



April 16, 2019

Dear Co-Chair Roblan, Co-Chair Smith Warner, and members of the committee,

We are writing today to express our concerns about the impacts of HB 3427.

The North Clackamas Chamber of Commerce and the 500 businesses we represent in North Clackamas are asking that you please oppose HB 3427 on the simple grounds that this is going to be so costly for every Oregonian that you are going to create even deeper hardships for those who are already struggling to pay for housing, food and transportation.

In the middle of the largest housing crisis we have probably ever faced, you are proposing a tax that will have an enormous impact on our supply chain. Hitting everything food, to transportation, to goods and services.

Gross receipts taxes are harmful to Oregon businesses and consumers. Taxing receipts, including business-to-business purchases of supplies, raw materials and equipment, encourages companies to become less efficient by bringing all those transactions in-house or moving them out-of-state. Ultimately, any new taxes will fall on Oregon's businesses and affect consumers.

HB 3427 isn't moving forward in a vacuum, but is part of a larger ask for more than \$5 billion in new taxes and fees this biennium. \$5.67 billion in new taxes and fees in 2019 is too big a burden for local businesses!

Getting tax policy right is crucial. Oregonians deserve a real and lasting solution, and PERS reform must be part of any revenue package.

Please vote NO on HB 3427.

Sincerely,

Laura Edmonds, CEO