

INTERIM JOINT COMMITTEE ON VETERANS, MILITARY AFFAIRS, AND PUBLIC PROTECTION

Minutes of the 3rd Meeting of the 2018 Interim

October 11, 2018

Call to Order and Roll Call

The 3rd meeting of the Interim Joint Committee on Veterans, Military Affairs, and Public Protection was held on Thursday, October 11, 2018, at 1:00 PM, in Hopkinsville, Kentucky. Representative Tim Moore, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Tim Moore, Co-Chair; Senators Julian M. Carroll, C.B. Embry Jr., Stan Humphries, Dennis Parrett, and Mike Wilson; Representatives Myron Dossett, Mark Hart, DJ Johnson, Dean Schamore, and Walker Thomas.

Guests: Richard A. Cooper, Distinguished Veteran; Carter Hendricks, Mayor, City of Hopkinsville; Marc Quensenberry, Veterans Transition Liaison, West Kentucky Workforce Board; Lindsey Geraci, Director of Military Affairs, Christian County Chamber of Commerce; Kelli Pendleton, President/CEO, Christian County Chamber of Commerce; Colonel Blaine Hedges, Executive Director, Kentucky Commission on Military Affairs.

LRC Staff: Jessica Zeh, Jonathan Philpot, and Elizabeth Hardy.

The committee did not have a quorum. The September minutes were not approved.

Pledge of Allegiance

Co-chair Moore introduced the distinguished veteran, Richard A. Cooper, before leading the committee in the Pledge of Allegiance.

Distinguished Veteran

The committee awarded Richard A. Cooper, retired Army Command Chaplain, with the distinguished veteran coin. He shared with members the rules that he lives by and said that integrity and selfless service are the most important values.

Representative Dossett expressed his appreciation for Mr. Cooper and his wife.

City of Hopkinsville and Christian County

Hopkinsville Mayor Carter Hendricks described the goals for the city and achievements. He discussed the “Bold, Unified, and Strategic” vision. Mayor Hendricks said the city has a priority to be a military-friendly city. The property tax rate has declined since 2009 and is lower than 25 years ago. The population is not increasing at the rate previously expected. To change this, the city investing in the community and focusing on improving the conditions of Hopkinsville and Christian County. The city has built a dog park, a teen center, and a skate park. A transit system has been implemented to help with citizen transportation. Tax reform is critical for the city to be able to compete with Clarksville and the state of Tennessee.

Marc Quensenberry, the veteran’s transition liaison for the West Kentucky Workforce Board, spoke about the military presence in the City of Hopkinsville, and about transitioning soldiers into the real world. To help soldiers transition, the board provides community relationships strategies, offers career services, coordinates with United States Department of Labor, and partners with other programs. Historically, about 80 percent of soldiers stay in Tennessee with 20 percent residing in Kentucky. Many people on Fort Campbell do not know what Kentucky has to offer. Remaining involved with veterans and companies is important to the city and to the veterans who are transitioning out of service. The board offers job shadowing and internships to soldiers and on-the-job training. Being proactive and intentional with building a meaningful network to learn from and to engage with is important to transitioning veterans as well. Two-thirds to 82 percent of soldiers do not have a plan when leaving the military and do not know about job opportunities in Kentucky. Income tax turns away many of the veterans.

Lindsey Geraci, Director of Military Affairs for Christian County Chamber of Commerce, spoke about the Military Affairs Committee and what it can do for veterans. The committee is committed to growing a community that embraces families of the military when the families separate from service. Christian County received the 2017 Great American Defense Community Award. One focus of the Military Affairs Committee is to provide community information, encourage military families to be involved in their civilian communities, and support soldiers as they transition. The committee’s priorities include advocacy, relocation and recruitment, growing the transitioning soldier, and military spouse employment.

Rory Malloy, Executive Director of Fort Campbell Strong Defense Alliance, said the alliance is a collaborative effort across six counties for economic diversification. Priorities include unifying the community, advocating on behalf of citizens of Fort Campbell, and growing the community. Soldiers have three considerations when deciding on permanent residency: proximity to friends and family, type of employment opportunities, and whether they should move home to be near family. Tennessee has no state income tax while Kentucky taxes income. Kentucky has lower property taxes in general compared to Tennessee. Tennessee has a higher sales tax. Kentucky does not tax military retirement income that is below \$41,000. There is a general lack of understanding

of opportunities in the region. Many communities work to attract military families and focus on helping soldiers. The ratio for unemployment is 12.04 percent for military spouses versus 7.74 percent for civilian spouses. Mr. Malloy shared the goal of unifying, advocating, and growing in the Fort Campbell region.

Kelli Pendleton, President of Christian County Chamber of Commerce, discussed taxes in Kentucky. Tennessee has a 9.4 percent sales tax while Kentucky has a 6 percent sales tax, and many people still decide to go to Clarksville or Nashville to shop. Many soldiers are misinformed about the taxes in Kentucky because of what they hear before arriving on base. The state income tax is the biggest barrier to overcome. The fastest growing states have no income tax. Population growth being important and can be achieved by equal taxation, better education, and more housing developments. The region can embrace and take advantage of the growth that is happening south of the boarder.

Representative Thomas discussed prefiling a bill that will attract military retirees and that is supported by both parties.

In response to Senator Embry's questions, Mayor Hendricks he sees families come to Kentucky to take advantage of the lower sales tax. Having no state income tax and an equal sales tax to Tennessee would not necessary give Kentucky an advantage over Tennessee, but it would help level the playing field with Tennessee.

In response to Representative Dossett's comments, Mayor Hendricks explained that the south is growing much faster than Hopkinsville. In 1970, Clarksville and Hopkinsville had an equal population of about 28,000 to 30,000. Today, Clarksville has 150,000 citizens and Hopkinsville has 32,000 citizens. Clarksville is looking to grow to a population of 300,000 in the next 10 years while Hopkinsville could actually lose population.

In response to Representative Johnson's question, Mayor Hendricks explained that the population would not necessarily grown if there were no state income tax, but the area would see a noticeable impact. Housing demand would also increase, which would then increase the number of developers.

Kentucky Commission on Military Affairs

Colonel Blaine Hedges, Executive Director of Kentucky Commission on Military Affairs talked about the strategic goal number one, which is to protect and grow Kentucky's military installations. This can be achieved by advocacy. The commission distributes brochures to spread the word about "Fort Kentucky" in an effort to make Kentucky the most military-friendly state.

Executive Reorganization Order 2018-718

The members took no action on Executive Reorganization Order 2018-718.

The meeting was adjourned at 2:54 PM.