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March 23, 2020
Honorable Senate President Peter Courtney
Honorable House Speaker Tina Kotek
Joint Special Committee on Coronavirus Response

CC: Representative Cheri Helt
Representative Jack Zika

Oregon State Capitol
900 Court Street NE Salem, OR 97301

Honorable Elected Officials,

Thank you for your leadership in addressing the coronavirus pandemic and the incredible public health and economic crisis facing our nation, state and local communities. We are a small Chamber, but with almost 300 business members; mostly small, sole proprietor businesses, but with a noticeable handful of significant employers for our community. We are writing to address the enormous economic hardships this pandemic is already causing Oregon's hospitality and tourism industries, and the small businesses that are the very heart of Central Oregon's economy.

Specifically, the business community in Central Oregon is urging a delay in implementing the Commercial Activity Tax (CAT) for at least six months until our economy is stabilized. Our business members have been vocally concerned about the roll-out and the uncertainty of many aspects of the CAT. However given the current economic climate, these concerns have become untenable as businesses are now faced with massive income losses and decisions to lay off and/or furlough their employees. We have heard from a wide swath of local businesses that are taking on additional debt to provide employee health care premiums, and are struggling to maintain payroll for remaining employees. To consider paying the CAT tax at this juncture, is likely the straw that will break the backs of many small and medium sized businesses.

While we understand the anticipated tax receipts have been appropriated to various education programs, which we support, this must be a time to pause those efforts and delay implementation.

We appreciate the difficult decisions that you are making and the focus on supporting the business community through this crisis. As such, we respectfully urge the Legislature and the Governor's Office to pause the CAT implementation for at least six months and delay until the state's economy can support the initiative.

Thank you for your careful consideration and be well,

Ann Gawith, Executive Director
La Pine Chamber of Commerce & Visitor Center