

THE ECONOMIC IMPACT OF AVOCADO GROWERS IN SANTA BARBARA COUNTY

Presented to:

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THE ECONOMIC IMPACT OF AVOCADO GROWERS IN SANTA BARBARA COUNTY

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 have within Santa Barbara County (hereafter, County). The impact includes the increased business activity created by growing and harvesting avocados, the jobs created as a result of this growth in activity throughout the various sectors of the County's economy, the increased income generated by those employed, and the incremental business taxes created.

The specific issues addressed in this study of avocado growers in Santa Barbara County are:

- How much business activity do they create and how could the overall impact be diffused through the various sectors of the County'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 County'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 County programs to serve residents?

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

FINDINGS AND CONCLUSIONS

Economic impact analyses were conducted for the total expenditures of avocado growers in Santa Barbara County. *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.*

The Output, Employment, Labor Income, and Indirect Business Taxes generated by avocado growers are summarized below. Growers spend nearly \$56.9 million annually in Santa Barbara County. This equates to nearly \$155,850 per day.

Grower Impact	Total	Total Per Day
Output	\$101,968,515	\$279,366
Employment	1,213	n.a.
Labor Income	\$56,134,303	\$153,793
Indirect Business Taxes	\$2,468,888	\$6,764

Based on the findings of this study, avocado growers have a significant impact on Santa Barbara County's economy. Overall, growers create:

- Nearly \$102.0 million annually in economic output, the best measure of economic activity, each year. This equates to more than \$279,350 each day of the year.
- Nearly 1,215 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 \$56.1 million annually in labor income as a result of their business activities, or nearly \$153,800 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 Santa Barbara County's economy as the funds are spent for a wide array of goods and services.
- Nearly \$2.5 million annually in indirect business taxes, or nearly \$6,770 per day, not including income taxes. Depending on how these funds are used, they can help pay for portions of various Santa Barbara County programs that further benefit the people residing in its communities.

Overall, these findings demonstrate the important role avocado growers play in strengthening the economic climate of Santa Barbara County. 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 County programs. Avocado grower activities create benefits that are diffused throughout Santa Barbara County's economy, touching nearly every aspect of life in the County.

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SUMMARY REPORT OF FINDINGS

INTRODUCTION AND PURPOSE

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Issues of the Study

The specific issues addressed in this study of avocado growers in Santa Barbara County are:

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- 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 County'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 County 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 County 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 within the County. Then, IMPLAN was used to compute the overall economic impacts of avocado growers.

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 Santa Barbara County. 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 is diffused throughout the County’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 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, county, 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 the County. The net effect is that sales dollars are recycled in the County 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. 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.
- Santa Barbara County'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 two sections: Computation of Expenditures Used in the Analyses, and Economic Impact of Growers. Tabled data is presented at the end of this Summary Report.

Computation of Annual Grower 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.

Grower Expenditures

The numbers of acres in production and in development in Santa Barbara County 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 the County was determined to be 5,543, and the average number of acres in development was 1,085.

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	\$9,630	\$9,948
Based on PPI @ 2016-2019 Growth Rate	\$14,542	\$14,758
Average of UCD and PPI	\$12,086*	\$12,353*

*These costs were adjusted downward. Please see “Offsets to Grower Expenses” below.

Offsets to Grower Expenditures

Grower costs per acre 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 expenditures would be made within the County. 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 will be making to replace depreciable assets such as equipment and facilities. Eventually, growers 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 Santa Barbara County’s economy.

Grower Expenses Used in the Analyses

Total net expenditures by growers in the County were computed to be \$56,880,524 annually, or \$155,837 per day. This expenditure level for growers was used in IMPLAN to compute the economic impact in Santa Barbara County.

Annual Economic Impact of Growers

Economic impact analyses were conducted based on the total net expenditures of growers in Santa Barbara County. *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.*

Growers Annual Economic Impact

The Output, Employment, Labor Income, and Indirect Business Taxes generated by avocado growers are presented in Table One on an annual basis, in Table Two on a daily basis, and summarized below. As previously indicated, avocado growers spend nearly \$56.9 million annually in Santa Barbara County. This equates to nearly \$155,850 per day (i.e., \$56.9 million divided by 365 days).

Growers Impact	Total	Total Per Day
Output	\$101,968,515	\$279,366
Employment	1,213	n.a.
Labor Income	\$56,134,303	\$153,793
Indirect Business Taxes	\$2,468,888	\$6,764

The overall Output, or the amount of overall business activity created, is projected to total nearly \$102.0 million annually in the County, equating to more than \$279,350 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”). Over half of this impact (55.8%) is caused by grower spending, and the remainder (44.2%) is the result of increased business activity.

Nearly 1,215 additional jobs are expected to be created annually in the County as a result of the spending by avocado growers. This is computed on an annual full-time equivalent basis. About 67.2% of this is the result of grower operations and the rest (32.8%) is due to the increased business activity caused by grower spending.

Labor Income resulting from additional people being employed and current employees earning more is projected to be more than \$56.1 million annually, equating to nearly \$153,800 each day of the year. About 64.4% of this income is the direct result of spending by avocado growers, while 35.6% is due to the increased business activity. How these funds are likely to be spent across various sectors of the County’s economy is based on consumer purchasing patterns described later in this Summary Report.

Nearly \$2.5 million in additional indirect business taxes is created annually in the County from the increased business activity caused by avocado growers, equating to nearly \$6,670 each day of the year. These are tax dollars generated from businesses benefiting from the heightened economic activity and the increased employment. About 16.1% of these tax dollars is the direct result of spending by growers, while 83.9% 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 County.

Finally, as a result of grower spending in Santa Barbara County, 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	Industry	Employment
Farming	\$67,915,681	Farming	987.3
Real Estate	\$8,226,794	Professional Services	61.5
Professional Services	\$8,224,075	Retailing & food services	61.2
Retailing & food services	\$5,451,646	Health	32.6
Health	\$4,391,897	Real Estate	28.4

Industry	Labor Income	Industry	Ind. Bus. Taxes
Farming	\$44,264,962	Retailing & food services	\$652,250
Professional Services	\$3,320,746	Farming	\$574,980
Health	\$2,659,437	Real Estate	\$562,509
Retailing & food services	\$2,325,081	Wholesaling	\$374,952
Real Estate	\$1,064,148	Professional Services	\$219,481

Possible Diffusion of Annual Labor Income Spending

Labor Income created by avocado growers will be diffused throughout the various sectors of Santa Barbara County'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 the County, 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	\$5,950,017	\$16,301
Food at home	\$3,296,442	\$9,031
Food away from home	\$2,653,575	\$7,270
Housing	\$15,247,211	\$41,773
Shelter	\$9,482,110	\$25,978
Household operations	\$1,153,554	\$3,160
Housekeeping supplies	\$518,699	\$1,421
Household furnishings and equipment	\$1,451,956	\$3,978

	Annual Expenditures	Expenditures Per Day
Selected Spending Category		
Apparel and services	\$1,333,797	\$3,654
Transportation	\$7,029,472	\$19,259
Vehicle purchases (net outlay)	\$2,799,105	\$7,669
Gasoline, other fuels, and motor oil	\$1,573,453	\$4,311
Public and other transportation	\$654,882	\$1,794
Healthcare	\$3,265,734	\$8,947
Entertainment	\$2,467,325	\$6,760
Fees and admissions	\$601,477	\$1,648
Pets, toys, hobbies, and playground equipment	\$614,161	\$1,683
Personal care products and services	\$566,096	\$1,551
Education	\$975,982	\$2,674

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 avocado growers could be used to help fund some of Santa Barbara County’s operations, the County budgets for a variety of departments were obtained from the County’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 Santa Barbara County departments.

Presented below are the percentages of the budgets for selected Santa Barbara County departments which could be funded by the indirect business tax dollars generated by avocado growers’ spending within the County. It is important to recognize that the total business tax dollars generated were applied to each County department budget. A sample of department budgets listed below, and a more extensive list is presented in Table Four.

Departments	General Fund Recommended 2020-21	% of Budget Could Fund
Agriculture Commissioner, Weights & Measures	\$6,711,200	36.8%
Child Support Services	\$9,483,200	26.0%
Fire Emergency Services	\$69,849,300	3.5%
Fire Prevention	\$5,282,700	46.7%
Public Health	\$95,990,200	2.6%
Sheriff	\$165,297,700	1.5%

CONCLUSIONS

Economic impact analyses were conducted for the total expenditures of avocado growers in Santa Barbara County. *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.*

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- Nearly \$2.5 million annually in indirect business taxes, or nearly \$6,770 per day, not including income taxes. Depending on how these funds are used, they can help pay for portions of various Santa Barbara County programs that further benefit the people residing in its communities.

Overall, these findings demonstrate the important role avocado growers play in strengthening the economic climate of Santa Barbara County. 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 County programs. Avocado grower

activities create benefits that are diffused throughout Santa Barbara County's economy, touching nearly every aspect of life in the County.

TABLE ONE: ANNUAL ECONOMIC IMPACT OF GROWERS

Annual Economic Impact

INDUSTRY	Output Direct	Output Indirect	Output Induced	Output Total
Manufacturing		\$1,018,475	\$178,030	\$1,196,505
Wholesaling		\$1,091,058	\$944,902	\$2,035,960
Retailing & Food Services		\$247,201	\$5,204,446	\$5,451,646
Real Estate		\$1,287,069	\$6,939,725	\$8,226,794
Professional Services		\$2,278,122	\$5,945,953	\$8,224,075
Administrative		\$71,604	\$351,397	\$423,001
Education		\$10,609	\$500,168	\$510,777
Health		\$16	\$4,391,881	\$4,391,897
Arts, entertainment, recreation		\$141,074	\$1,378,116	\$1,519,190
Accommodations		\$5,467	\$24,180	\$29,647
Other		\$312,896	\$261,982	\$574,877
Farming	\$56,880,526	\$10,953,805	\$81,350	\$67,915,681
Federal		\$26,917	\$91,861	\$118,777
State and local		\$627,209	\$722,479	\$1,349,688
Total	\$56,880,526	\$18,071,521	\$27,016,469	\$101,968,515

INDUSTRY	Employment Direct	Employment Indirect	Employment Induced	Employment Total
Manufacturing		0.7	0.3	1.1
Wholesaling		4.4	3.8	8.2
Retailing & Food Services		2.2	59.1	61.2
Real Estate		9.7	18.7	28.4
Professional Services		12.7	48.9	61.5
Administrative		0.4	3.2	3.6
Education		0.1	8.3	8.5
Health		0.0	32.6	32.6
Arts, entertainment, recreation		0.7	9.0	9.8
Accommodations		0.0	0.2	0.3
Other		1.4	5.2	6.5
Farming	815.4	171.1	0.8	987.3
Federal		0.2	0.7	0.9
State and local		1.8	2.3	4.1
Total	815.4	205.6	192.9	1,213.9

INDUSTRY	Labor Income Direct	Labor Income Indirect	Labor Income Induced	Labor Income Total
Manufacturing		\$57,584	\$17,993	\$75,577
Wholesaling		\$365,391	\$316,444	\$681,836
Retailing & Food Services		\$97,388	\$2,227,693	\$2,325,081
Real Estate		\$400,760	\$663,388	\$1,064,148
Professional Services		\$915,063	\$2,405,683	\$3,320,746
Administrative		\$28,063	\$140,784	\$168,848
Education		\$5,236	\$298,961	\$304,197
Health		\$10	\$2,659,427	\$2,659,437
Arts, entertainment, recreation		\$35,410	\$329,149	\$364,560
Accommodations		\$1,923	\$8,534	\$10,457
Other		\$119,021	\$238,991	\$358,012
Farming	\$36,144,095	\$8,072,403	\$48,464	\$44,264,962
Federal		\$21,308	\$56,300	\$77,608
State and local		\$204,516	\$254,320	\$458,836
Total	\$36,144,095	\$10,324,077	\$9,666,131	\$56,134,303

INDUSTRY	Business Taxes Direct	Business Taxes Indirect	Business Taxes Induced	Indirect Business Taxes Total
Manufacturing		\$16,949	\$7,073	\$24,023
Wholesaling		\$200,934	\$174,018	\$374,952
Retailing & Food Services		\$17,770	\$634,479	\$652,250
Real Estate		\$28,706	\$533,803	\$562,509
Professional Services		\$57,926	\$161,555	\$219,481
Administrative		\$5,959	\$23,204	\$29,163
Education		\$326	\$14,013	\$14,340
Health		\$0	\$48,652	\$48,653
Arts, entertainment, recreation		\$1,724	\$23,678	\$25,402
Accommodations		\$296	\$1,307	\$1,603
Other		\$18,267	\$9,852	\$28,119
Farming	\$398,565	\$175,769	\$646	\$574,980
Federal		-\$306	-\$4,572	-\$4,878
State and local		-\$38,092	-\$43,614	-\$81,706
Total	\$398,565	\$486,229	\$1,584,095	\$2,468,888

TABLE TWO: AVERAGE DAILY ECONOMIC IMPACT OF GROWERS

Daily Economic Impact

INDUSTRY	Output Direct	Output Indirect	Output Induced	Output Total
Manufacturing		\$2,790	\$488	\$3,278
Wholesaling		\$2,989	\$2,589	\$5,578
Retailing & Food Services		\$677	\$14,259	\$14,936
Real Estate		\$3,526	\$19,013	\$22,539
Professional Services		\$6,241	\$16,290	\$22,532
Administrative		\$196	\$963	\$1,159
Education		\$29	\$1,370	\$1,399
Health		\$0	\$12,033	\$12,033
Arts, entertainment, recreation		\$387	\$3,776	\$4,162
Accommodations		\$15	\$66	\$81
Other		\$857	\$718	\$1,575
Farming	\$155,837	\$30,010	\$223	\$186,070
Federal		\$74	\$252	\$325
State and local		\$1,718	\$1,979	\$3,698
Total	\$155,837	\$49,511	\$74,018	\$279,366

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		\$158	\$49	\$207
Wholesaling		\$1,001	\$867	\$1,868
Retailing & Food Services		\$267	\$6,103	\$6,370
Real Estate		\$1,098	\$1,818	\$2,915
Professional Services		\$2,507	\$6,591	\$9,098
Administrative		\$77	\$386	\$463
Education		\$14	\$819	\$833
Health		\$0	\$7,286	\$7,286
Arts, entertainment, recreation		\$97	\$902	\$999
Accommodations		\$5	\$23	\$29
Other		\$326	\$655	\$981
Farming	\$99,025	\$22,116	\$133	\$121,274
Federal		\$58	\$154	\$213
State and local		\$560	\$697	\$1,257
Total	\$99,025	\$28,285	\$26,483	\$153,793

INDUSTRY	Business Taxes Direct	Business Taxes Indirect	Business Taxes Induced	Indirect Business Taxes Total
Manufacturing		\$46	\$19	\$66
Wholesaling		\$551	\$477	\$1,027
Retailing & Food Services		\$49	\$1,738	\$1,787
Real Estate		\$79	\$1,462	\$1,541
Professional Services		\$159	\$443	\$601
Administrative		\$16	\$64	\$80
Education		\$1	\$38	\$39
Health		\$0	\$133	\$133
Arts, entertainment, recreation		\$5	\$65	\$70
Accommodations		\$1	\$4	\$4
Other		\$50	\$27	\$77
Farming	\$1,092	\$482	\$2	\$1,575
Federal		-\$1	-\$13	-\$13
State and local		-\$104	-\$119	-\$224
Total	\$1,092	\$1,332	\$4,340	\$6,764

TABLE THREE: POSSIBLE DIFFUSION OF LABOR INCOME

Labor Income Diffusion as a Result of Grower Expenditures

SPENDING CATEGORY	Annual Expenditures	Expenditures Per Day
Food	\$5,950,017	\$16,301
Food at home	\$3,296,442	\$9,031
Food away from home	\$2,653,575	\$7,270
Housing	\$15,247,211	\$41,773
Shelter	\$9,482,110	\$25,978
Owned dwellings	\$4,774,433	\$13,081
Rented dwellings	\$4,106,199	\$11,250
Utilities, fuels, and public services	\$2,640,224	\$7,233
Household operations	\$1,153,554	\$3,160
Housekeeping supplies	\$518,699	\$1,421
Household furnishings and equipment	\$1,451,956	\$3,978
Apparel and services	\$1,333,797	\$3,654
Transportation	\$7,029,472	\$19,259
Vehicle purchases (net outlay)	\$2,799,105	\$7,669
Gasoline, other fuels, and motor oil	\$1,573,453	\$4,311
Other vehicle expenses	\$2,001,363	\$5,483
Public and other transportation	\$654,882	\$1,794
Healthcare	\$3,265,734	\$8,947
Entertainment	\$2,467,325	\$6,760
Fees and admissions	\$601,477	\$1,648
Audio and visual equipment and services	\$696,939	\$1,909
Pets, toys, hobbies, and playground equipment	\$614,161	\$1,683
Other entertainment supplies, equipment, services	\$554,747	\$1,520
Personal care products and services	\$566,096	\$1,551
Reading	\$76,103	\$209
Education	\$975,982	\$2,674
Cash contributions	\$1,682,267	\$4,609
Gifts of goods and services	\$797,074	\$2,184

TABLE FOUR: POSSIBLE USES FOR INDIRECT BUSINESS TAXES

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

Departments	General Fund Recommended 2020-21	% of Budget Could Fund*
Agriculture Commissioner, Weights & Measures	\$6,711,200	36.8%
Child Support Services	\$9,483,200	26.0%
Community Services	\$42,482,200	5.8%
Fire Emergency Services	\$69,849,300	3.5%
Fire Prevention	\$5,282,700	46.7%
Planning & Development	\$25,675,500	9.6%
Public Health	\$95,990,200	2.6%
Sheriff	\$165,297,700	1.5%
Social Services	\$178,899,700	1.4%