

Submitter: Marty Wilde

On Behalf Of:

Committee: House Committee On Emergency Management, General Government, and Veterans

Measure, Appointment or Topic: HB2050

Dear Friends and Former Colleagues -

I'm Marty Wilde, a former State Representative from parts of Lane and Linn Counties and retired Air Force Colonel. You may find it surprising to read that I support this legislation, given my negative attitude toward most tax deductions. However, it's important to realize military retirees have some unique characteristics.

As they separate from active duty, they most often do not settle near their last duty station, but consider a variety of factors in terms of their eventual residence. This puts Oregon in competition with other states to attract the talent that they bring. Unfortunately, we compete poorly, as we have a number of unfriendly retirement policies for military members. The Military Officers Association of America compiled these here - <https://www.moaa.org/Content/State-Report-Card/Oregon>. Indeed, WalletHub ranks Oregon dead last for military retirees among the states and DC - <https://wallethub.com/edu/best-states-for-military-retirees/3915>.

I appreciate that there is always a desire to ensure that any tax breaks are targeted appropriately. Should you consider amendments, you might include a cap on the deduction related to overall income, age, or the amount of the retirement benefit (capping it at the maximum retirement benefit for enlisted people is one approach). You could also tie it to disability compensation, effectively targeting it to those most likely to need to tax free income. As the VA appears poised to take major cuts, this is one way to balance that unfortunate federal policy.

In conclusion, Oregon can do better for military retirees than dead last among the states. This bill provides one way to make a little progress. Thanks for considering my testimony and for your own service in Salem.

Marty Wilde