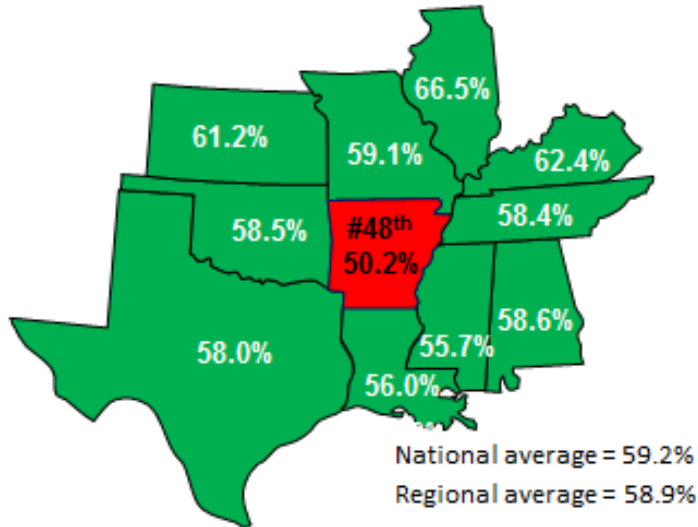


Arkansas Veterans Coalition Legislative Initiative Introduction

Arkansas attracts the **lowest percentage** of working age active duty military retirees in our region



Source: DoD Office of the Actuary <http://actuary.defense.gov> and 3 feb 14 email w/FY13 data in advance of FY13 annual rgt

Arkansas ranks #48

- 9 points below national and regional averages
 - 5 points behind #36 Mississippi
 - 6 points behind Louisiana
 - 8 points behind Texas, Oklahoma and Tennessee
 - 9 points behind Missouri
- Arkansas' share of military retirees (approximately **4,500 – 5000**) go elsewhere to launch their second career

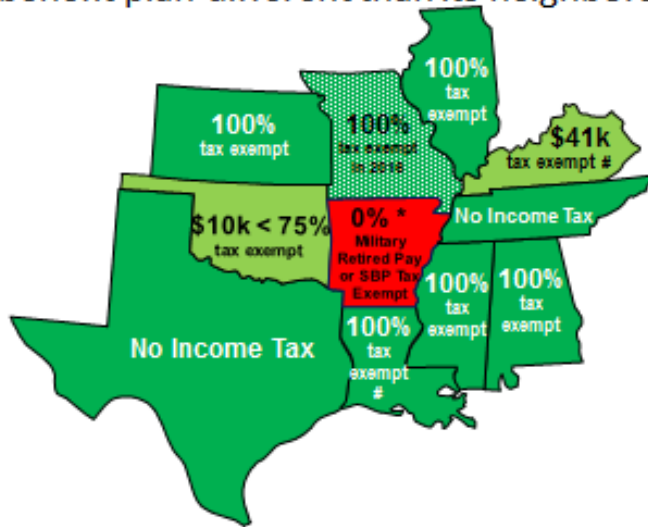
Typical Military Retiree Profile

- **Age:** 38 – 44-years old senior non-commissioned officer
 - Retired pay between \$25 -28k annually
 - Seeking second employment , spousal credentials brings in second professional income
- **Education:** higher percentage of associate, bachelor and advanced degrees than general population
- **Skills:** leadership, management, operations, engineering, technology, education and emergency services
- **Entrepreneurial:** Per SBA “prior military service is the single best indicator of entrepreneurial success”

Military Retiree Positive Impact on Community

- **Retired Pay:** COLA-protected pension not affected by layoffs, recessions, inflation
- **Health care:** Tricare and Tricare for Lift protect retiree and family without burden to the state's Medicaid or Private Option coverage
- **GI Bill Education Benefits:** Provide workforce and advanced training
- **Community Involvement:** Experienced leader and volunteer, contributor in the first community they picked themselves and want to call 'Home'

Arkansas treats military retired pay and survivor benefit plan different than its neighbors



KY and LA do not exempt SBP. All other regional states exempt SBP like military retired pay
 * AR exempts \$5k of income from IRA or any private or public pension but does not provide specific exemption for military retired pay as do our neighbors

Result 2010-2013 Net DoD Retiree Growth	
Alabama	2,885
Arkansas	-69
Illinois	971
Kansas	544
Kentucky	1,060
Louisiana	311
Mississippi	998
Missouri	556
Oklahoma	841
Tennessee	1,956
Texas	7,885
Total USA	53,223

Bottom Line

- Eliminating impediments to relocation to Arkansas by veterans and military retirees specifically supports recruiting and retention augmenting other Arkansas workforce development initiatives
- Capitalizes on rigorous DoD-screening, training investment and experience under most demanding conditions.

Arkansas Veterans Coalition Legislative Initiatives

- Boost workforce and economic development through military retired pay state income tax exemption
- Waive in-state (or local) tuition residency requirements for service members, veterans and families
- Ensure service members receive licensure and academic credit for military education, training and experience
- Ensure military spouse license portability