



## Testimony in Support of HB 2056 with – 2 Amendments

Chair Barnhart and members of the House Revenue Committee, Oregon AFSCME supports 2056 with the -2 amendments. The -2 amendments would allow local governments to take their destiny into their own hands and have control over their local tobacco taxes. Local governments are constantly hamstrung by the state on what revenue options they have. They are pre-empted from numerous types of revenue and limited in how much can be done with their existing revenue sources like property tax or lodging taxes. Local governments are responsible for public health and other services that are impacted by the use of tobacco but are unable to recoup those costs at the sources. In other words they have to pay for the mess but don't get impose a cost on the cause of the mess. Local governments must depend on the state to allow them to pay for their important work.

This ability to control their taxes on tobacco products also allows local governments to also have a tool to decrease the use of tobacco products by raising their price. We know that the best way to stop new smokers is make the products more expensive. The State has been unwilling to do this significantly for years and so local governments are very limited in their ability to control smoking even though it is under their mandate of public health.

We have heard the arguments that local governments will over tax the product or make bad decisions. Local governments have locally elected officials that are accountable to their constituents. If they go too far they will have to justify that to their constituents. Having the state control this source of revenue ties the hands of local government officials that are trying to close budget gaps and have limited options. We believe that this is fundamentally undemocratic. We should allow local people decide local policy on issues that have a direct impact on local budgets and local public health.

Please support HB 2056 with the -2 amendments and allow local governments another tool to solve their local problems.

Respectfully Submitted,

Joe Baessler  
Political Director Oregon AFSCME  
503-319-1912