

Date: June 21, 2021

To: Chair and Members of the House Revenue Committee  
From: Scott Bruun, OBI  
RE: OBI Testimony in Opposition to SB 139 A

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**Madame Chair and Members of the Committee:**

Good afternoon, my name is Scott Bruun and I am Director of Tax and Fiscal Policy for Oregon Business and Industry. OBI is a member-led business trade association with over 1,600 members that employ approximately 300,000 Oregonians.

I am testifying today in opposition to SB 139 A.

OBI opposes the bill because it would raise taxes on thousands of Oregon partnership businesses at a time when many of those businesses are still gathering themselves from the economic impacts and uncertainty of COVID.

The diverse businesses that would see those tax increases are in every corner of our state and engaged in just about every commercial business activity, although this bill looks like it will have the greatest adverse impact on professional, medical, dental and creative service firms. These businesses, whether they have 5 employees or 50, each have an interest in growing and keeping those employees working. SB 139 A will make it harder for those businesses to do that.

We think it's also important to note that, given the incredibly positive revenue position we are in, the state does not need the additional revenues raised by this bill. The monies that would be raised by this bill mean very little in terms of the massive forecasted surpluses and a state budget approaching \$30 billion; but it means quite a lot to the businesses that would have to pay it. In fact, it may mean everything to them as they consider whether to hire, or expand, or to even stay in Oregon.

Madame chair, committee, in that vein I had a small businessperson reach out to me via email on this bill early this morning. That businessperson made a succinct case to me which I believe bears repeating, in part. They wrote:

*SB 139 imposes extremely strict requirements that my small business cannot meet, and will effectively prevent my small business from expanding. I believe this to be true for many small businesses in Oregon.*

Madame Chair and committee, Oregon doesn't need the revenue and Oregon's businesses certainly don't need tax increases. OBI urges you to say 'NO' to SB 139 A

Thank you, I appreciate your time.

**Contact: Scott Bruun, OBI, [scottbruun@oregonbusinessindustry.com](mailto:scottbruun@oregonbusinessindustry.com)**