

Submitter:

Erin MOORE

On Behalf Of:

Committee:

House Committee On Revenue

Measure, Appointment or Topic:

HB3940

Dear Members of the House Committee on Revenue,

I write to oppose HB 3940 as it is now written, which would place a surcharge on sales of beverage containers for purposes of wildfire prevention and response.

This surcharge would severely hurt beverage and brewing companies in Oregon, many of which are small and privately owned. Most breweries would eat its cost so they could still meet their pricing structures for marketability, at least for in-house sales, which are these businesses' best way of bringing in and keeping revenue. In a time of great hardship for these industries, with supply chain issues and major inflation of costs, any cut into net income can lead to major cuts and possibly business closure. If our brewery had had this surcharge on every can and bottle we sold last year, our net profit margin would have lowered by 1%, and we run on very slim margins. Other breweries run on even slimmer ones.

An even more important reason in our state is that this surcharge would threaten the The Bottle Bill, and the trust people have placed in it over the years; it has been a national success and we should not do anything to undermine it.

I do support the need for additional revenue for wildfire prevention and response. And so I do support this bill's Amendment A8, which would remove the tax burden from cans and bottles. There must be another way to get these funds than something that could cause major damage to small businesses as well as threaten a well-operating recycling system in our great state.

Erin Moore

Business Manager

Fort George Brewery