

Assemblymember Lorena Gonzalez Fletcher  
Chair, Assembly Appropriations  
State Capitol, Room 2114  
Sacramento, CA 95814

RE: AB 2394 (Brough) - Support

Dear Chairwoman Gonzalez Fletcher,

I write in support of AB 2394 introduced by Assemblymember Brough, which would exempt military retirement pay for veterans who are residents in California. California is home to 1.8 million military veterans and 146,000 are retired veterans who have served our country 20 years or more. Currently, California is only 1 of 11 states that fully tax military retirement income. By exempting this income for retired veterans, California would join 29 states, like New York, Florida, and Texas that provide these benefits.

According to the Department of Defense, many veterans who receive retired benefits are in their 40s and ready to start their second careers as citizens. When deciding where to locate, many veterans take into consideration the cost of living and home prices. California is currently one of the most expensive states to live in and we are also experiencing a housing shortage. If you factor in taxing veteran retirement income, California becomes less attractive to these veterans.

A report from the Governor's Military Council recommends, "State leaders should explore appropriate ways to incentivize veterans to stay in California." AB 2394 will encourage those veterans to bring their leadership, teamwork, high aptitude for technology to the workforce here in California. Many retired veterans have years of experience in high-skilled jobs, such as, intelligence officers, engineers, doctors, nurses, and lawyers that can make an impact on California's economy.

California's current policies are driving veterans to leave. If retired veterans leave, California will not only lose their retired income, but lose income from property tax, income tax, sales tax, etc. AB 2394 will provide a positive change that will encourage more retired veterans to come to California.

For these reasons, and many others, I encourage you to vote Yes on AB 2394.

Sincerely,

NAME  
City, State, Zip code