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wages are approximately the same throughout the country. benefits that they receive from the state, and the amenities. I'm going to read a letter that I received from a We were recently disappointed when company that is starting. highly recruited individuals declined offers from our company to work here in the Omaha area. Both relayed a similar concern that resulted in them choosing to leave Nebraska for impact of taxation on their military state--the Both individuals were military officers of the retirement. grade of colonel, representing a high level of expertise and understanding of military operations. Both moved to states that do not pay military tax. Both are presently employed in the defense contracting business sector. To summarize, I am witness to the fact that discrimination, like taxation of military pay, does make a difference for the Nebraska-based businesses. cannot expect to attract individuals who will make an employment decision based on their desire to relocate to warmer climates or However, Nebraska can attract top-level coastal states. military retirees by leveling the playing field with passage of In response to Senator Smith, while I agree this amendment. with him that offering a broader exemption for military would be He said that it more fair, it is not feasible at this time. does not impact his area of the state. This does not just impact Sarpy County. There are defense contractors in Cass County, Douglas County, McCook. We've been trying to compile a list of the defense contractors outside the metro area, which there are a number of, but not just the businesses themselves. The amount of revenue that these businesses bring into the state is taxable and benefit the state as a whole. I believe Senator Redfield has some figures that I gave her in regards to how much defense contractors bring into the state in taxable income. I'm not mistaken, I believe it's \$400 million, approximately \$400 million for defense contractors, and \$239 million, approximately -- I'm doing this from memory -- for Air Force alone. That sounds like a lot of money, but Nebraska is 44th in the country on defense contractors and the amount of revenue that they bring into the state. We have the businesses. We have the We do not have the people to fill these ability to expand. positions. Thank you.

SENATOR CUDABACK: Thank you, Senator Cornett. Senator Mines,