



Columbia MOAA / 26 Jan 2019 Legislative Update/ Ft Jackson NCO Club

VA Dorn Expansion / Potential Jobs for Veterans

Best State Ratings for Military Retirees

States that exempt military retired pay from state income tax

National Defense Authorization Act (NDAA) 2018 Selective Major Impacts On South Carolina

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VA Dorn Expansion / Potential Jobs for Veterans



Welcome to the WJB Dorn
VA Medical Center



VA | WJB Dorn
VA Medical Center
COLUMBIA, SOUTH CAROLINA

Dorn VA Expansions and New Facilities



Behavioral Health Center
Contract award= Aug 2018
Estimated complete =
540days
\$8.1M [15,000 sq ft]



Parking Garage
(276 spaces)
Location=By USC entrance
\$9.1M
Ground Break
Started Feb 2018
Complete July 2020



Prosthetics Center
Construction award Q3 2018 //
16,000 SqFtProject Duration
=540 days //8.3 M



Rehab Center
Contract Award
Q3FY18
15,000sqft \$9.2M



The State Newspaper
Sat 17 Mar 2018

<http://www.thestate.com/news/local/military/>

Police Station

Start= 1 May 2108 Duration / 6,593 sq ft /



Fisher House (16 Suites 4 bedrooms) 2017
start Fund raising //Complete 2019

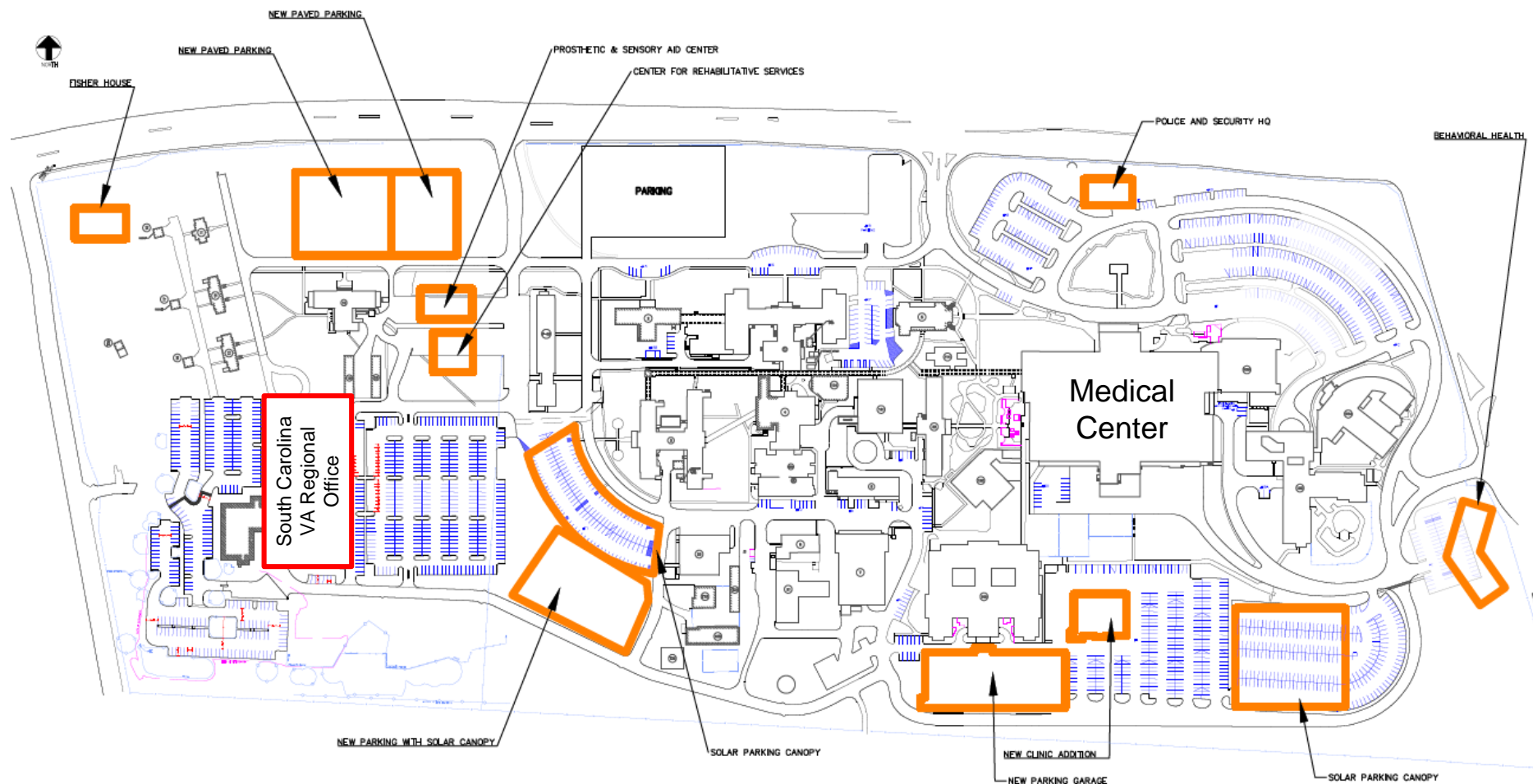


Perimeter Fence
Design start 1stQtr 2018



4 New CBOCs (Sumter, Orangeburg, Rock Hill, Florence / design Completet)

Current Projects Map



We need your help for The VA Dorn Fisher House to make it a reality !

What is it? Home away from home!



For Active duty / Veterans / Families

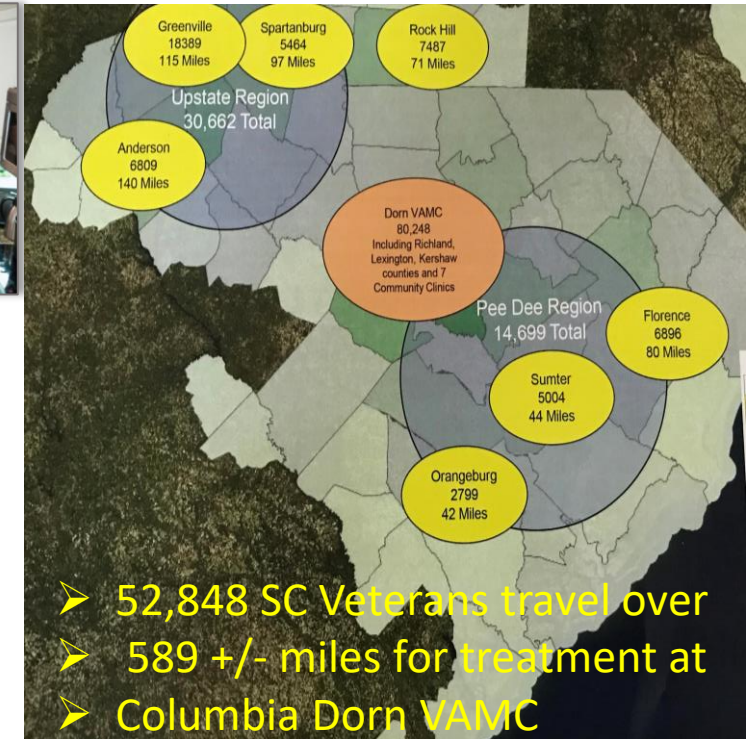


"Home away from home"

On the Dorn VA Campus within walking distance of Hospital will be 8-21 suites, 5000-16,800 sq ft
Common kitchen, dining room, laundry, living room & playroom

A home...not just lodging! For Active Duty, veterans , and families of patients who are 60 miles away from Columbia . If they get healthcare at Dorn and other authorized civilian & military hospitals in the Columbia area, then they are qualified.

Who will this help? 52,000 + patients in SC



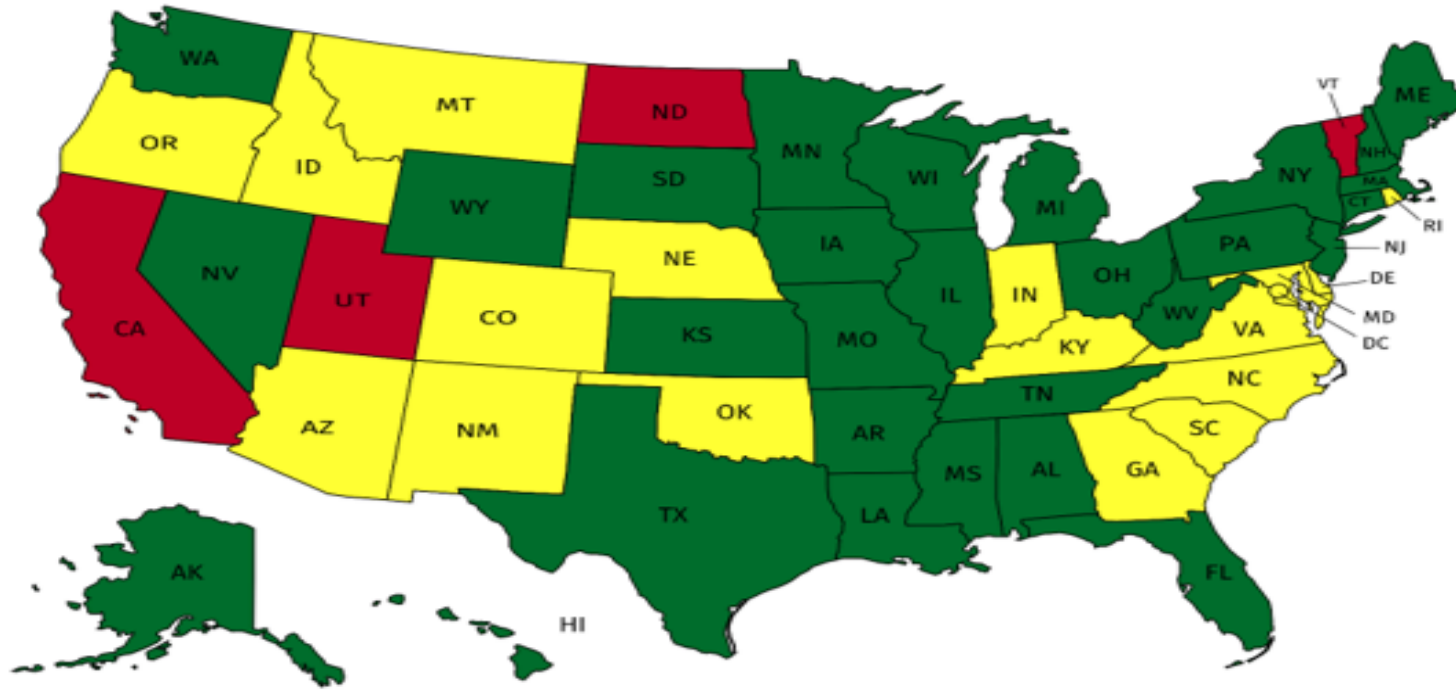
- 52,848 SC Veterans travel over
- 589 +/- miles for treatment at
- Columbia Dorn VAMC

Specifics about Donations : 501 c approved, every dollar you donate will be matched 1:1 by the Fisher House Foundation.

How do I donate? Let me show you the way!!

Via secure website:

**FOR MILITARY RETIREMENT PAY (MRP)
AND SURVIVOR BENEFIT PLAN EXEMPTIONS (SBP)**



- ☐ Both MRP & SBP are fully exempt from state taxation.
- ☐ MRP and/or SBP receive partial exemption from state taxation.
- ☐ Neither MRP or SBP is exempt from state taxation.

22 Jan 2019

Military Retired

Pay

State Tax

Exemptions

29 States = Total Exemption

19 States = Partial Exemption

4 States = No Exemption



Republican - Sumter
 District 67 - Sumter County - [Map](#)
Columbia Address
 420B Blatt Bldg.
 Columbia 29201
Business Phone (803) 734-3042
Home Address
 P.O. Box 580
 Sumter 29151
Home Phone (803) 469-4416
Business Phone (803) 778-2471

Representative G. Murrell Smith, Jr.

H 3135 General Bill,

By [G.M.Smith](#), [Erickson](#), [Yow](#) and [Funderburk](#)

Similar ([S 0179](#))

S.179 and H.3135

Workforce Enhancement and Military Recognition Act (Senate Finance & House Ways & Means)

This bill amends Act 272 of 2016 to continue the phase-in of the military retirement exemption through tax year 2020, and then converts to a full military retirement income exemption commencing in tax year 2021.

Note: See Attachment 1



Democrat - Sumter
 District 35 - Kershaw, Lee, Richland&Sumter Counties - [Map](#)
Columbia Address
 508 Gressette Bldg.
 Columbia 29201
Business Phone (803) 212-6132
Home Address
 P. O. Box 57
 Sumter 29151
Home Phone (803) 778-0597
Business Phone (803) 775-1263

Senator J. Thomas McElveen, III

Session 123 - (2019-2020) **S 0179 General Bill,**

By [McElveen](#), [Campbell](#), [Johnson](#), [McLeod](#), [Climer](#), [Shealy](#), [Young](#) and [Davis](#)

Similar ([H 3135](#))

ATTACHMENT 1

Workforce Enhancement and Military Recognition Act

| | Tax Year | 65-* | 65+ |
|---------|----------|----------------|----------------|
| Act 272 | 2016 | \$ 5,900 | \$18,000 |
| | 2017 | \$ 8,800 | \$21,000 |
| | 2018 | \$11,700 | \$24,000 |
| | 2019 | \$14,600 | \$27,000 |
| | 2020 | \$17,500 | \$30,000 |
| | 2021 | Full Exemption | Full Exemption |

*Military Retirement Income exempt against South Carolina earned income for under age 65.

2021 projected loss of tax revenue of approximately \$10.62 Million against total military retirement income coming into the State of approximately \$1.532 Billion.

Passing a Budget and any Legislation is an Exercise in Clearing Hurdles

- Three readings in the House and Senate. First reading is the Bill's introduction. All readings must occur on separate days.
- For the budget, most of the detailed deliberation takes place after 1st reading and before 2nd reading in Committee.
- 2nd reading in each chamber is where open debate among all members occurs, and the base document used for debate is the House Ways and Means Committee or Senate Finance Committee recommended version.
- 3rd reading is usually perfunctory.
- Once all of this occurs in both bodies, differences are negotiated by a Conference Committee with 3 Senators and 3 House members.
- If the Conference Committee reaches compromise on all differences, then both bodies must approve by simple majority the Report.
- Then, the bill becomes an Act and is submitted to the Governor who has line item veto authority over the budget.
- Each Budget Veto stands unless both chambers override the veto by a 2/3rds vote.



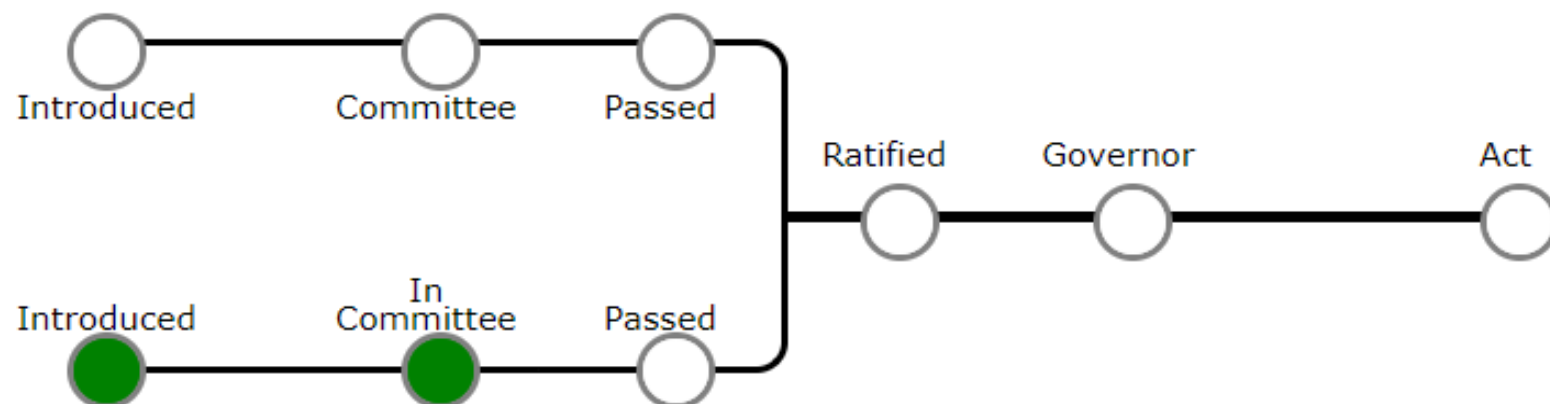
H 3135 General Bill, By G.M. Smith, Erickson, Yow and Funderburk

 Similar ([S 0179](#))

Summary: Not yet available

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, SO AS TO ENACT THE "WORKFORCE ENHANCEMENT AND MILITARY RECOGNITION ACT"; TO AMEND SECTION 12-6-1171, RELATING TO THE MILITARY RETIREMENT INCOME DEDUCTION, SO AS TO REMOVE CERTAIN LIMITS.

The following graphic is a general description of the legislation's status. Users must reference the bill history and the respective journals of the House and Senate for detailed status information.

SC Senate >>

[View full text](#)
[View Fiscal Impact](#)

| | | |
|----------|-------|---|
| 12/18/18 | House | Prefiled |
| 12/18/18 | House | Referred to Committee on Ways and Means |
| 01/08/19 | House | Introduced and read first time (House Journal-page 99) |
| 01/08/19 | House | Referred to Committee on Ways and Means (House Journal-page 99) |
| 01/24/19 | House | Member(s) request name added as sponsor: Funderburk |

Tax cuts for SC military retirees advance after McMaster push

BY TOM BARTON

tbarton@thestate.com

COLUMBIA, S.C.

Hours after his State of the State address calling for tax relief, a S.C. legislative panel advanced a top priority of Gov. Henry McMaster — exempting the retirement income of military veterans from the state's income taxes.

A S.C. House Ways and Means subcommittee voted unanimously Thursday to exempt retirement income for more than

38,000 retired veterans, beginning in tax year 2021.

"The time has come to re-double our commitment to our state's men and women in uniform," McMaster told lawmakers Wednesday in his State of the State speech. "The exemption for veterans is a key factor in the Pentagon's decisions on protecting and expanding a state's military bases, and expanding and bringing new missions and troops to our bases."

The five-member panel

referred the bill to the full Ways and Means Committee for passage after hearing testimony from members of the S.C. Military Base Task Force.

Task force chairman Bill Bethea of Beaufort County told lawmakers that states are fighting to attract military retirees to address shortages in skilled workers. South Carolina, for example, has 60,000 highly paid jobs looking for workers.

"We believe that is a talent pool we have not previously fully tapped,"

Bethea said. "We've done a tremendous job of attracting well-paying jobs and great industry. But, unfortunately, we haven't kept pace with helping fill those jobs."

Twenty-nine states currently do not tax military retirement pay.

"We want to be No. 30 and join the 'green wave,' and become the next state that makes it attractive for quality people who served their military," Bethea said.

Now, S.C. law has an income tax deduction of

up to \$14,600 on income earned by taxpayers under age 65 who get military retirement income. Veterans age 65 and older can deduct up to \$27,000 of their military retirement income. Those deductions increase to \$17,500 and \$30,000, respectively, in 2020, costing the state about \$20 million in lost taxes.

The proposed bill would allow taxpayers to deduct any military retirement income from their S.C. taxable income.

If it becomes law, the

proposal would save retirees an additional \$9.8 million a year, according to the S.C. Revenue and Fiscal Affairs Office. That would amount to an average tax savings of \$464.81 a year for retirees under age 65 and \$137.70 a year for those 65 and older.

Fully exempting military retirement income would reduce the state's general fund revenue by a total of \$29.4 million in fiscal year 2021-22, according to Revenue and Fiscal Affairs.

However, Bethea and other supporters pointed to a study, released Tuesday by Clemson University, that predicts the tax cut would increase — not reduce — state revenue. That study predicts

SEE VETS TAX CUTS, 6A

FROM PAGE 3A

VETS TAX CUTS

revenue would increase as the state's economy grows from more retired veterans and their families moving to the state.

"I am absolutely convinced this bill ... will dramatically improve the quality of the workforce in Kershaw County and in South Carolina," said Julian Burns, chairman of Kershaw County Council. "And, thus, improve our competitiveness in retaining and growing current industry and winning new business.

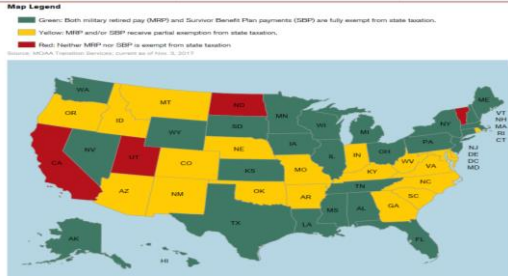
"Retiring veterans are an enormous pool of tal-

ented, reliable, healthy and dedicated personnel," said Burns, who was in the Army for 35 years and works in the defense industry for BAE Systems. "(In Kershaw County,) we've invested heavily in site preparation and infrastructure. And the remaining issue for us is ... to gain a trained and ready workforce. ... And you can help us by passing this bill into law."

Tom Barton:
803-771-8304,
@tjbarton83

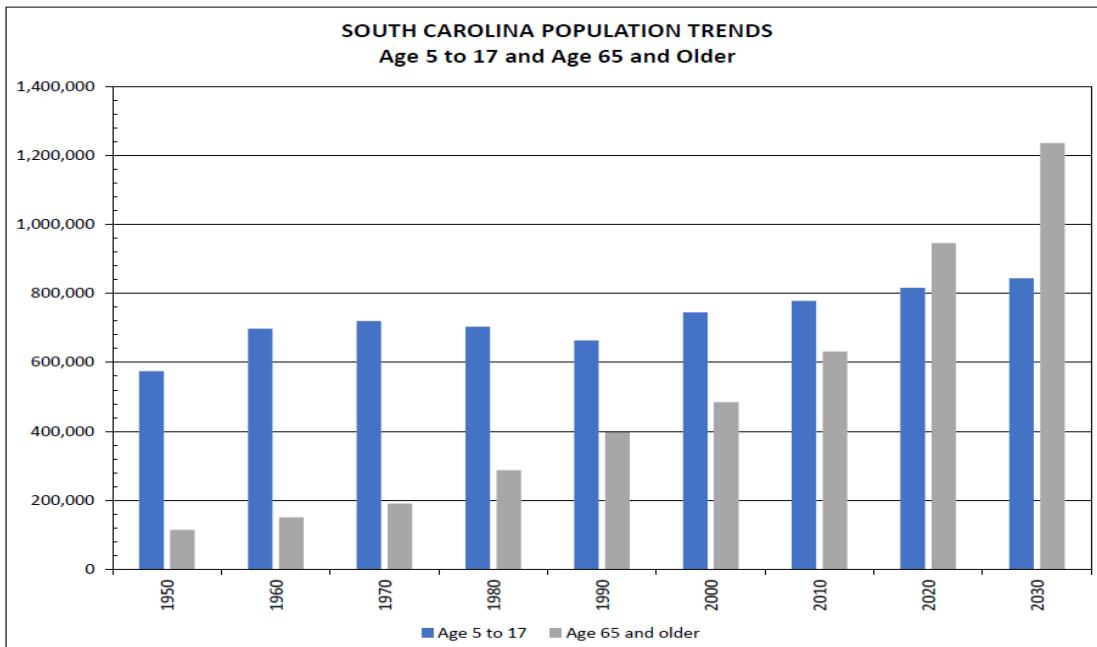


Current HR 3147 SC Military Pay State Tax Exemption....What does it mean to be a YELLOW STATE ?= PARTIAL Exemption



So why do need this exemption ??

1. SC is competing for a skilled workforce
2. Population in SC aging. Need to retain youth
3. Trained, skilled, leaders, team and mission oriented, retirement income + healthcare. **SOLID CITIZENS!!**
4. Attract & Retain Military = Investment for future!!



Source: Revenue and Fiscal Affairs Office: LPW

64 & younger
Current Law
\$3,000
income

H.3147

\$17,500 phased in over 5 years against earned

\$ 5,900 in year 2016

\$ 8,800 in year 2017

\$11,700 in year 2018

\$14,600 in year 2019

\$17,500 in year 2020

**<65= Deduction
from EARNED
INCOME ONLY!**

Over 65
Current Law
\$15,000

H.3147

\$18,000 in year 2016

\$21,000 in year 2017

\$24,000 in year 2018

\$27,000 in year 2019

\$30,000 in year 2020

**>65 = NO Earned
Income requirements**

Spouses also are provided additional protection as a result of the amendment because it clarifies (and conforms to current Department of Revenue interpretation) that "Retirement Income" also includes widowers "Retirement Benefit Plan" and "Dependent Indemnity Compensation".

Additionally, it clarifies that a military retiree age 65 and older, where both spouses are 65 or older and they file "jointly", the actual benefit is up to \$45,000 when fully phased in, not \$30,000. For example, in 2016 it would be \$33,000 and increase as outlined

Current SC Veterans Nursing Homes

Richard Michael Campbell Veterans Nursing Home



Address:

4605 Belton Highway
Anderson, SC 29621

Phone: 864.261.6734

Fax: 864.261.6808

[Visit Website](#)

Veterans' Victory House



Address:

2461 Sidneys Road
Walterboro, SC 29488

Phone: 843.538.3000

Fax: 843.538.2757

[Visit Website](#)

E. Roy Stone Veterans Pavilion



Address:

2200 Harden Street
Columbia, SC 29203

Phone: 803.737.5301

Fax: 803.737.5364

[Visit Website](#)

Anticipated **NEW** State Veteran Nursing Homes to be finalized in April 2019

Locations / 3 New State Nursing Homes / 104 Beds each

- 1 in Columbia near Farrow Road
- 1 Florence
- 1 Cherokee County

Senate Labor Commerce and Industry Chairman Thomas Alexander, R-Walhalla.

<https://www.independentmail.com/story/news/2018/07/23/three-more-nursing-homes-veterans-planned-south-carolina/803101002/>



,
Mullins, SC 29574
Sopakco Packaging,



The **Space and Naval Warfare Systems Center Atlantic** (SSC Atlantic) is a component of the [United States Navy](#) located in [Charleston, South Carolina](#). development, acquisition and life cycle support of effectively integrated *Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance* (C4ISR) systems, Information Technology (IT) and Space capabilities.



AH-64E National Guard Helicopter

What's the point ?

Military is a MAJOR INDUSTRY IN SC !



Funding for **MILCON across South Carolina**: \$53 million for the MQ-9 Reaper mission control element at Shaw AFB; \$35 million for range improvements and modernization at Parris Island; \$52 million for trainee barracks upgrades at Fort Jackson. MCAS Beaufort is authorized \$9.5 million for a recycling and hazardous waste facility, and \$6.3 million for a cryogenics facility.

How Important is the military to SC and political Impact ?

Military Base Taskforce Economic Impact Studies

USC Darla School of Business & Clemson University

HARD DATA REFERENCES? = Credible & Quotable

REF: <https://www.scmilitarybases.com/impact/>



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8

MAJOR MILITARY INSTALLATIONS

752

DEFENSE CONTRACTORS

884

MILLION IN ANNUAL TAX REVENUE

181,847

JOBS (1 IN EVERY 12)

62,250

DoD PERSONNEL

417,515

VETERANS

**BOTTOM LINE= When we collaborate & communicate
with a consistent message we FORCE MULTIPLY!**

**This meeting and future meetings are an attempt to do that
throughout SC. It is an effort to mimic the Military Collation in DC**



THE MILITARY COALITION

<http://www.themilitarycoalition.org/tmc-members.html>

The Military Coalition (TMC), of which MOAA is a founding member, comprises more than 30 military and veterans' organizations that have yoked their individual membership bases, offering great strength in numbers. Such strength has yielded key victories in the fight to preserve and enhance your earned benefits.

Thomas. A. Robillard

Col, USAF, Ret.

MOAA SC State Council VP for Legislative Affairs

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