Oregon Ag Opposes HB 2830

Most of Oregon's farms and ranches are small, family-owned businesses selling to commodity markets. These businesses operate on very tight margins, lack the leverage to negotiate price increases from suppliers, and are unable to pass additional costs on to the market.

- Most agricultural commodity prices are set globally. Unlike other industries, farms and ranches are unable to recoup the increased costs resulting from HB 2830.

- With the pyramiding of taxes on sales throughout the supply chain, Oregon's farmers and ranchers will bear the additional costs of HB 2830 through increased input costs and more costly distribution channels.

- In addition to increases in supply costs and potential direct taxes, HB 2830 may drive up farmers' and ranchers' personal income tax rates for non-passive income earned through small and family-owned entities.

- Oregon's agricultural industry is already facing increased costs due to new labor and regulatory laws. HB 2830 only brings additional costs and uncertainty to an industry and businesses that cannot simply "relocate."

- Finally, the exemptions and offsets in HB 2830 can be changed in the future with a simple majority vote of the legislature, creating additional risks of magnifying the disproportionate effects of HB 2830 on small businesses.

HB 2830 disproportionately burdens Oregon's homegrown small businesses.

<u>VOTE NO on HB 2830</u>