Dear Co-Chair Smith Warner,

Co-Chairs Sen. Roblan and Rep.Smith-Warner, Members of the Committee.

Thank you for allowing me to testify Tuesday on the effects HB 3427 could have on Agricultural Co-ops. I was told by a committee member that Ag Co-ops are exempt. but in re-reading section 3 (Z) it appears to exempt those businesses that sell all their products outside of this state. The wording does not specify how an Ag Co-op will be taxed if it sells a percentage of their products inside the State. One should expect Ag processing Co-ops to commonly sell some product both in and out of the state. Please oppose HB 3427 Thank you.

Sincerely,

Bruce Chapin 9965 Wheatland Rd N Salem, OR 97303 chapin@onlinenw.com