



SENATE TAXATION

EXHIBIT NO. 8

DATE 2-1-05

BILL NO. SR 332

February 1, 2005

TO: Chairman Senator Jim Elliott and Members of Senate Tax Committee

RE: In support of SB 332, The Pop Tax and Older Montanans' Trust Fund Bill

Mr. Chairman and members of the Committee, for the record my name is Joy Bruck and I am a Volunteer Advocate for AARP Montana. AARP is one of the largest organizations in the state dedicated to bettering the lives of persons 50 and older, with 143,000 members in Montana.

We have been part of the Aging Services Network for the last two years and bring strong support for the passage of SB 332.

Our staff and key volunteers like myself have met with hundreds of our members and their families across the state about the need for additional revenue to meet current aging services needs and prepare through the Trust for the future.

And we've heard from grandchildren of our members who gladly would pay 5-cents more to support their grandparents' care and independence.

In our regular Membership Survey, published in December 2004, we heard some very relevant messages from our surveyed Members:

- The highest legislative priority named by the 2100 surveyed members was *Availability, cost and quality of health care (86% named it a top priority)*. This is **up from the Survey of 2002** when healthcare was a top legislative priority for 85% of those surveyed.
- Other issues of "extreme concern" included *Staying at home as we age (73% in 2004; 60% in 2002)* and *Long Term Care (69% in 2004; 55% in 2002)*.
- Though it was a new idea, establishment of an Older Montanans Trust Fund garnered "top or high priority status" from 47% of those surveyed.
- Our members have consistently said "no" to increases in property or income taxes, and have consistently supported raising taxes on items like alcohol, cigarettes and tobacco, corporate income taxes, and gaming. Forty-nine percent

(49%) of those surveyed supported imposing a tax on soft drinks for support aging services and the Older Montanans Trust Fund.

In AARP, our members are already very concerned about their long term care. The costs of health care, prescription drugs, and energy bills are much larger than they ever anticipated when they were saving and preparing for a secure retirement. To ignore the budgetary crash that the Boomer generation will bring to our state aging services budget will throw thousands of mid-life Montanans into trouble, for their parents as they age and for themselves.

We know it is the Boomer Generation that consumes much of the soft drink sold in our state. We also know that this generation will be the first to have used soft drinks for nearly 60 years, and the health problems associated with it will be straining our ability to care for basic aging needs in just a few years.

In the absence of statewide tax reform, this bill could secure more funding for aging services that our members desperately need while holding the line on potential property and income tax increases.

We know this will be a difficult decision for you, but we want you to know there is a significant need, significant concern among our elder citizens and their families, and significant support from Boomers as well as their parents for funding aging services and the Older Montana Trust Fund.

Please give this your serious attention as you had in the last session. We hope you will hear our members and support this bill.

Thank you for the opportunity to testify this morning.