Dear Co-Chairs Roblan,

The Klamath County Chamber of Commerce opposes HB 3427 and asks you to vote "NO." As Klamath County's oldest business association, we represent 517 member businesses who employ thousands of Oregonians. We represent some of our rural community's largest employers. This bill would hurt Oregon's businesses (both large and small) and ultimately negatively affect Oregon's families.

By taxing receipts, including business-to-business purchases of supplies, raw materials and equipment, it will encourage companies to become less efficient by bringing all those transactions in-house or by moving them out-of-state. This also makes Oregon's tax policy messy. Innovative in-state businesses are put at a disadvantage because their products will have multiple taxes embedded in the final price to consumers.

We do believe PERS costs need to be reined in and that PERS should reform should be part of any state funding package. However, \$5.67 billion in new taxes is too big a burden for local businesses! 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.

These new taxes fall on our small and large businesses who will be forced to pass those on to consumers. We believe any new tax system should not stand in the way of growth through diversification and innovation.

Please vote 'NO' on HB 3427.

Sincerely,

Heather Tramp 205 Riverside Dr Klamath Falls, OR 97601 heathert@klamath.org