

April 16, 2019

Joint Committee on Student Success

To: Co-Chairs Senator Roblan, Representative Smith Warner, Senator Knopp, Representative Smith, and members of the Committee

CC: Senator Tim Knopp, Representative Cheri Helt, Representative Jack Zika

RE: HB 3427 public hearing April 16

The Bend Chamber of Commerce represents 1,300+ members employing 25,000 people in Central Oregon, and more than 1,500 companies statewide. Our members have voiced a great deal of anxiety related to the volume and speed that new taxes and additional requirements that are being overlaid onto our employers and business owners. Our members need time to absorb and adapt to these changes. The gross receipts tax as proposed in HB 3427 will increase costs in every step of the supply chain making cost of doing business exponentially higher in Oregon.

We are a community of small business, with our average member employing 20 or so employees, with diverse industries from biotech to manufacturing, to outdoor and our downtown retail core. As one of the top 5 fastest growing areas in the nation, we also generate a significant portion of the state's job and economic growth. We ask that your committee consider and prioritize the goals of this session with the reality of increased burden to smaller businesses.

The Bend Chamber understands that we need to prepare and save for the future, but the financial burden proposed by HB 3427 is too much when compounded by the various other business requirements and tax/fee proposals considered and still actively being pursued by the legislature this session. The Bend Chamber has long supported full funding for schools, higher education institutions. We will not support revenue generation, savings or diversion of funds, however, that jeopardizes our children's education—and thus the future of our state as a whole.

The structural issues around PERS and healthcare funding are only going to continue to get worse. The time to address them is at the same time as addressing a revenue package. The deficit grows with each passing year, and we believe we don't have time to waste in addressing this crisis.

Thank you for your service to our state.

Sincerely,

Katy Brooks, CEO

Katy Franke