

From: Bruce Hough

Sent: Friday, January 29, 2010 2:26 PM

To: Rep Esquivel

Resent With Permission For Newsletter: To: Rep. Richardson; 2-11-10

Dear Sal-

I came here several years ago and started a successful company which employs about 150 people at an average wage of \$30,000/ year. We have no employees at the minimum wage level. Last year our Oregon withholding tax was \$192,840. Our Oregon corporate income tax is considerable. All but two of our clients are outside of Oregon, which means we bring millions of dollars into the state each year.

I love Oregon. It is unfortunate that Oregon doesn't love me and is now going to penalize me with punitive taxes. These taxes will cost me a quarter of a million dollars over the next four years as I further expand my company to 250 – 300 employees.

Accordingly, I have already started the process of relocating my company to another state which understands the value of having a thriving, growing business adding to their economic health. It will take several years to complete the transition but I have instituted an immediate hiring freeze in Oregon.

In early January our company did a brief four question survey of a substantial number of businesses in Southern Oregon. In round numbers here are the results:

If Measures 66 and 67 pass are you

more likely or less likely to expand you business and hire more employees

More likely 15% Less likely 85%

more likely or less likely to lay off current employees

More likely 85% Less likely 15%

more likely or less likely to Raise your prices

More likely 85% Less likely 15%

more likely or less likely to relocate your business to another state

More likely 65% Less likely 35%

As you can see, I am not alone and the price increases referenced in our survey really mean a hidden tax increase on Oregonians. Given the disastrous condition of our state economy these measures, pushed by our legislature, seem the height of folly.

Bruce G Hough

President

Comnet Marketing Group, Inc.