

April 25, 2019

Governor Kate Brown President Peter Courtney Senator Mark Hass Senator Arnie Roblan Oregon State Capitol Salem OR, 97301

Speaker Tina Kotek Representative Nancy Nathanson Representative Barbara Smith

## RE: Equal Treatment Under House Bill 3427 – Agricultural Organizations

We are in receipt of the letter from Eric Groves regarding the potential impact of HB3427 on family owned companies engaged in agricultural processing and marketing. We are supportive of Mr. Groves' concerns and urge you to address any inequities between business entities before passage of HB 3427.

Scenic Fruit Company is a third-generation family owned business since 1931 and is the oldest berry processor in the Northwest. We work closely with many growers in the Pacific Northwest, and the legislation as it stands could negatively impact both our company as well as the many locally owned and operated farms we work with.

Different treatment under the tax law between a family business and a corporation, which is organized as a cooperative, will have a profound negative impact on our business and our farmers.

We urge you to review Mr. Groves' comments and make the appropriate changes to the final draft of HB 3427. Thank you for your consideration.

Sincerely

Derek Eisele Co-President

Scenic Fruit Company