



**American Legion Auxiliary**

**Department of California**

**Legislative Program**

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A bill that would exempt Veterans' military pensions from California income taxes for at least the next decade appears to be gaining traction with both parties in the state legislature.

[Assembly Bill 46](#), which was introduced and aims to reverse the recent trend of California Veterans leaving the state in search of a lower cost of living. Since 2020, at least 500,000 Veterans have left California while neighboring states such as Nevada — which does not tax any income — have seen their Veteran population soar.

Currently, California is the only state that fully taxes military pensions. Under AB46, this would be set to change.

Proponents of the bill expect the state to lose around \$85 million in tax revenue each year if AB46 passes; however, they also believe this is much less of a financial burden on the state than a continued exodus of Veterans. The California Department of Finance voiced its opposition to AB 46 on the grounds that the true cost of the bill would be upwards of \$150–\$250 million per year.

AB 46's supporters dismiss the financial concerns, noting that Veterans have earned their retirement pay and that every bit helps as California remains one of the costliest states in the country.

The first bill, AB 2032, would establish a "Green Alert emergency system" managed by the California Highway Patrol, or CHP, to combat veteran suicide in the state. Like existing Amber and Silver Alerts, and with proper cause, the CHP would be granted the power to issue an alert to the public for a veteran thought to be at risk for suicide.

The bill is currently expected to pass in the Senate, and if so, California would join a growing number of [states adopting the Green Alert system](#). It is not clear how long it would take for the CHP to implement the new system.

Ending veteran suicide in California remains a top priority for policymakers. Earlier this month, the governor's office announced a [proposal to establish the California Veterans Health Initiative](#), or CVHI, which would evaluate current and future state policies, research, and management of care relating to veteran suicide in the state.



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