

Moore's first legislation is to propose t

Democrat also backs free medical, dental for state National Guard members

BY ERIN COX

Newly inaugurated Gov. Wes Moore (D) unveiled his first two legislative proposals Thursday, urging lawmakers to give tax cuts and free health care to some veterans.

Moore proposed that all retired veterans and their survivors be exempted from state taxes on the first \$25,000 worth of military retirement income for this year and the first \$40,000 in following years.

He called the effort both a thank you to veterans and a competitive strategy to retain the thousands of military members serving at installations in the state right now, rather than move places with lower tax burdens.

"We are moving forward aggressively to incentivize them to stay. . . . I have no interest in creating a farm team for Virginia," Moore told a group of about 70 veterans gathered at the State House in Annapolis for the announcement, made Thursday during a roundtable discussion where journalists were not permitted to question the governor.

Moore said his ultimate goal was to eliminate all state taxes on military retirement income, a

shift from the state's current policy that exempts up to \$15,000 in retirement income for only veterans ages 55 and older. His administration estimates his Keep our Heroes Home Act would result in \$30 million in total tax breaks per year for the state's roughly 350,000 veterans.

He also backed free medical and dental care for members of the Maryland National Guard and their families, saying that it is difficult to fill vacancies in their ranks without benefits that demonstrate the state values their work.

The Maryland governor, who took office last week, is a former U.S. Army captain. He highlighted his military service during election season and campaigned

ax cuts and health care for veterans

to "leave no one behind" when he took office.

While Moore promised a sweeping agenda to tackle systemic problems such as ending child poverty and mitigating climate change upon taking office, the tax cuts and health care for veterans are the first two bills he will ask the legislature to approve.

Moore said he was confident that the legislature's Democratic leaders — who oversee supermajorities in both General Assembly chambers — support his ideas. In a joint statement, Senate President Bill Ferguson (D-Baltimore City) and House Speaker Adrienne A. Jones (D-Baltimore County) said the legislature "is committed to making Maryland a more competi-

tive state to live and work. We are happy to work with Governor Moore on this and any other proposal that makes Maryland a better place for military retirees and their families.

Moore takes office at a time of unusual financial resources: Thanks largely to pandemic aid, Maryland started the year with a \$2.5 billion surplus in addition to \$3 billion stashed in a "rainy day" savings account.

The windfall, and how to use it, is expected to be a key topic of debate in the General Assembly session this year.

The \$63.1 billion budget Moore proposed Friday would send an extra \$500 million to education above and beyond what is called for in state spending formulas, as well as a \$500

million boost to unspecified state transportation projects.

The spending plan, now under review in the General Assembly, would also accelerate the state's minimum wage increase to \$15 an hour before the end of the year. It would expand a child-care tax credit and make permanent a cash tax credit to immigrants, proposals that would cost \$171 million per year. Along with the veterans income tax proposal, Moore has laid out \$200 million worth of tax relief, his aides said.

"Any questions about, or fear that we're going to come in and just raise taxes on everybody: \$200 million in relief," Moore told the veterans gathered in Annapolis.