



March 25, 2021

RE: Senate Bill 137-2

Chair Burdick, Vice-Chair Boquist, & Members of the Committee,

Washington County is proud to be called home to countless businesses in a broad array of sectors serving both the local and global economy. As former Mayor of Hillsboro, I have firsthand experience supporting local business through innovative funding strategies, workforce development, and economic development. The fruits of those efforts have manifested in a vibrant tapestry of sectors that both serve our community and promote economic stability. As District 4 County Commissioner I worked to help stabilize business headwinds caused by the pandemic through targeting federal funds in a meaningful and impactful way to Washington County businesses.

As you are likely aware, many small businesses have been massively impacted in a negative way due to the pandemic. Many of those businesses relied on PPP loans to provide a direct incentive for small businesses to keep their workers on payroll. This incentive was also coupled with an understanding that these loans were not taxable. By accessing PPP loans during the pandemic, businesses were able to manage their way through the uncertain economic impacts of the pandemic, keep employees working and help stimulate our economy versus adding further to our unemployment percentages.

However, the -2 amendment being proposed undermines the promise of Congress and the intent of the legislation. This -2 amendment would require forgiven PPP loan amounts in excess of \$100,000 to be added back as taxable income. This would apply to all Oregon businesses who met this loan amount threshold, even though those businesses utilized the program how it was intended and proposed by Congress. These businesses utilized the money as intended and held up their end of the bargain to keep hard working Oregonians employed in family wage jobs. This -2 amendment and subsequent tax would be detrimental to the economic health of the businesses who utilized the PPP program, while they are scrambling to recover from one of the worst pandemics in modern history.

I strongly urge you to oppose this proposal and support Oregon businesses during this difficult recovery.

Thank you for your time and continued partnership,

Commissioner Jerry Willey, District 4 Washington County

