



August 7, 2020

Chair Nancy Nathanson
Members of the House Interim Committee on Revenue

Oregon State Capitol
900 Court Street NE
Salem, OR 97301

Honorable Elected Officials:

On behalf of the Bend Chamber of Commerce's 1,700 members, I am writing to express our significant concerns about draft legislation discussed before your committee on August 6, 2020. LC 2 – the legislative concept discussed yesterday would disconnect Oregon from several key features of the bi-partisan federal CARES Act intended to aid struggling businesses during the COVID crisis.

Since the start of the crisis, Oregon's businesses have done their part to comply with executive orders and guidance documents issued by the governor's office and state agencies. Many were required to close during the shutdown. Others were allowed to stay open but were required to adapt and innovate in order to continue serving their customers, while at the same time keeping their employees safe. All of this was done with the health and safety of employees, customers and the community in mind.

In Central Oregon, our local economy has been particularly hard hit due to our significant footprint in the tourism and recreation industries. While we are seeing some visitors to Central Oregon, many of our local small businesses rely on strong summer seasons to carry them through the fall and winter months. Our region, like other tourism based communities in Oregon, has yet to see the full economic impact of the coronavirus crisis.

Disconnecting Oregon from three parts of the CARES Act - the business loss limitation provision, the net operating loss provision, and the business interest limitation provision - would make Oregon businesses ineligible for the state tax relief that otherwise would flow their way via the CARES Act.

Preserving liquid assets and cash reserves during the downturn will be the only way that many of our businesses will be able to weather the crisis. It is with this in mind, that the Bend Chamber asks you to oppose LC 2 and significant implications

associated with it. Small businesses are the engine of our economy in Central Oregon, and they cannot weather a larger tax bill.

Thank you in advance for your careful consideration of our request to oppose LC 2, and the potentially devastating impacts it would have on our small business community.

Best regards,

A handwritten signature in black ink, appearing to read "Katy Brooks", is positioned to the left of a vertical line.

Katy Brooks
President/CEO
Bend Chamber of Commerce