

# Vermont House Bill 846-Exemption of Military Retirement Pay from State Tax

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Population decline appears that it will continue to accelerate. That kind of population will have an adverse effect on all of Vermont. We are already seeing younger people leaving the state and after talking with several older Veterans they also are looking elsewhere where they will benefit from a state that has more military retirement benefits. Enacting this Bill may be a way to encourage Veterans, especially the young "grey area" Veterans to stay in Vermont. The Vermont National Guard soldiers training in Vermont may opt to make Vermont their home if their military retirement was not taxed.

## Gov. Phil Scott's 2020 State of the State address (Jan 9,2020)

"Inside this building, our job as public servants is to do all we can to ease their burden and build on their strength by setting clear priorities and turning good ideas into results.

And here's my biggest concern: Today in Vermont, there are about 55,000 fewer people under the age of 45 and 44,000 more over the age of 65 than there were in the year 2000. For years, we had more deaths than births, and have seen more people move out of Vermont than in.

And the impact is not the same in every community. We must acknowledge the real and growing economic disparity from region to region.

Think about this: Of the five towns that have seen the most growth in recent years, four of them are in Chittenden County. And in the past 12 years, only three counties have added workers. The other 11 have lost a total of about 18,000. That's more than the population of nearly every town or city in Vermont. Of the 180 legislators in this room, 106 of you come from counties that have lost workers.

And that's not the only area where we see disparity. From county to county, there's a huge gap between median home values, median household income, average wage and so much more.

Because of all of this, across the state, we're feeling the negative impacts in everything from our homes, schools and colleges to our hospitals and nursing homes.

If we don't break this cycle, our institutions, including state and local government, won't be able to afford what they currently do, or what they would like to do in the future, because costs will continue to rise much faster than our tax base can sustain.

My friends, this is what a demographic crisis looks like. In too many places, and in the lives of too many Vermonters, I see and feel the emotional and financial toll of policies built for a few areas in the state that can afford them when the rest of the state cannot. Businesses, families, entire communities doing their absolute best to balance budgets and meet their needs with fewer options, fewer people and higher costs than they had last year, and the year before that, and the year before that.

Sustainable, economic growth has become too hard and too rare in too many areas. It's hurting people. It's regressive. It's creating regional inequity. And it's by far the biggest and most immediate challenge to our state and the ability of government to help shape the future.

We must act now to give the people of Newport and St. Johnsbury, Hartford and Springfield, Brattleboro, Bennington, Rutland, Randolph and every other regional economic center—and the towns around them—the tools they need to survive, to grow and to thrive with the self-determination and dignity they each deserve. “

## **Woolf: Vermont's population drops again in latest census report reported in VT Digger**

By Art Woolf  
Dec 31 2019

The U.S. Census Bureau's most recent population report shows that each year since 2016, Vermont has experienced more deaths than births.

Art Woolf is a columnist for VTDigger. He recently retired as an associate professor of economics at the University of Vermont.

Vermont continued to lose population in 2019, according to the latest U.S. Census Bureau estimates of each state's population. On July 1, Vermont had 623,989 residents, 400 fewer than a year earlier and 1,800 fewer than in 2010.

On a percentage basis, Vermont's 0.6% decline from 2018 to 2019 ranked it 42nd in the nation, which means only eight states grew more slowly than Vermont. By contrast, the U.S. population increased by 0.5%, the smallest increase since 1918.

Between the 2010 census and 2019, Vermont's population dropped by 0.3%. Only two states, Illinois and West Virginia, grew more slowly. The U.S. has added 6.1% to its 2010 population, about 20 million people.

Some of the highlights of the Census Bureau's report include these nuggets:

In each year since 2016, Vermont has experienced more deaths than births. That means Vermont has a negative rate of what demographers call the "natural rate of increase." That could be the first time this has happened in Vermont's history. Given the aging of the baby boom generation and the falling number of women in their prime child-bearing years, that trend will continue into the foreseeable future.

In the last two years, fewer than 500 immigrants have settled in Vermont annually. Moreover, the Census Bureau dramatically revised downward its estimate of immigration into Vermont in 2018. Immigration into Vermont is now back to where it was earlier in the decade, at a very low level.

For the 10th consecutive year, more people have moved out of Vermont to other states than moved in. Last year, about 700 more people left the state than arrived, which at least isn't as bad as it was in mid-decade, when the net out-migration sometimes exceeded 2,000 each year.

If current trends continue, and if the Census Bureau estimates for the past nine years are correct, when the 2020 census count numbers are released sometime in late 2020, Vermont's population will be less than it was in 2010.

The last time Vermont's population dropped between two censuses was in 1940, when Vermont had 400 fewer residents than in 1930. Of course, the Great Depression of the 1930s caused massive economic dislocation across the country, and Vermont was not immune from its effects as many Vermonters left trying to find work elsewhere.

Before that, in Vermont's entire 230-year history, only the 1910s witnessed a population decline. That decline, exactly one century ago, was when the Spanish flu pandemic of 1918 ravaged the world, killing 50 million to 100 million people worldwide (more than died in World War I), more than one-half million in the U.S., and about 2,000 Vermonters, contributing to the state's population decline. In addition, many rural Vermonters no doubt left the grinding poverty of hill farms and moved to urban areas of southern New England and elsewhere to work in war production factories.

But the current decade-long population decline is different, occurring when the economy is healthy and nothing remotely resembling the Spanish flu plagues the world. Moreover, some projections call for a continued population decline through the 2020s. If that does occur, it will be the first 20-year period of population decline in the state's history.