139	-$711,646
Total	$4,773,913	$9,950,543	$20,815,218	$35,539,673

TABLE SIX: AVERAGE DAILY ECONOMIC IMPACT OF GROWERS ONLY

Daily Economic Impact

INDUSTRY	Output Direct	Output Indirect	Output Induced	Output Total
Manufacturing		$123,781	$91,026	$214,807
Wholesaling		$62,734	$48,591	$111,325
Retailing & Food Services		$16,897	$171,853	$188,751
Real Estate		$56,660	$207,886	$264,546
Professional Services		$150,018	$268,610	$418,628
Administrative		$5,151	$12,464	$17,615
Education		$669	$20,533	$21,201
Health		$1	$113,587	$113,588
Arts, entertainment, recreation		$11,520	$75,038	$86,558
Accommodations		$201	$2,350	$2,551
Other		$25,262	$16,168	$41,430
Farming	$1,866,578	$360,733	$7,591	$2,234,902
Federal		$1,282	$2,809	$4,092
State and local		$20,642	$18,026	$38,667
Total	$1,866,578	$835,550	$1,056,533	$3,758,661

INDUSTRY	Employment Direct	Employment Indirect	Employment Induced	Employment Total
Manufacturing	n.a.	n.a.	n.a.	n.a.
Wholesaling	n.a.	n.a.	n.a.	n.a.
Retailing & Food Services	n.a.	n.a.	n.a.	n.a.
Real Estate	n.a.	n.a.	n.a.	n.a.
Professional Services	n.a.	n.a.	n.a.	n.a.
Administrative	n.a.	n.a.	n.a.	n.a.
Education	n.a.	n.a.	n.a.	n.a.
Health	n.a.	n.a.	n.a.	n.a.
Arts, entertainment, recreation	n.a.	n.a.	n.a.	n.a.
Accommodations	n.a.	n.a.	n.a.	n.a.
Other	n.a.	n.a.	n.a.	n.a.
Farming	n.a.	n.a.	n.a.	n.a.
Federal	n.a.	n.a.	n.a.	n.a.
State and local	n.a.	n.a.	n.a.	n.a.
Total	n.a.	n.a.	n.a.	n.a.

INDUSTRY	Labor Income Direct	Labor Income Indirect	Labor Income Induced	Labor Income Total
Manufacturing		$13,542	$13,165	$26,707
Wholesaling		$20,970	$16,242	$37,212
Retailing & Food Services		$6,080	$69,986	$76,066
Real Estate		$17,165	$18,231	$35,396
Professional Services		$60,988	$116,706	$177,694
Administrative		$2,156	$5,217	$7,373
Education		$388	$12,860	$13,248
Health		$1	$67,198	$67,198
Arts, entertainment, recreation		$3,481	$19,655	$23,136
Accommodations		$71	$853	$924
Other		$8,303	$10,546	$18,850
Farming	$835,712	$255,573	$2,571	$1,093,856
Federal		$1,021	$1,888	$2,908
State and local		$6,679	$6,764	$13,442
Total	$835,712	$396,416	$361,883	$1,594,011

INDUSTRY	Business Taxes Direct	Business Taxes Indirect	Business Taxes Induced	Indirect Business Taxes Total
Manufacturing		$1,790	$1,945	$3,735
Wholesaling		$11,299	$8,752	$20,051
Retailing & Food Services		$1,007	$20,539	$21,546
Real Estate		$973	$14,880	$15,853
Professional Services		$5,011	$7,445	$12,456
Administrative		$374	$680	$1,054
Education		$16	$491	$507
Health		$0	$1,305	$1,305
Arts, entertainment, recreation		$108	$986	$1,094
Accommodations		$11	$123	$134
Other		$1,807	$984	$2,792
Farming	$13,079	$5,925	-$95	$18,909
Federal		-$13	-$103	-$117
State and local		-$1,045	-$904	-$1,950
Total	$13,079	$27,262	$57,028	$97,369

TABLE SEVEN: POSSIBLE DIFFUSION OF LABOR INCOME RESULTING FROM GROWER SPENDING

Labor Income Diffusion as a Result of Grower Expenditures Only

SPENDING CATEGORY	Annual Expenditures	Expenditures Per Day
Food	$61,670,012	$168,959
Food at home	$34,166,557	$93,607
Food away from home	$27,503,455	$75,352
Housing	$158,032,433	$432,966
Shelter	$98,279,014	$269,258
Owned dwellings	$49,485,462	$135,577
Rented dwellings	$42,559,435	$116,601
Utilities, fuels, and public services	$27,365,073	$74,973
Household operations	$11,956,219	$32,757
Housekeeping supplies	$5,376,147	$14,729
Household furnishings and equipment	$15,049,060	$41,230
Apparel and services	$13,824,378	$37,875
Transportation	$72,858,210	$199,612
Vehicle purchases (net outlay)	$29,011,821	$79,484
Gasoline, other fuels, and motor oil	$16,308,338	$44,680
Other vehicle expenses	$20,743,487	$56,831
Public and other transportation	$6,787,645	$18,596
Healthcare	$33,848,278	$92,735
Entertainment	$25,573,024	$70,063
Fees and admissions	$6,234,117	$17,080
Audio and visual equipment and services	$7,223,549	$19,791
Pets, toys, hobbies, and playground equipment	$6,365,580	$17,440
Other entertainment supplies, equipment, services	$5,749,779	$15,753
Personal care products and services	$5,867,404	$16,075
Reading	$788,778	$2,161
Education	$10,115,736	$27,714
Cash contributions	$17,436,153	$47,770
Gifts of goods and services	$8,261,415	$22,634

TABLE EIGHT: POSSIBLE USES FOR INDIRECT BUSINESS TAXES RESULTING FROM GROWER SPENDING

Possible Use of Indirect Business Taxes as a Result of Grower Expenditures Only

STATE DEPARTMENT	2020-21 Enacted Total State Funds	% of Budget Could Fund*
Arts Council	$32,531,000	109.2%
California Conservation Corps	$133,617,000	26.6%
Children and Families Commission	$347,010,000	10.2%
Department of Aging	$72,831,000	48.8%
Department of Child Support Services	$314,980,000	11.3%
Department of Conservation	$125,182,000	28.4%
Department of Consumer Affairs	$761,931,000	4.7%
Department of Fish and Wildlife	$449,842,000	7.9%
Department of Food and Agriculture	$412,795,000	8.6%
Department of Forestry, Fire Protection	$1,747,694,000	2.0%
Department of Parks, Recreation	$1,194,410,000	3.0%
Department of Pesticide Regulation	$108,719,000	32.7%
Department of Public Health	$1,312,189,000	2.7%
Department of Rehabilitation	$75,934,000	46.8%
Department of Technology	$7,100,000	500.6%
Department of Veterans Affairs	$451,030,000	7.9%
Dept. of Housing, Community Development	$1,321,566,000	2.7%
Dept. of the California Highway Patrol	$2,552,627,000	1.4%
Emergency Medical Services Authority	$15,380,000	231.1%
Military Department	$95,483,000	37.2%
Office of Emergency Services	$516,534,000	6.9%

*If percent exceeds 100.0%, it indicates the indirect business taxes would pay more than the State Funds budget.

TABLE NINE: ANNUAL ECONOMIC IMPACT OF HANDLERS ONLY FOR CALIFORNIA-GROWN AVOCADOS

Annual Economic Impact

INDUSTRY	Output Direct	Output Indirect	Output Induced	Output Total
Manufacturing		$4,755,867	$4,952,363	$9,708,229
Wholesaling		$2,689,662	$2,633,450	$5,323,112
Retailing & Food Services		$443,423	$9,269,791	$9,713,215
Real Estate		$521,881	$11,191,341	$11,713,222
Professional Services		$4,431,303	$14,565,477	$18,996,780
Administrative		$79,348	$674,378	$753,726
Education		$49,591	$1,068,891	$1,118,483
Health		$41	$6,203,963	$6,204,004
Arts, entertainment, recreation		$280,458	$4,075,619	$4,356,077
Accommodations		$4,468	$123,249	$127,716
Other		$432,317	$877,933	$1,310,250
Farming	$83,419,852	$793,885	$412,651	$84,626,388
Federal		$53,151	$152,335	$205,486
State and local		$96,992	$988,137	$1,085,129
Total	$83,419,852	$14,632,386	$57,189,577	$155,241,815

INDUSTRY	Employment Direct	Employment Indirect	Employment Induced	Employment Total
Manufacturing		4.5	8.7	13.2
Wholesaling		10.7	10.4	21.1
Retailing & Food Services		2.5	98.8	101.3
Real Estate		4.1	26.8	30.9
Professional Services		25.2	103.6	128.8
Administrative		0.6	4.8	5.4
Education		0.4	14.5	14.9
Health		0.0	47.4	47.4
Arts, entertainment, recreation		0.7	14.4	15.0
Accommodations		0.0	1.1	1.1
Other		1.2	11.9	13.1
Farming	1,420.5	5.3	2.3	1,428.1
Federal		0.5	1.2	1.7
State and local		0.2	3.1	3.3
Total	1,420.5	56.1	348.9	1,825.5

INDUSTRY	Labor Income Direct	Labor Income Indirect	Labor Income Induced	Labor Income Total
Manufacturing		$398,716	$714,401	$1,113,116
Wholesaling		$899,070	$880,280	$1,779,350
Retailing & Food Services		$165,803	$3,776,968	$3,942,771
Real Estate		$140,524	$991,423	$1,131,947
Professional Services		$2,116,118	$6,319,891	$8,436,009
Administrative		$43,870	$282,447	$326,317
Education		$28,734	$668,838	$697,573
Health		$23	$3,665,699	$3,665,722
Arts, entertainment, recreation		$95,614	$1,059,497	$1,155,110
Accommodations		$1,591	$44,719	$46,310
Other		$116,672	$572,048	$688,720
Farming	$60,905,330	$345,674	$139,893	$61,390,897
Federal		$43,716	$102,323	$146,039
State and local		$32,376	$368,983	$401,360
Total	$60,905,330	$4,428,503	$19,587,409	$84,921,242

INDUSTRY	Business Taxes Direct	Business Taxes Indirect	Business Taxes Induced	Indirect Business Taxes Total
Manufacturing		$84,787	$105,458	$190,245
Wholesaling		$484,438	$474,314	$958,752
Retailing & Food Services		$14,554	$1,107,729	$1,122,282
Real Estate		$11,524	$796,066	$807,590
Professional Services		$72,902	$403,854	$476,756
Administrative		$2,314	$36,763	$39,077
Education		$1,182	$25,544	$26,726
Health		$0	$71,057	$71,058
Arts, entertainment, recreation		$2,339	$53,408	$55,747
Accommodations		$234	$6,460	$6,694
Other		$37,913	$53,751	$91,664
Farming	$1,558,095	-$10,289	-$5,272	$1,542,534
Federal		-$252	-$5,607	-$5,859
State and local		-$3,428	-$49,598	-$53,026
Total	$1,558,095	$698,219	$3,073,927	$5,330,240

TABLE TEN: AVERAGE DAILY ECONOMIC IMPACT OF HANDLERS ONLY FOR CALIFORNIA-GROWN AVOCADOS

Daily Economic Impact

INDUSTRY	Output Direct	Output Indirect	Output Induced	Output Total
Manufacturing		$13,030	$13,568	$26,598
Wholesaling		$7,369	$7,215	$14,584
Retailing & Food Services		$1,215	$25,397	$26,612
Real Estate		$1,430	$30,661	$32,091
Professional Services		$12,141	$39,905	$52,046
Administrative		$217	$1,848	$2,065
Education		$136	$2,928	$3,064
Health		$0	$16,997	$16,997
Arts, entertainment, recreation		$768	$11,166	$11,934
Accommodations		$12	$338	$350
Other		$1,184	$2,405	$3,590
Farming	$228,548	$2,175	$1,131	$231,853
Federal		$146	$417	$563
State and local		$266	$2,707	$2,973
Total	$228,548	$40,089	$156,684	$425,320

INDUSTRY	Employment Direct	Employment Indirect	Employment Induced	Employment Total
Manufacturing	n.a.	n.a.	n.a.	n.a.
Wholesaling	n.a.	n.a.	n.a.	n.a.
Retailing & Food Services	n.a.	n.a.	n.a.	n.a.
Real Estate	n.a.	n.a.	n.a.	n.a.
Professional Services	n.a.	n.a.	n.a.	n.a.
Administrative	n.a.	n.a.	n.a.	n.a.
Education	n.a.	n.a.	n.a.	n.a.
Health	n.a.	n.a.	n.a.	n.a.
Arts, entertainment, recreation	n.a.	n.a.	n.a.	n.a.
Accommodations	n.a.	n.a.	n.a.	n.a.
Other	n.a.	n.a.	n.a.	n.a.
Farming	n.a.	n.a.	n.a.	n.a.
Federal	n.a.	n.a.	n.a.	n.a.
State and local	n.a.	n.a.	n.a.	n.a.
Total	n.a.	n.a.	n.a.	n.a.

INDUSTRY	Labor Income Direct	Labor Income Indirect	Labor Income Induced	Labor Income Total
Manufacturing		$1,092	$1,957	$3,050
Wholesaling		$2,463	$2,412	$4,875
Retailing & Food Services		$454	$10,348	$10,802
Real Estate		$385	$2,716	$3,101
Professional Services		$5,798	$17,315	$23,112
Administrative		$120	$774	$894
Education		$79	$1,832	$1,911
Health		$0	$10,043	$10,043
Arts, entertainment, recreation		$262	$2,903	$3,165
Accommodations		$4	$123	$127
Other		$320	$1,567	$1,887
Farming	$166,864	$947	$383	$168,194
Federal		$120	$280	$400
State and local		$89	$1,011	$1,100
Total	$166,864	$12,133	$53,664	$232,661

INDUSTRY	Business Taxes Direct	Business Taxes Indirect	Business Taxes Induced	Indirect Business Taxes Total
Manufacturing		$232	$289	$521
Wholesaling		$1,327	$1,299	$2,627
Retailing & Food Services		$40	$3,035	$3,075
Real Estate		$32	$2,181	$2,213
Professional Services		$200	$1,106	$1,306
Administrative		$6	$101	$107
Education		$3	$70	$73
Health		$0	$195	$195
Arts, entertainment, recreation		$6	$146	$153
Accommodations		$1	$18	$18
Other		$104	$147	$251
Farming	$4,269	-$28	-$14	$4,226
Federal		-$1	-$15	-$16
State and local		-$9	-$136	-$145
Total	$4,269	$1,913	$8,422	$14,603

TABLE ELEVEN: POSSIBLE DIFFUSION OF LABOR INCOME RESULTING FROM HANDLER SPENDING

Labor Income Diffusion as a Result of Handler Expenditures Only

SPENDING CATEGORY	Annual Expenditures	Expenditures Per Day
Food	$9,001,320	$24,661
Food at home	$4,986,931	$13,663
Food away from home	$4,014,389	$10,998
Housing	$23,066,325	$63,195
Shelter	$14,344,750	$39,301
Owned dwellings	$7,222,870	$19,789
Rented dwellings	$6,211,951	$17,019
Utilities, fuels, and public services	$3,994,191	$10,943
Household operations	$1,745,123	$4,781
Housekeeping supplies	$784,699	$2,150
Household furnishings and equipment	$2,196,552	$6,018
Apparel and services	$2,017,799	$5,528
Transportation	$10,634,344	$29,135
Vehicle purchases (net outlay)	$4,234,549	$11,602
Gasoline, other fuels, and motor oil	$2,380,356	$6,522
Other vehicle expenses	$3,027,708	$8,295
Public and other transportation	$990,721	$2,714
Healthcare	$4,940,476	$13,536
Entertainment	$3,732,624	$10,226
Fees and admissions	$909,928	$2,493
Audio and visual equipment and services	$1,054,345	$2,889
Pets, toys, hobbies, and playground equipment	$929,116	$2,546
Other entertainment supplies, equipment, services	$839,235	$2,299
Personal care products and services	$856,403	$2,346
Reading	$115,130	$315
Education	$1,476,487	$4,045
Cash contributions	$2,544,971	$6,973
Gifts of goods and services	$1,205,832	$3,304

TABLE TWELVE: POSSIBLE USES FOR INDIRECT BUSINESS TAXES RESULTING FROM HANDLER SPENDING

Possible Use of Indirect Business Taxes as a Result of Handler Expenditures Only

STATE DEPARTMENT	2020-21 Enacted Total State Funds	% of Budget Could Fund*
Arts Council	$32,531,000	16.4%
California Conservation Corps	$133,617,000	4.0%
Children and Families Commission	$347,010,000	1.5%
Department of Aging	$72,831,000	7.3%
Department of Child Support Services	$314,980,000	1.7%
Department of Conservation	$125,182,000	4.3%
Department of Consumer Affairs	$761,931,000	0.7%
Department of Fish and Wildlife	$449,842,000	1.2%
Department of Food and Agriculture	$412,795,000	1.3%
Department of Forestry, Fire Protection	$1,747,694,000	0.3%
Department of Parks, Recreation	$1,194,410,000	0.4%
Department of Pesticide Regulation	$108,719,000	4.9%
Department of Public Health	$1,312,189,000	0.4%
Department of Rehabilitation	$75,934,000	7.0%
Department of Technology	$7,100,000	75.1%
Department of Veterans Affairs	$451,030,000	1.2%
Dept. of Housing, Community Development	$1,321,566,000	0.4%
Dept. of the California Highway Patrol	$2,552,627,000	0.2%
Emergency Medical Services Authority	$15,380,000	34.7%
Military Department	$95,483,000	5.6%
Office of Emergency Services	$516,534,000	1.0%

*If percent exceeds 100.0%, it indicates the indirect business taxes would pay more than the State Funds budget.

TABLE THIRTEEN: SUMMARY OF ANNUAL ECONOMIC IMPACT BY COUNTY FOR GROWERS ONLY

Total and Per Day

COUNTY/COUNTY GROUP	Output	Employment	Labor Income	Indirect Business Taxes
San Diego	$402,171,713	7,329.40	$168,049,397	$10,117,188
Per day	$1,101,840	n.a.	$460,409	$27,718
Ventura	$311,477,611	3,936.90	$159,596,757	$8,656,242
Per day	$853,363	n.a.	$437,251	$23,716
Santa Barbara	$101,968,515	1,213.90	$56,134,303	$2,468,888
Per day	$279,366	n.a.	$153,793	$6,764
Riverside	$82,396,872	1,022.80	$33,108,545	$2,096,121
Per day	$225,745	n.a.	$90,708	$5,743
San Luis Obispo	$45,052,117	399.5	$15,111,866	$1,011,806
Per day	$123,430	n.a.	$41,402	$2,772
Monterey	$2,824,051	27.6	$1,488,091	$75,804
Per day	$7,737	n.a.	$4,077	$208
Orange/San Bernardino/LA	$29,693,126	340.8	$10,500,642	$709,438
Per day	$81,351	n.a.	$28,769	$1,944
Tulare/Fresno/Kern	$1,809,181	16.2	$737,455	$45,684
Per day	$4,957	n.a.	$2,020	$125