

Submitter: Joseph Bell
On Behalf Of:
Committee: House Committee On Emergency Management, General Government, and Veterans
Measure, Appointment or Topic: HB2050

Good afternoon,

As you'll no doubt hear many impassioned testimony and pleas from many other veterans, I'll simply try and focus on the numbers.

<https://wallethub.com/edu/best-states-for-military-retirees/3915>

This, and many other polls/surveys from other websites and previous years, will show that Oregon is not a military friendly place to retire. 51st out of 50 states (and DC) is not a good place to be. As the number of veterans in the state has dwindled from year to year, HB 2050 is key in retaining those folks, like me, rather than lose them to vet friendly tax havens, such as Alaska, Florida, Nevada, Texas, Washington, or any of the other 33 states that do not tax military retirements. As a former VSO and trainer for Oregon Department of Veterans' Affairs, I have seen firsthand how the statistics affect the state. As an aside, we don't have the numbers that most other states do, as we have no active-duty bases located in Oregon.

Additionally, many military retirees have some sort of VA disability income to spend. When these retirees leave the state, they take this spending power with them. As the average DoD retirement grade is E7. As the last dataset of record is located here:

<https://media.defense.gov/2023/Oct/06/2003315292/-1/-1/0/MRS%20STATRPT%202022%20V999.PDF>

Here is what that looks like in Oregon:

Number retired: 20,232

Paid by DoD: 17,981

Payment: 42,484

So not only is \$42,484 leaving the state with each retiree that relocates, but the amount of disability income also leaves too. The number of disabled retirees as of 2022 (using the same DoD actuary report) is 3241, resulting in another \$11k per year, per disabled veteran lost to the state when a veteran leaves. In short, this makes economic sense too.

This amendment serves to acknowledge service, as this amendment would honor the sacrifices made by veterans, recognizing their dedication and service to the country. It provides much needed financial relief, as many veterans face financial challenges during their transition to civilian life. This exemption could provide meaningful financial relief, helping them and their families to remain in Oregon. This could also

serve to attract other veterans. By offering tax exemptions, Oregon could become a more attractive state for veterans to settle in, potentially boosting the local economy with their skills and contributions, as 38 states fully exempt military retirement pay, while 11 states offer partial exemptions, this move would align Oregon with those states, demonstrating a commitment to supporting veterans.

Thank you for the opportunity to express my written testimony. I sincerely hope that our elected officials will do the right thing and pass this amendment and bill.

-Joe