

Submitter: Ken Kestner

On Behalf Of:

Committee: House Committee On Human Services

Measure: HB4079

HB 4079 is a subsidy tax which would have marginal benefit for the stated purpose, while instituting the following non-beneficial effects:

- 1.) 4079 would be a new tax, known as Sales Tax, which in following years by simple majority vote of legislature can and would be expanded in fiscal amount and sale items such is applied to.
- 2.) 4079 would require additional governmental administration, thus increasing gov't employee numbers and related costs to our state budget, as salary costs, health insurance costs, and retirement costs. That 'drain' on sale tax revenue would only justify increasing the sale tax in future under auspice of meeting 'low-income' families.
- 3.) 4079 criteria identifying 'low-income' families is ill-defined and would be easily expanded in future to further increase intended coverage by this 4079, as well as setting trend for other forms of Sale Taxes.
- 4.) 4079 is a subsidy and is NOT a solution in resolving the growing numbers of 'low-income' families.

Fully recognize that within the category of 'low-income' families, some individual families work hard, sometimes holding several low-paying jobs, while other individual families are content to remain at home, not pursue employment, and rely upon a multitude of existing federal and state subsidies. 4079 would only be an added subsidy.

State Legislature has a greater noble goal to pursue.

That goal is to focus on furthering the state's economy and .. within that enhanced economy ensuring there are vast array of vocational opportunities; commonly known as diversified economy.

Respectfully,

Ken Kestner

Former Lake County Commissioner