

The Maryland Military Coalition

Who We Are



Currently, 23 veteran and military groups representing over 150,000 service-connected individuals.



Maryland Military Coalition

The Maryland Military Coalition

- Currently 23 **veteran and military groups** representing over 150,000 service-connected individuals
 - Active duty and their families
 - Retirees and their families
 - Veterans and their families
 - Survivors
 - Caregivers
 - Guard/Reserve
- A registered **non-profit, non-partisan advocacy organization**
- Seeks to **protect** and **enhance** the **well-being** of the **total military community** in Maryland

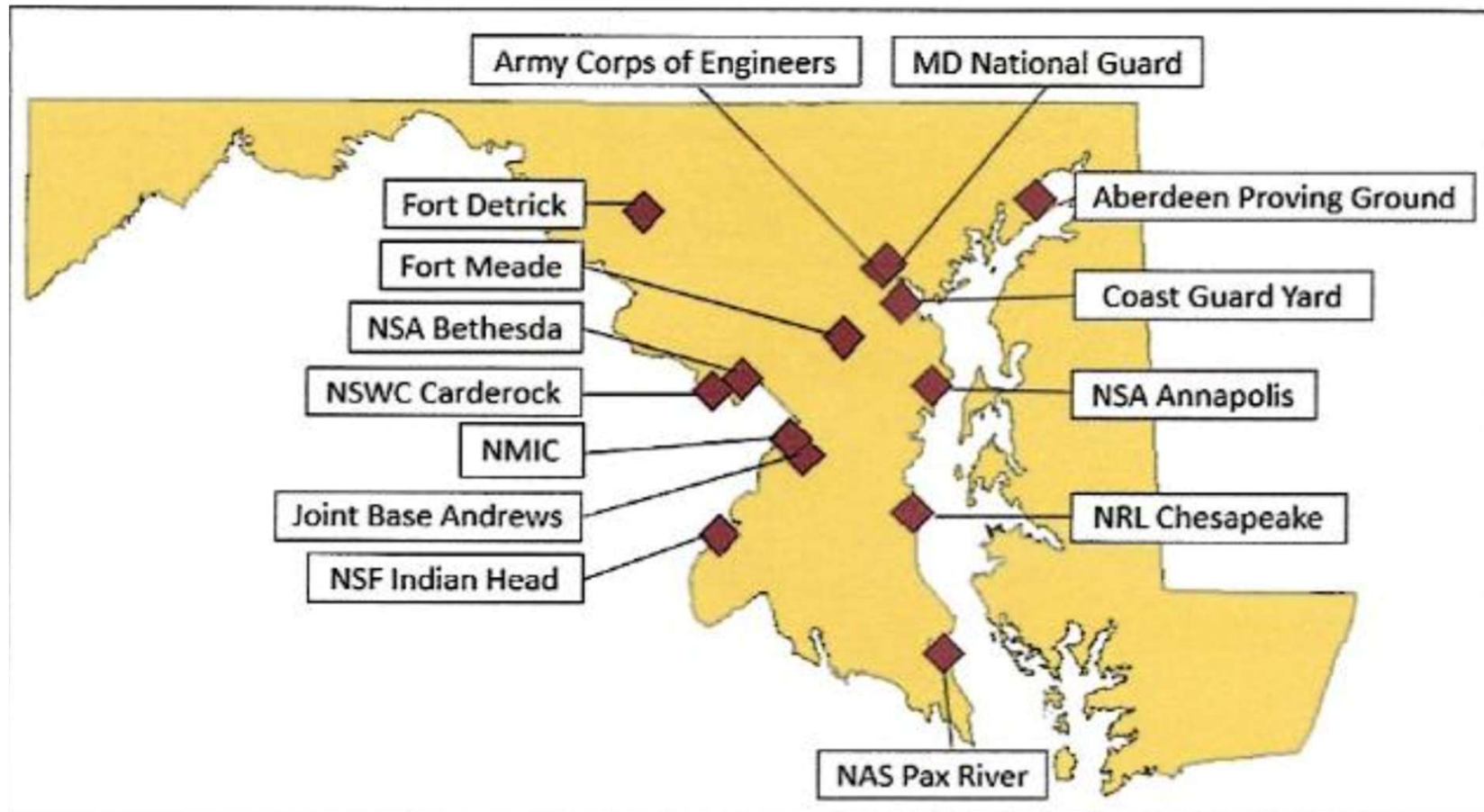


Maryland Military Coalition Members

Air Force Sergeants Association	Maryland Veterans Chamber of Commerce
American Military Society	Military Order of the World Wars
American Minority Veterans Research Project	Montford Point Marines of America
Association of the U.S. Navy	NARFE MD - Veterans
Blue Star Families	National Association of Black Veterans
Commissioned Officers Association of the USPHS	Naval Enlisted Reserve Association
Disabled American Veterans	NOAA Association of Commissioned Officers
Fleet Reserve Association (Annapolis)	Platoon 22
Jewish War Veterans	MD/DE Reserve Organization of America
Maryland ANG Retiree's Association	Society of Military Widows
Military Officers Association of America	Veterans of Foreign Wars
Military Order of the Purple Heart	



MARYLAND IS HOME TO 20 MILITARY FACILITIES



Maryland Military Coalition

Maryland Military Demographics*



- 63,110 servicemembers
 - 24,495 spouses of servicemembers
 - 43,934 children of servicemembers
 - 348,459 veterans
- = 473,998** service-connected persons

*As of March 28, 2025 Maryland Department of Veterans and Military Families (includes all 8 Uniformed Services)



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Maryland and Defense Spending*

Home to 20 military facilities

- Ranks 5th in total Defense spending (\$29.7 billion)
- Ranks 5th in Defense spending as a percentage of State GDP (5.5%)
- Ranks 6th in Defense contract spending (\$19.7 billion)
- Ranks 5th in Defense personnel spending (\$9.1 billion)
- Ranks 8th in total Defense personnel (93,351)¹
 - Active duty – 30,163²; Guard and Reserve – 18,208²;
Civilian – 42,6472

N = \$4,275/ resident

Source: ¹ Defense Spending by State, Fiscal Year 2024

² Defense Manpower Data Center, March 31, 2026



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MMC's 2027 Legislative Goals



- ✓ Expedite professional licensure and certification, especially for health occupations, for spouses of uniformed service members
- ✓ Eliminate the age restriction on the current military retirement income subtraction this year
 - then eliminate state income tax on military retirement pay incrementally
- ✓ Establish a meaningful Veterans Tax-free day (on Veterans Day)
- ✓ Support the establishment of a Maryland Women Veterans' Memorial



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MMC's 2027 Legislative Interests



- Evergreen Legislative Interests –

- Protect Maryland Veterans from Claims Sharks
- Enhance policies designed to aid Veteran-owned small businesses in state contracting
- Expand Veterans' courts/dockets where demand is evident.



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EXPEDITED PROFESSIONAL LICENSURE & CERTIFICATION FOR HEALTH OCCUPATIONS



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Problem

Over the last 60 years, **the number of jobs requiring a license to practice a profession has grown from about one in 20 to one in 4.**



License portability affects service members, veterans, and their spouses **more** because*:

1. Active-duty service requires that service members **move every 2-3 years**;
2. Like most American families, military families **want *and need* two incomes (67% of spouses are employed; 68% two incomes “vitally important”;**



Uniformed Service Spouses by the Numbers*



- **23% are unemployed**, five to six times the rate of their counterparts without a service connection.

2025 Blue Star Families Military Family Lifestyle survey Findings, at https://bluestarfam.org/wp-content/uploads/2026/09/2025-MFLS_Full-Report-1.pdf

- One third work in a profession that requires a license.
- The ***average*** time to relicense¹:
 - 1-5 months 51%
 - 7-12 months 11%
 - **>12 months 8%**

¹ National Military Family Association: [“Take Action Toolkit: Help Military Spouse Professionals Succeed in Your Community”](#)



Current Maryland Procedures



- Portability provision of §705A of the Service members Civil Relief Act*:

- A. Covered license

- Maryland issues a “Letter of Recognition” (not a license)

- B. Interstate Licensure Compacts – currently cover ONLY “Armed Forces” and their spouses (not Uniformed Services)

* Sec. 19, Portability of Professional Licenses of Members of the Uniformed Services and Their Spouses, 50 USC 4025



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Advantages of Compacts



- Take precedence over the licensure portability provision of §705A of the Servicemember Civil Relief Act.
- Only Physical Therapy, Psychology and Social Work active in Maryland
- ***SOME*** compacts (11 of 19) allow service spouses to **designate a home state for their license, ensuring no license transfer with each move** - only PT active in MD.



Slide 13

LN7

Only Audiology & speech language, cosmetology, interstate counseling, AADB Dental, Dietician, Massage, Professional counseling, Occupational Therapy , PT, Social Work and School Psychology.

Lynn Nash, 1/28/2025

Advantages of Compacts



Receptionist

- Compacts developed through extensive consensus-based processes from existing policies across many states.
- Specific to the needs of each profession.
- **Preserve state sovereignty** with state-to-state cooperation.
- **Can start working more quickly once enabled.**



Problem with DoD Funded Compacts



- Of the 9 (may be 15) DoD-funded compacts, **NONE** define Active-Duty service member as a **member of the Uniformed Services.**
 - Cosmetology
 - Dental and Dental Hygienist
 - Dietician
 - EMS
 - Interstate Massage
 - Interstate Teacher Mobility
 - Social Work
 - School Psychologist
 - Respiratory Care



Issues a Compact Can Resolve



Enactment of interstate licensure compacts in key occupations ***could*** result in the following benefits for ALL active-duty members, their spouses, and veterans (but only if amended to “Uniformed Services”):

- **Remove** the **barriers** to employment.
- **Remove** the **one-year limitation** on veterans.
- **Discontinue** the issuing of **“Letters of Recognition.”**



Maryland Military Coalition Recommends



1. Expedited Professional Licensure and Certification for **ALL** service spouses.
2. Find an acceptable legal alternative to “Letters of Recognition”.



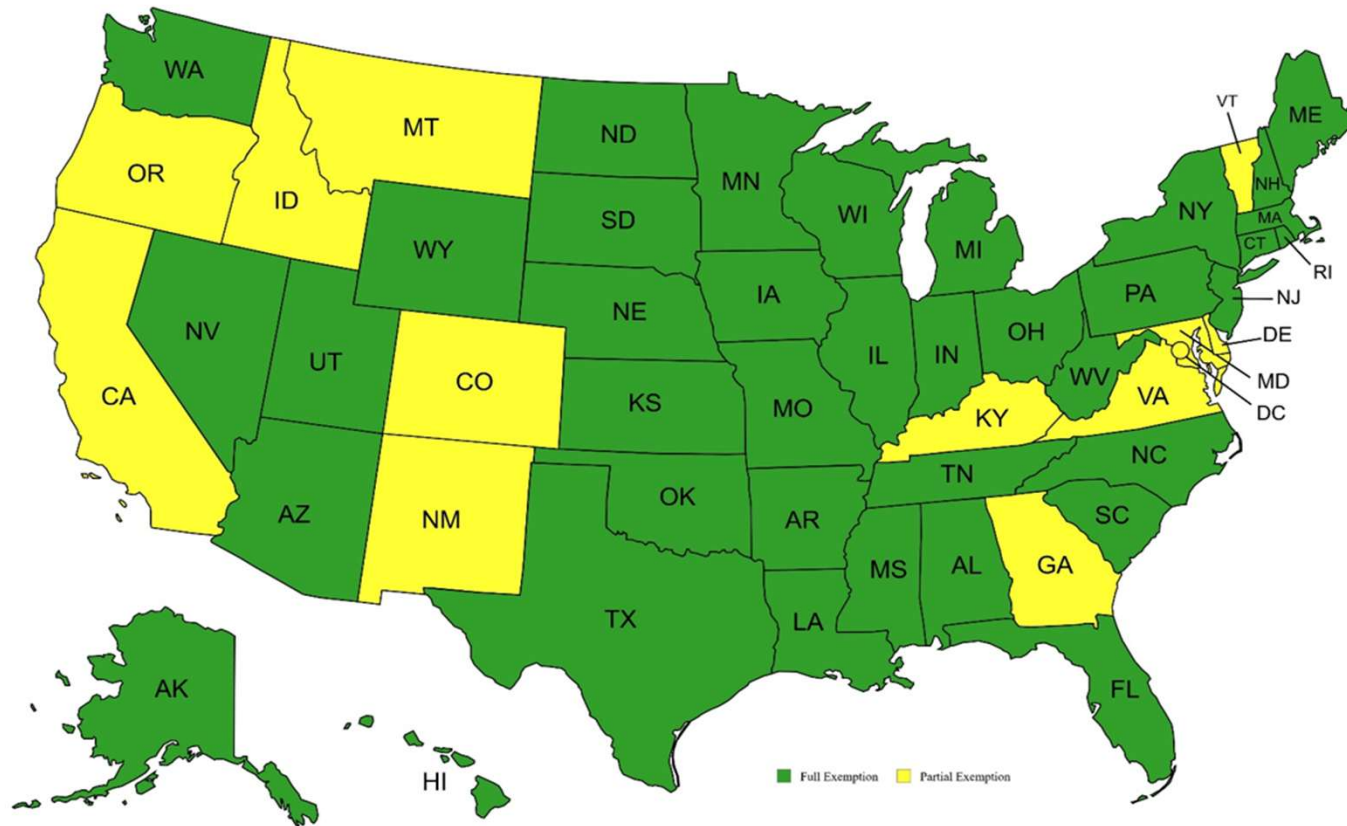
ELIMINATING THE TAX ON MILITARY RETIRED INCOME



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States That Do Not Tax Military Retired Pay

(N=38)



Green: Both military retired pay and SBP are fully exempt from state taxation

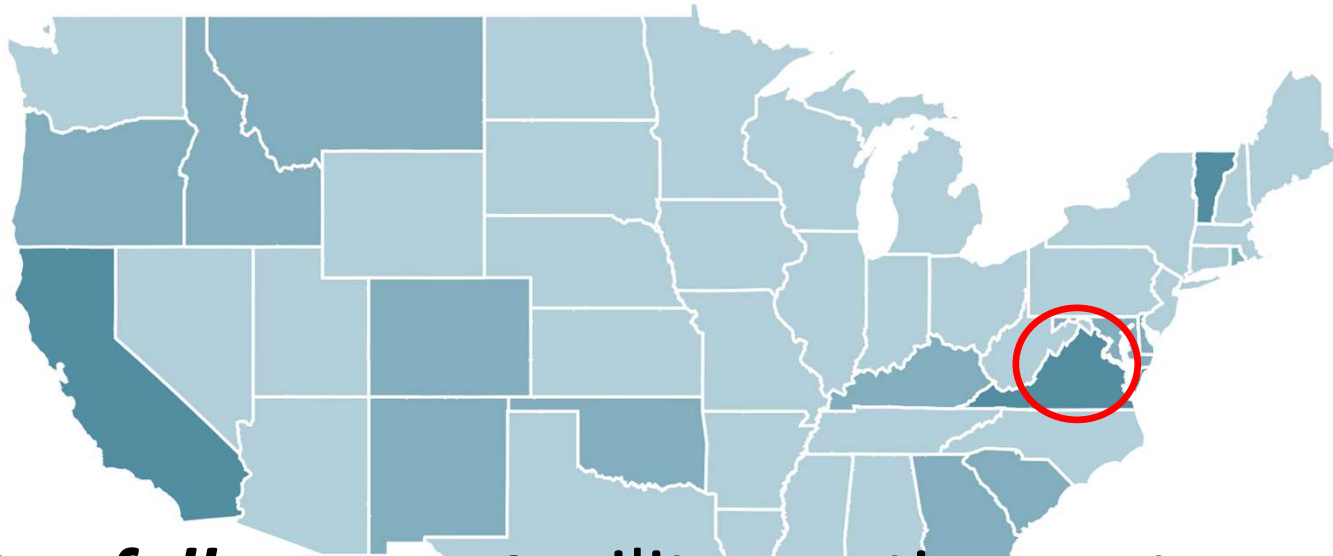
Yellow: MRP and/or SBP receive partial exemption

Source: MOAA, as of July 18, 2026



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Maryland is at a Competitive Disadvantage



- 38 states **fully exempt** military retirement pay from state taxation **with no age restriction.**
- Three states contiguous to Maryland either **fully exempt** military retirement pay (PA, WV) or exempt **MORE** (VA \$40K).



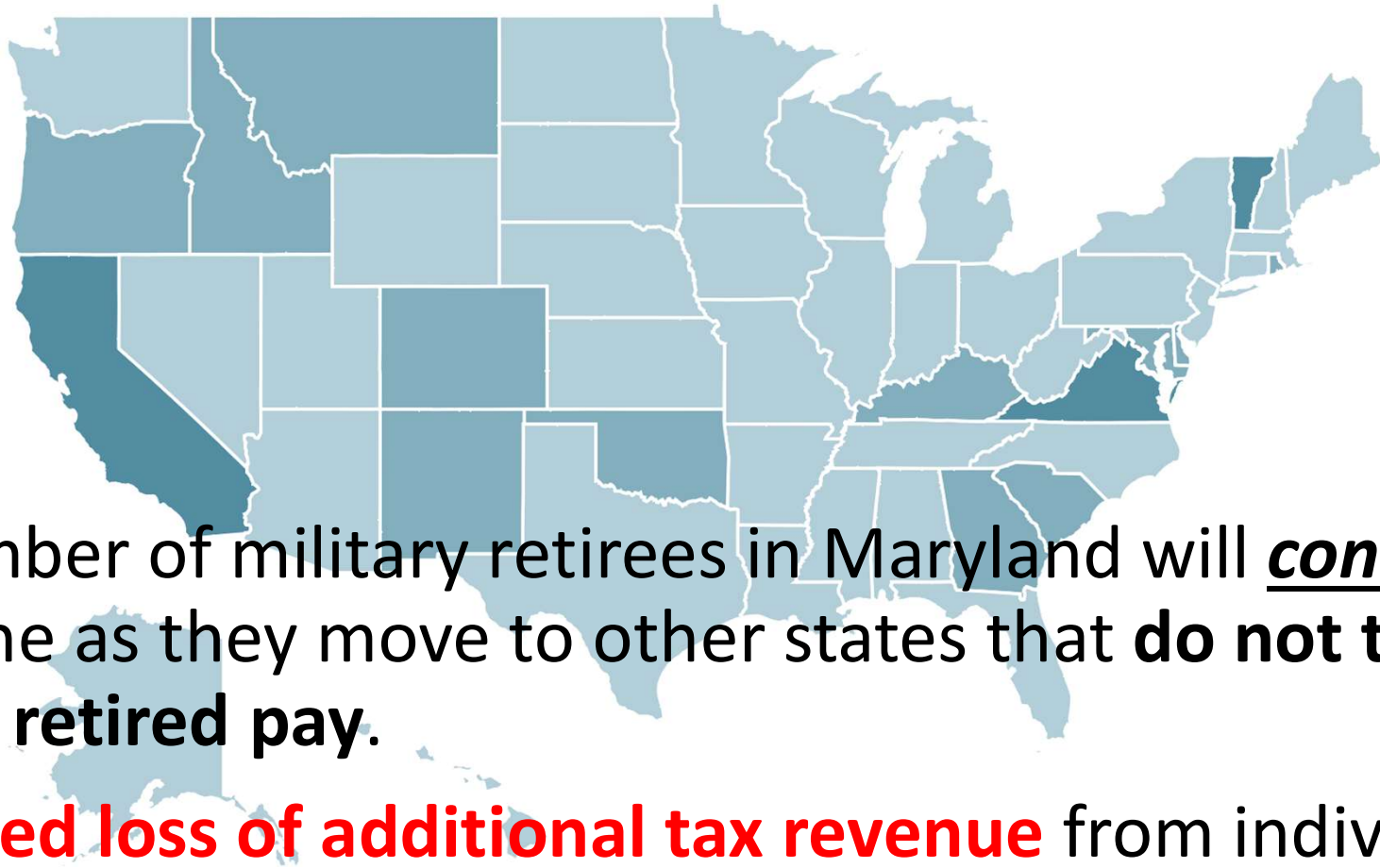
Maryland is at a Competitive Disadvantage



- All four states **contiguous** to Maryland have **no age restriction** on exempting military retirement pay.
- The number of military retirees and survivors in Maryland has **decreased** a net of **951** since 2019.



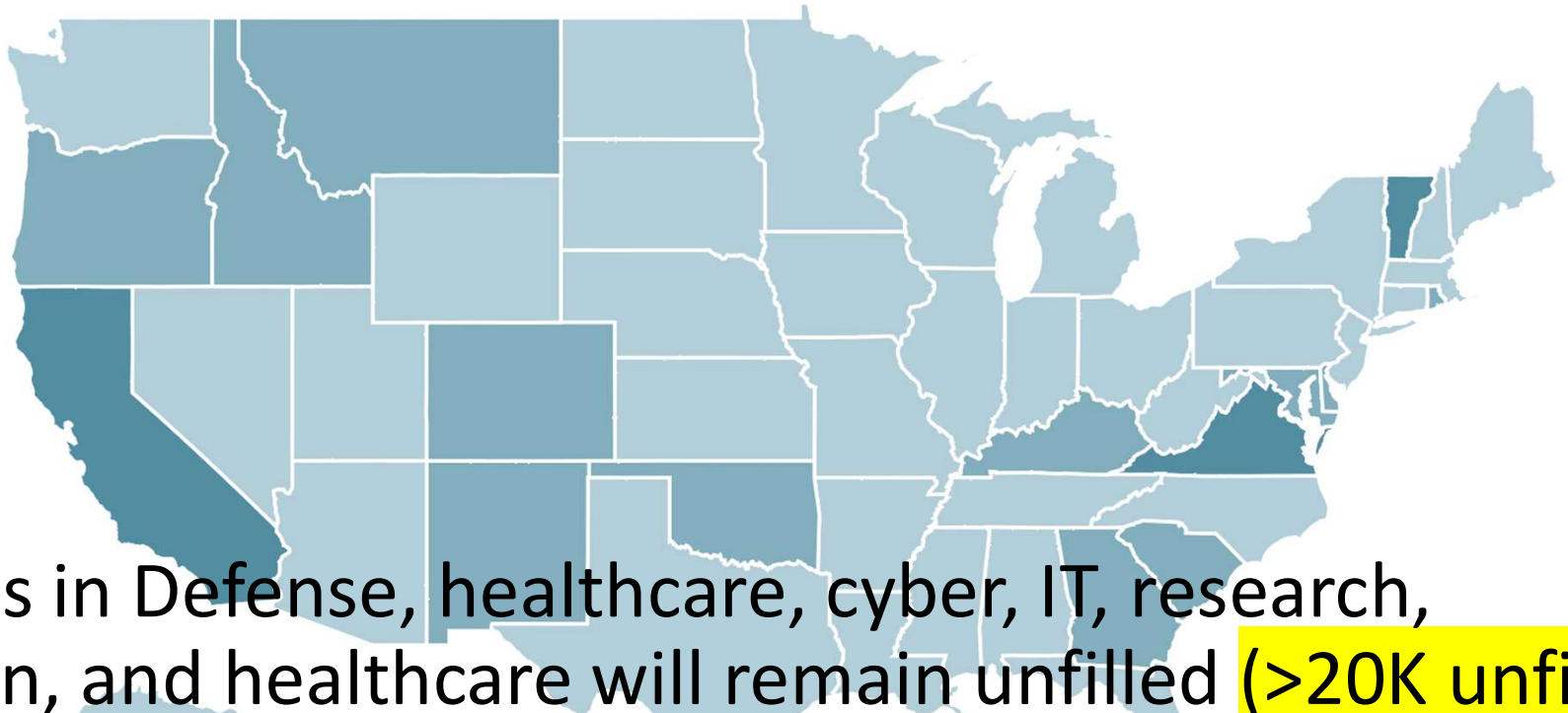
Costs of Not Eliminating the State Tax



- The number of military retirees in Maryland will **continue** to decline as they move to other states that **do not tax military retired pay**.
- **Continued loss of additional tax revenue** from individuals **commuting** or **remote working** from other states (**WV, PA, DE, VA**) that do not tax military retired pay.



Costs of Not Eliminating the State Tax



- Vacancies in Defense, healthcare, cyber, IT, research, education, and healthcare will remain unfilled (>20K unfilled jobs requiring security clearances go unfilled TODAY).
- **Loss of additional tax revenue from fully-taxed second-career incomes and family spending as Uniformed Service retirees leave** for other states.



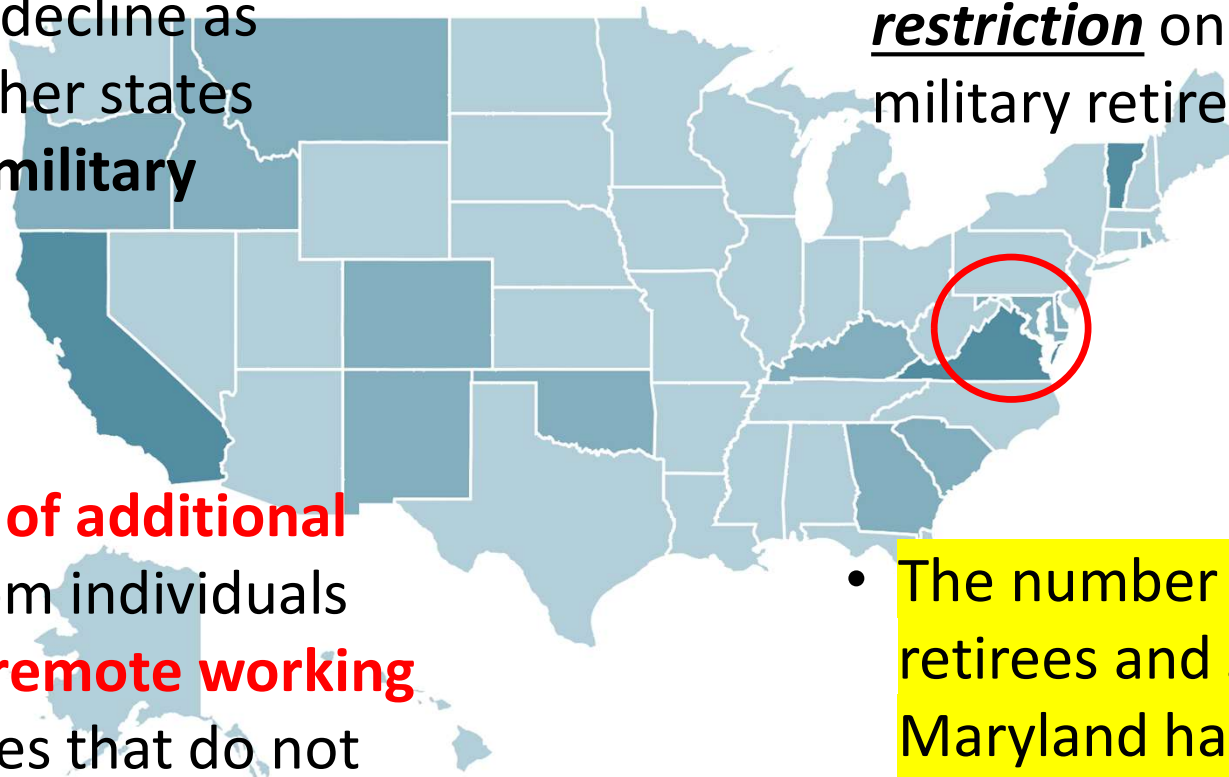
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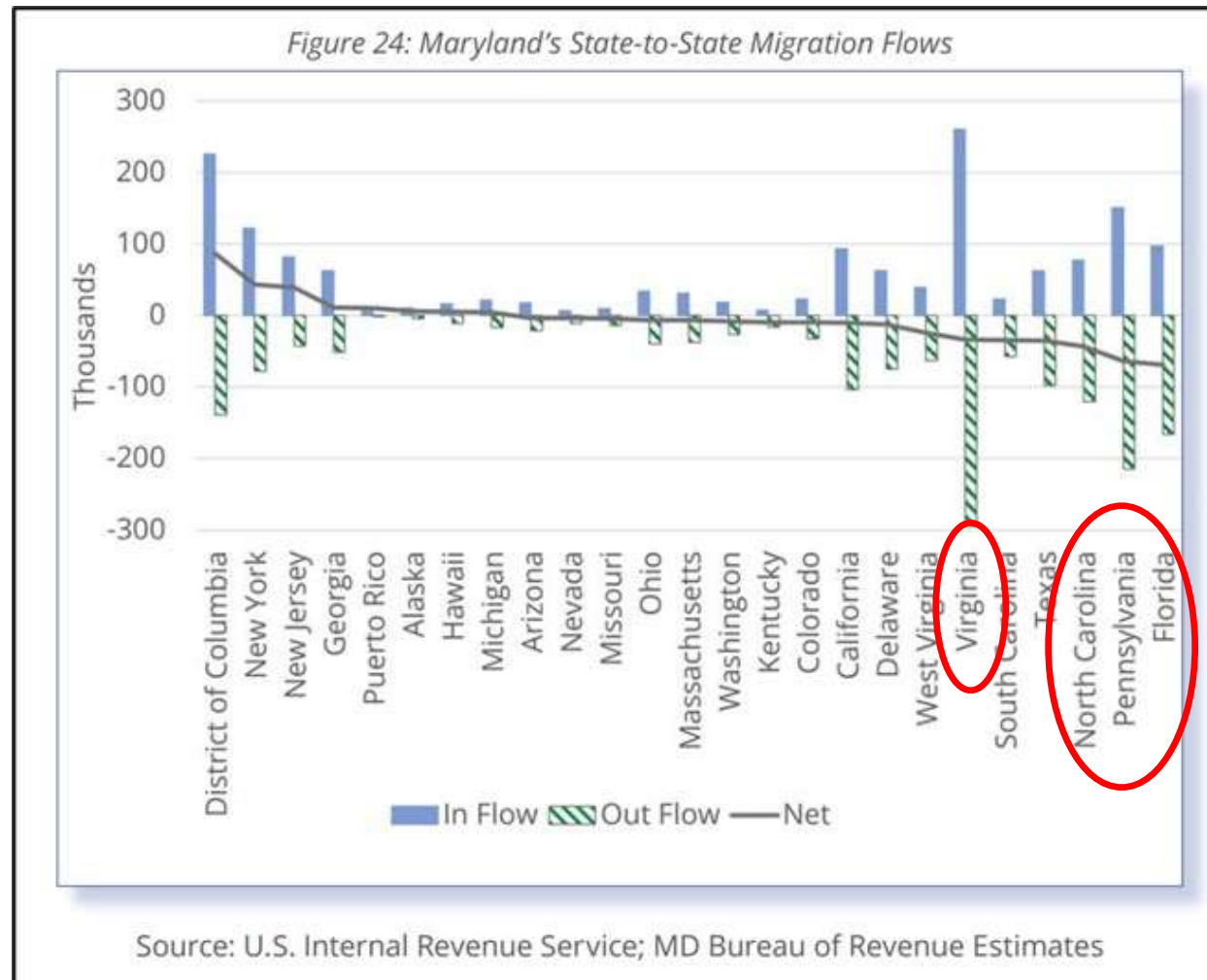
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Maryland is at a Competitive Disadvantage

- The number of Uniformed Service retirees in Maryland will ***continue*** to decline as they move to other states that **do not tax military retiree pay**.
- All four states contiguous to Maryland have **no age restriction** on exempting military retirement pay.
- **Continued loss of additional tax revenue** from individuals **commuting** or **remote working** from other states that do not tax military retired pay.
- The number of service retirees and survivors in Maryland has **decreased** a net of **951** since 2019.



Costs of Not Eliminating the State Tax



**Our
Competitors**

Source: Maryland State of the Economy, 2023, page 51; <https://www.marylandtaxes.gov/reports/static-files/SOTE.pdf>



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Benefits of Eliminating the State Tax



House



Live



Work



Spend

Incentivizes service retirees to ***stay, live, work, and spend*** in Maryland.

- Most retiring service members are in their late 30s to early 40s
- Will work in the private sector for up to 25 years
- Their families will also contribute to Maryland's economy



Benefits of Eliminating the State Tax



- Retirees bring expertise and critical skills to occupations where severe shortages currently exist.

(Cyber, IT, Research, Education, Healthcare)

- ***Second-career incomes***, including those of ***working spouses***, would be ***FULLY taxable***, ***OFFSETTING*** the cost of exempting retired pay.



Maryland Military Coalition

Maryland Military Coalition Recommends



Phasing in the elimination of the State Tax on military retired pay:

In Tax Year 2025

- Eliminate the 55-year-old age restriction
- Raise the \$12,500 under 55 subtraction to \$25,000

In Tax Year 2026

- Exempt 50% of military retired pay but not less than \$20,000

In Tax Year 2027

- Exempt 100% of military retired pay

OR

HB 060/SB 099

In Tax Year 2025

- Raise the subtraction to \$25,000

In Tax Year 2026

- Raise the subtraction to \$40,000



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Slide 29

LN4

This was the original slide. I think that we should either do a split table and put our original 3-year here with a 2nd table for HB 060.

Lynn Nash, 1/28/2025

Plate Where You Live

In Tax Year 225

- Eliminate the 55-year-old age restriction
- Raise the \$12,500 under 55 subtraction to \$25,000

In Tax Year 2026

- Exempt 50% of military retired pay but not less than \$20,000

In Tax Year 2027

- Exempt 100% of military retired pay

OR

HB 060/SB 099

In Tax Year 2025

- Raise the subtraction to \$25,000

In Tax Year 2026

- Raise the subtraction to \$40,000



PROHIBIT COMPANIES FROM CHARGING VETERANS FOR CLAIMS UNLESS ACCREDITED



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Claim Predator's

- Target Veterans' benefits via mail, telephone, or on-line channels
- Charge high fees or require a veteran to pay them a portion of the VA benefits
- Make deceitful promises such as guaranteeing a rating or a faster claim processing time
- Require a binding contract for a percent of the benefits in exchange for help with the veteran's claim



Slide 32

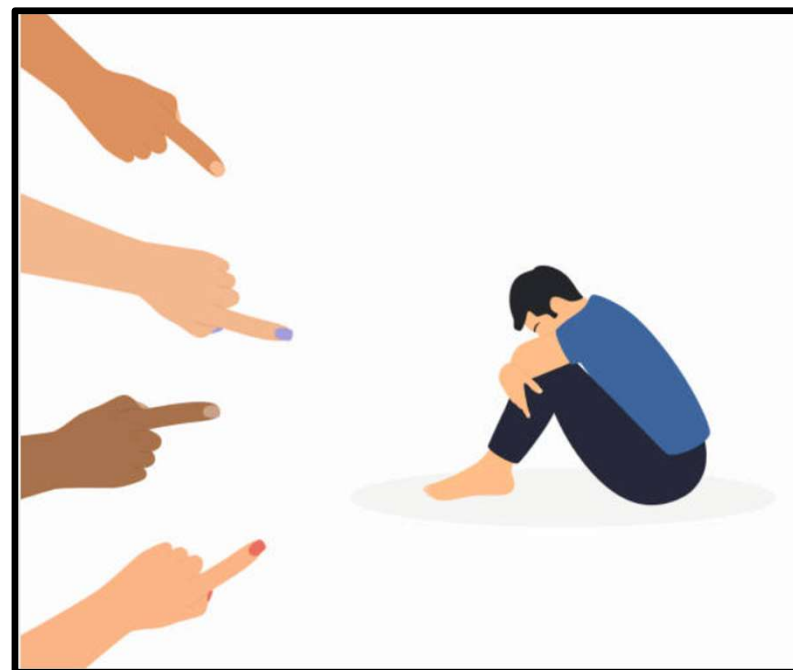
LN5

I think the following slides are more powerful.

Lynn Nash, 1/28/2025

Identifying a Claim Predator

- Target Veterans' benefits via mail, telephone, or online channels.
- Charge high fees or require a veteran to pay them a portion of the VA benefits.
- Make deceitful promises such as guaranteeing a rating or a faster claim processing time
- Require a binding contract for a percent of the benefits in exchange for help with the veteran's claim



Prohibit Claim Predator Companies

- Nine states have either banned or restricted for-profit claims companies (IA, IL, LA, MA, NJ, NV, NY, MA WA) – 17 states considering legislation in 2025. LN6
- New Jersey was sued by Veterans Guardian; lost in 3rd District Court; appeal heard on November 8th. **Add update here**
- Legislation pending in Congress to restore penalties.
 - Guard Act – restores penalties for charging for services
 - 2nd piece of legislation



Slide 34

LN6

we need to check these states.

Lynn Nash, 1/28/2025

Maryland Military Coalition Recommends

Refiling of claim predator legislation in 2025.

HB 267 – Delegate Allen (to date)



HB 875/ SB 831 proposed by Senator Klausmeier (D-8) and Delegate Allen (D-8) in 2024 session to regulate these companies in Maryland.

Did not make it out of committee due to the litigation in New Jersey



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ESTABLISHING A WOMEN VETERANS' MEMORIAL



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Maryland Women Veterans' Memorial



- Maryland has 54,693 Women Veterans
- Since 2005, five Commissions were chartered and made recommendations on a memorial
- Governor-approved site – Maryland Veterans Museum, Newburg, MD



Maryland Women Veterans' Memorial



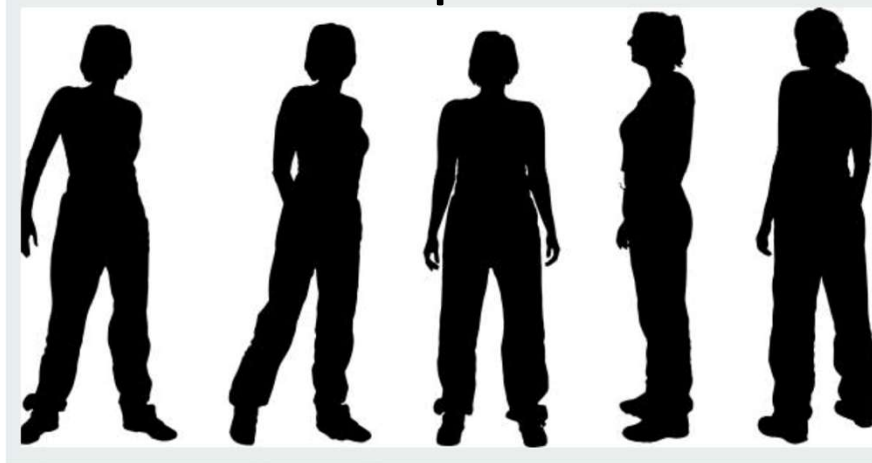
- No action plan established or money appropriated
- Instead, we are left with a no-cost, contractor-furnished standing plaque at the Chesapeake House rest area on I-95
- Maryland Women Veterans ***DESERVE BETTER!***



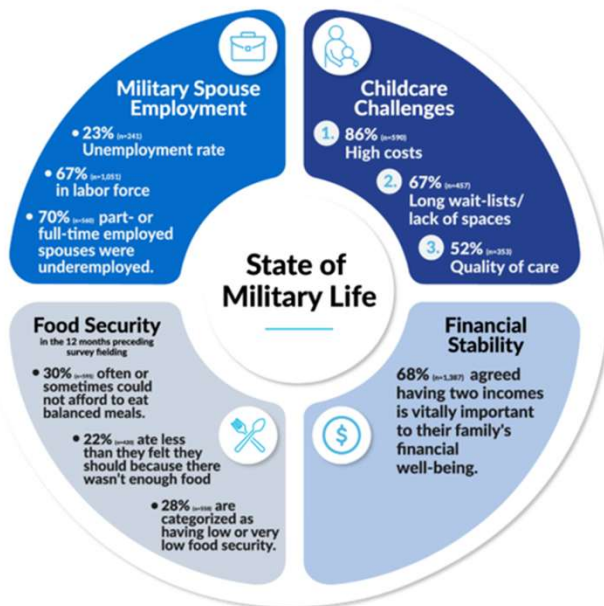
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Maryland Military Coalition Recommends

1. Establishment of a **FACTUAL Maryland Women's Veteran Memorial** in Newburg, Maryland.
2. Establishment a memorial construction timeline.
3. Designation of state funding.
4. Creation of a non-profit foundation to secure private matching funds to complete the memorial.



Military Family Quality of Life: Annual Statistics



Military Spouse Employment

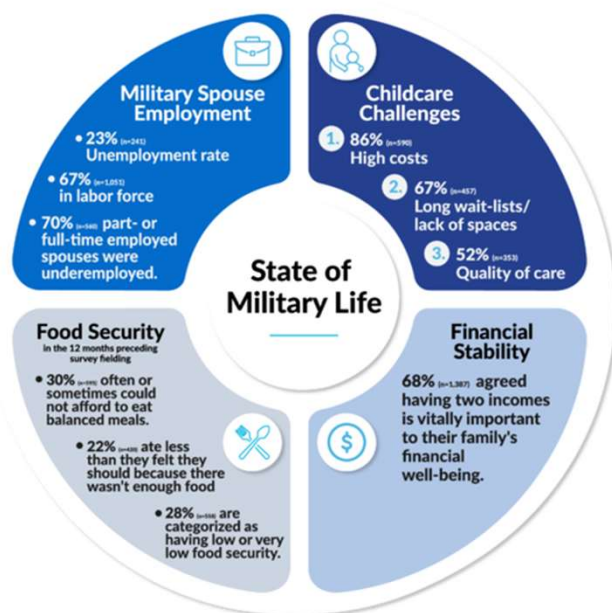
- 23% Unemployment rate (n=241)
- 67% in labor force (n=1,051)
- 70% part-time or full-time employed spouses were underemployed (n=560)

Childcare Challenges

Food Insecurity

Financial Stability





Military Spouse Employment

+

Childcare Challenges

-

- 86% High costs (n=590)
- 67% Long wait-lists / lack of spaces (n=457)
- 52% Quality of care (n=353)

Food Insecurity

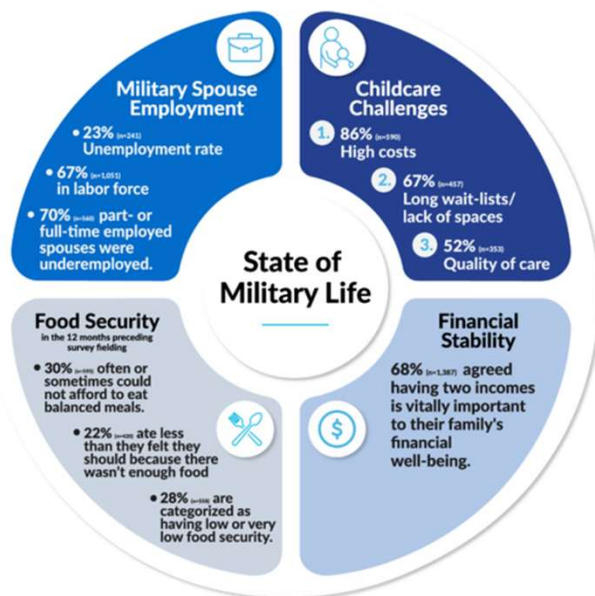
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Financial Stability

+



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Military Spouse Employment



Childcare Challenges



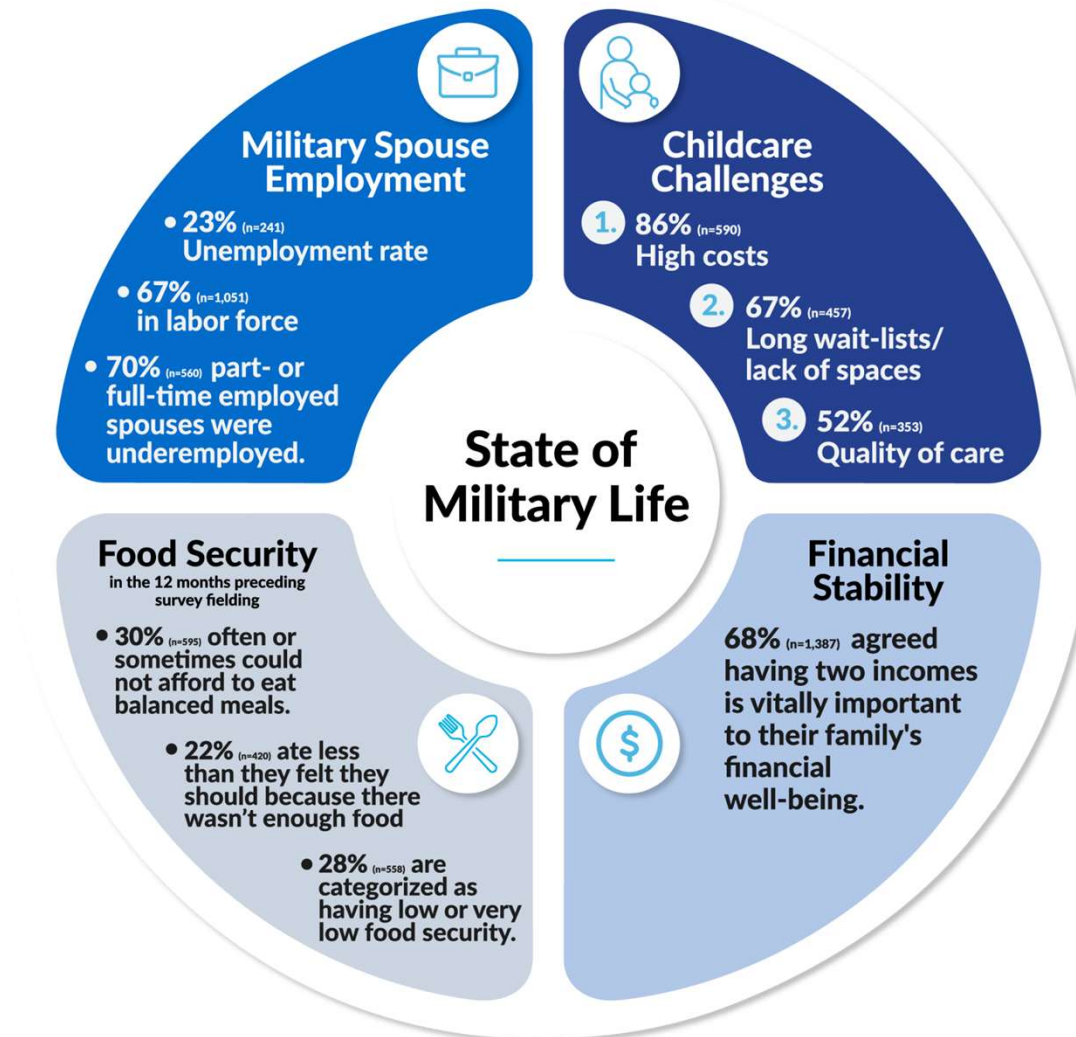
Food Insecurity

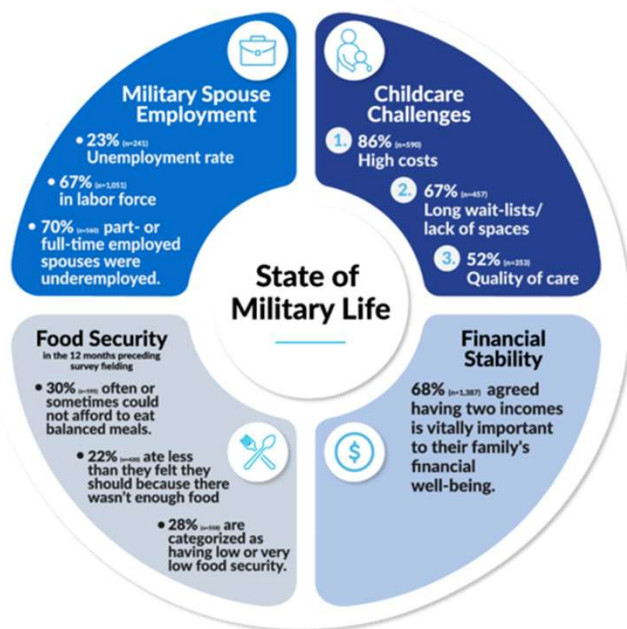


- 30% often or sometimes could not afford to eat balanced meals (n=595)
- 22% ate less than they felt they should because there wasn't enough food (n=420)
- 28% are categorized as having low or very low food security (n=558)

Financial Stability







 Military Spouse Employment	+
 Childcare Challenges	+
 Food Insecurity	+
 Financial Stability	-
68% agreed having two incomes is vitally important to their family's financial well-being (n=1,387)	



Top Issues of Concern for 2025

Active-Duty Family Respondents

Veteran Family Respondents

National Guard Family Respondents

Reserve Family Respondents

Active-Duty Family Respondents (N=2,321):

1. Military spouse employment (50%)
2. Military pay (48%)
3. Amount of time away from family as result of military service (39%)
4. Childcare challenges (33%), BAH/off-base housing concerns (33%), and Dependent child education (33%) (three-way tie)



Maryland Military Coalition

Executive Summary

The Tax Foundation's *State Tax Competitiveness Index* enables policymakers, taxpayers, and business leaders to gauge how their states' tax systems compare. While there are many ways to show how much state governments collect in taxes, the *Index* evaluates how well states structure their tax systems and provides a road map for improvement.

**The 10 best states in this year's
Index are:**

1. Wyoming
2. South Dakota
3. New Hampshire
4. Alaska
5. Florida
6. Montana
7. Texas
8. Tennessee
9. Idaho
10. Indiana

**The 10 lowest-ranked, or worst,
states in this year's *Index* are:**

41. Hawaii
42. Vermont
43. Massachusetts
44. Minnesota
45. Washington
46. Maryland
47. Connecticut
48. California
49. New Jersey
50. New York



Maryland and Defense Spending*



DoD Office of Local Defense Community Cooperation, as of 9/30/23 -Includes all active duty, civilian, National Guard, and Reserve Personnel (DoD only)

Source: Defense Spending by State, Fiscal Year 2023 Defense Manpower Data Center, Dec. 31, 2023



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Problem



3. **One-third** of active-duty spouses are in professions that require a government-issued license.
4. And licenses from one state **DO NOT** always easily transfer to another state.



Uniformed Service Spouses by the Numbers*



- The most significant proportion of spouses reported losing \$5,000 - \$10,000 in income.
- 81% of those with licenses/certifications honored at the new duty station could work as soon as they arrived.

* 2023 Blue Star Families Military Families Lifestyle Survey, <https://bluestarfam.org/research/mfls-2023/>



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Current Maryland Procedures



Veterans Full Employment Act of 2013 (SB273/HB225)

- Requires certain licensing units to issue a temporary expedited license following a completed application (DLLR, DHMH, EMS (MIEMSS), MHEC and DOE).
- Only **health occupations** are required to issue a temporary expedited license within 15 days of application.
- Still “**on the books**” but **NO** mandatory reporting requirement since 2014.

