



Cook County Board Testimony

July 15, 2015

Michael L. Reeve, Vice-President of Government Relations

Chicagoland Chamber of Commerce

President Preckwinkle, Chairman Daley, and Commissioners-

My name is Michael Reeve, Vice-President of Government Relations for the Chicagoland Chamber of Commerce. Our members represent the breadth and diversity of this region's economy providing over 400,000 jobs and \$24 billion in gross revenue. Our members include corporate leaders, the mid-market and neighborhood business entrepreneurs.

On behalf of the Chamber, I would like to open by recognizing the work President Preckwinkle and the County board have accomplished in reforming County government and making it more responsive to the people you serve. And we understand that you are considering increasing the County sales tax today because the General Assembly has not passed pension reform for County employees.

Further, we understand that President Preckwinkle supports rolling back the sales tax increase if pension reform is passed.

Nonetheless, The Chicagoland Chamber of Commerce opposes the proposed 1% increase to the sales tax rate.

As presented today, the revenue increase will come *before* promised or necessary cost saving reforms and legislation that would typically show up through the regular budget process. You are asking Commissioners and taxpayers to trust that this revenue will not be used outside the stated purpose of pension payment relief.

We want to trust and we can, if presented with a complete budget package. Further, as the State continues its budget discussions- including Cook County pension reform- this sales tax increase may not be needed.

In fact, The Chamber is committed to supporting the Cook County pension reform proposal and will work with President Preckwinkle to push for a clean "up or down" vote in Springfield.

With this tax hike, the taxpayers of Chicago and Cook County will again be paying the highest sales tax in the nation. This regressive tax increase hurts citizens with the least financial resources the most. It leaves Cook County businesses at a competitive disadvantage as shoppers will easily travel to the collar counties to shop and play.

We know this to be fact because we already lived it when the 1% tax was put in place 7 years ago. It is why we so strongly supported rolling back this tax 5 years ago when President Preckwinkle first led the effort.

At a time when businesses, and individual taxpayers for that matter, are getting hit from all sides by all levels of government, *it is time we give thought to a more comprehensive approach by all levels of government.* Your action today seeks to preempt Springfield, and your own budget process, to raise a regressive tax in what amounts to a race to the bottom for a fix to our collective financial crises.

That is why I stand up here to ask you to slow down. The business community needs you to work with Mayor Emanuel, Governor Rauner and the legislature to ensure that Illinois emerges from this fiscal nightmare stronger and more prosperous than ever. A decision to raise the sales tax should be part of the larger County budget discussion and in cooperation with Springfield.

The Chamber stands opposed to this increase.

Thank you for your time and consideration.