



Testimony of William (Bill) Benson in support of LD 542, An Act to Provide Support Services for Military Members Transitioning to Civilian Life in Maine.

Honorable members of the Veterans and Legal Affairs Committee, my name is Bill Benson. I am speaking to you today as the Executive Director of Boots2Roots, a Maine based nonprofit, and as a veteran who is not originally from Maine, but has chosen to make Maine home. Boots2Roots mission is to assist active-duty military members find meaningful work in Maine while providing a pipeline of military talent to Maine employers. I am providing testimony in support of LD 542, 'An Act To Provide Support for Military Members Transitioning to Civilian Life in Maine.'

Maine's 10-year Economic Development Strategy states that Maine needs a workforce development plan because "...in the absence of greater in-migration to the state, Maine's labor force faces a challenge of long-term decline."ⁱ LD542 will provide resources that align with addressing Strategy B, and specifically Action B2, of the Economic Development Strategy to "attract new talent," as part of the goal of adding "75,000 people to Maine's talent pool."ⁱⁱ LD542 will provide key funding designed to help "Maine scale up its Workforce Attraction + Retention marketing initiatives."ⁱⁱⁱ The transitioning Active Duty military population is an important demographic to target as part of the planned Welcome Home campaign.

In the first week of March 2021, an active duty service member stationed in California with no connection to the state, moved to Maine based on initial impressions gained through a Boots2Roots success-story video coupled with a positive impression he had at the Bangor Airport during a brief layover while returning from deployment. Crucial to his decision to move to Maine was the availability of a program that connected him with successful veteran mentors, veteran resources, and a network of businesses ready to hire former military talent. When he first reached out to Boots2Roots in early 2020, he didn't know where in Maine he wanted to live, didn't know where he wanted to work or even what type of work opportunities existed for him. In short, he needed to be shown a pathway to success in Maine for him and his family. This is just one example of a transitioning service member who was attracted to Maine because of the lifestyle, the access to the outdoors, the tax-free military pension and other benefits Maine offers. Having a program ready to assist early in the process was crucial to his success and will be critical in growing the pipeline of military talent for Maine's workforce. LD542 positions Maine to leverage its appeal to transitioning active duty servicemembers and significantly impact the anticipated 75,000 person workforce shortage by actively targeting this population.

Here are some background and statistics that illustrate why the transitioning military population is such an important demographic to target.

Each year up to 200,000 service members transition out of the military.^{iv} Maine is at a disadvantage to attract this talent because it does not have a significant active duty military presence or large military bases. Maine doesn't benefit from the extensive network of businesses, contacts, and transition programs that other states with large military bases enjoy. Those extensive networks make it a lot easier for states to recruit and retain folks who are transitioning in places like Florida, Texas, California and Virginia.

The typical transitioning military member who moves to Maine is part of a desirable demographic. They represent one of the most diverse, professional populations in the country. The modern veteran community ranks in the top 30 percent of the employable population.^v Service members are disciplined, hard-working, loyal and trainable employees with exceptional skills and experience that add value to businesses and communities. They typically arrive with a family. Their spouses and children also eventually become part of Maine's workforce. They typically buy a home in the first year of arrival and immediately immerse themselves in their communities.

Despite COVID, Boots2Roots helped more service members transition to work in Maine in 2020, had more transitioning service members apply to the Boots2Roots program and had more Maine businesses reach out



to inquire about hiring military talent than in any previous year. These results reinforce the fact that Maine is an attractive destination for Veterans; that transition service programs are an important facilitator for the transitioning military members success; and that Maine employers have a need for workforce talent that is challenging to find within the state.

Using data from the 102 Teammates that Boots2Roots has helped find work in Maine so far, the typical Teammate brings a return on investment to Maine of \$265,000 in the first year alone through their purchase of a home, income and property taxes.^{vi} Additionally, most bring associated federal dollars in medical, education or pension related benefits. Compound that return over the lifetime of a family living in Maine, and add the contribution they bring to Maine's workforce, and the return on investment in real dollars is exponential.

The \$250,000 per year investment proposed by LD542 addresses the workforce development portion of Maine's Economic Development and Recovery Strategy by specifically targeting this valuable demographic. How would this money be used? In the case of Boots2Roots it would provide us the ability to increase our coaching capacity and improve proactive outreach to populations of transitioning military members around the country through aggressive marketing as well as virtual and in person engagements. It is important to note that this is not simply a recruiting service. Boots2Roots is a transition services organization and we never charge military members or employers to participate in the program. Our goal is best outcomes for the military member, the employer, and ultimately for the state of Maine.

Other states have recognized the value of attracting military talent and have funded similar organizations and missions. For example, Florida established "Veterans Florida" in 2014. Veteran's Florida is a non-profit created and funded by the state "to help military veterans transition to civilian life and to promote Florida's status as the nation's most veteran-friendly state."^{vii} Veterans Florida was funded at \$500,000 per year as of 2019 with additional funding available for specific programs.^{viii ix} In Idaho, Mission43 is a non-profit with an employment team "focused on helping transitioning military, veterans, and military spouses excel in their transition to their next career." Mission43 is fully funded by the J.A. and Kathryn Albertson Family Foundation and is united in their "passion for making Idaho a great place for military families."^x

Maine has an extensive and dynamic network of public, private, and nonprofit organizations who collaborate regularly on all aspects of veterans employment. Each organization specializes in assisting specific sectors of the veteran population, such as active duty members prior to transition, veterans who live in Maine, National Guard members, and veterans with barriers to employment. Other organizations like Live and Work in Maine, a Boots2Roots partner, works broadly to promote Maine as a great place to live and work in hopes of attracting talent to the state. Organizations like the Department of Labor, Easter Seals, and the Immigrant Resource Center of Maine help different populations of Maine's underserved communities enter the workforce. Addressing Maine's acute workforce shortage requires each of these organizations and many others engaged in a multi-faceted approach across multiple lines of effort. LD542 is crucial in this effort.

As mentioned above, 200,000 military members and their families transition from service each year. If we can succeed in attracting just a small percentage of that number we will make a significant impact to Maine's workforce shortage. It is important to note that each of those 200,000 transitioning military members are going to put down roots somewhere. LD542 will help ensure more of them choose Maine.

Seven years ago, after 24 years in the Army, my family and I were faced with our own decision of where to put down roots. We chose Maine. I'm confident that LD542 and a purposeful deliberate investment towards recruiting active duty servicemembers and their families will help other active duty military members make the same decision and bring Maine closer to achieving its workforce goals. The team at Boots2Roots is committed to that end. Thank you.



ⁱ Maine Department of Economic and Community Development. (2019). Maine Economic Development Strategy 2020-2019. Retrieved from https://www.maine.gov/decd/sites/maine.gov.decd/files/inlinefiles/DECD_120919_sm.pdf

ⁱⁱ Ibid, 25-27.

ⁱⁱⁱ Ibid.

^{iv} DoD Skillbridge, Military Separations Data. (2019). Retrieved from <https://dodskillbridge.usalearning.gov/separation-map.htm>

^v Longley, Robert. (2019, December 3). Up to 75 Percent of US Youth Ineligible for Military Service. Retrieved from <https://www.thoughtco.com/us-youth-ineligible-for-military-service-3322428>

^{vi} Boots2Roots. "Return on Investment". (2019)

^{vii} Veterans Florida. (2021). <https://www.veteransflorida.org/about/>

^{viii} "Veterans Florida Salutes Ron Desantis Budget". (2019, November). retrieved from <https://floridapolitics.com/archives/311636-veterans-florida-salutes-ron-desantis-budget>

^{ix} Veterans Florida. Annual Report 2019-2020. Retrieved from <https://www.veteransflorida.org/wp-content/uploads/2021/02/2019-20-Annual-Report.pdf>

^x Mission43. (2021). Retrieved from <https://www.mission43.org/about>

Attachments:

Boots2Roots case statement

Boots2Roots Return on Investment

Boots2Roots Year End 2020 Report



Boots2Roots Case Statement

**Maine needs to attract 75,000 people to the talent pool over the next 10 years.
Boots2Roots is on the front lines of this effort.**

Maine's workforce needs talented employees.
Separating military members need meaningful employment.

Boots2Roots' mission addresses both of these needs for Maine.

Boots2Roots (B2R) prepares active duty military members and their families to successfully transition from active duty military service to living and working in Maine and provides a pipeline of quality talent for Maine employers.

B2R is the *only* organization in Maine exclusively focused on proactively preparing soon-to-be veterans up to a year *before* they come to Maine.

Primary Program Goals: That our Teammates (candidates) will:

- Find well meaningful employment within two months of arriving in Maine
- Remain in their first post-military job for at least one year

Results:

- More than 102 new Teammates and their families now live and work in Maine
-- Resulting in over 170 new workforce members (Teammates+spouses+working-age kids)
- Employment rate: 91% within 2 months of arriving in Maine
- First year retention rate: 94%
- Teammates are employed at more than 70 companies across Maine from Presque Isle to Berwick
- More than 50% of our Teammates are not originally from Maine, nor is their spouse
- B2R is providing a pipeline of new, high-quality talent for Maine employers
- Maine reaps a significant return on investment (over \$260k) within 1 year of Teammates arriving

Workforce Efforts: In partnership with Maine's Department of Economic and Community Development, Live and Work in Maine, other state agencies, and Maine businesses, Boots2Roots is working to not only reach those active duty military members who are planning to transition to Maine, but to generate interest in other veterans who are not currently focused on Maine. Our plans in 2021 include communicating actively and directly with populations of transitioning service members across the country.

This will put Boots2Roots in a position to attract highly trainable and reliable new veteran employees to Maine.

B2R seeks to partner with great Maine companies who know the value transitioning military members bring to their organizations and who are dedicated to addressing Maine's workforce supply challenges.

*An investment in Boots2Roots is an investment in Maine's future.
Help us make Maine the home of choice for transitioning military members!*



Boots2Roots Return on Investment

Transitioning military members provide a significant return on investment for Maine.

Why attract transitioning military to Maine?

- Workforce experience/specific job skills
- Leadership experience
- Ready to put down roots and give back to the community
- 80%+ arrive with a family = more workers
- 80%+ buy a house
- 90% bring other federal benefits
- An identifiable cohort ready/willing to relocate

Bottom Line: Attracting a former military member to Maine brings between **\$267,143** and **\$1,660,924 +** to the state and local communities. This is in addition to adding a hard-working, dedicated, trustworthy, trainable employee **and their family** to the Maine workforce.

First Year in Maine

\$4,725 annual income taxes (6.75% on \$70,000)¹
\$3,418 annual property taxes (1.32% x \$259,000)²
\$259,000 (median cost of home in Maine)³
\$267,143

+ incidental 1-time costs: home furnishings, home improvements, vehicle registration

20 years in Maine

\$94,500 in income taxes over 20 years (2019 dollars)
\$68,360 in annual property taxes over 20 years (2019 dollars)
\$259,000 (one-time home purchase in 2019 dollars)
\$421,860

+ incidentals: home furnishing, home improvements, new vehicle purchases/registrations, back to school spending, vacations, visitors

Additional Value to Maine

\$88,416 GI Bill benefits (4 year in-state tuition, UMO, 2019 dollars)⁴
\$923,688 Pension (20 years of pension benefits for an officer retiring after 20 years of service)⁵
\$246,960 Healthcare for life (\$12,348/yr x 20 years for family medical insurance 2019 dollars,)⁶
\$1,259,064

¹ https://www.maine.gov/revenue/forms/1040/2018/rate_sched_2018_rev_sept18.pdf

² <https://smartasset.com/taxes/maine-property-tax-calculator>

³ <https://www.zillow.com/me/home-values/>

⁴ <http://www.maine.edu/admissions-aid/tuition-rates/>

⁵ <https://themilitarywallet.com/military-retirement-worth-millions/>

⁶ <https://the-military-guide.com/much-military-pay-really-worth/>



Boots2Roots 2020 Year End Report

MISSION and RESULTS

- 97 total Teammates hired - 40 Teammates in 2020*
- 165 total Teammates enrolled - 69 new Teammates in 2020*
- 450+ new Maine residents and future workers
- 80+ Maine employers have hired our Teammates*
- \$19 Million Return on Investment for Maine so far
- *all significant increases from 2019 despite COVID impacts

ORGANIZATION

Executive Director: Bill Benson assumed the role of full-time, paid Executive Director on 1 January 2020.

Program Director: We have hired a full-time Program Director. Karrie Trebbe is recently retired Captain (O6) from the USCG and has a long family history in Maine. We are excited to add her to the team.

Board: Jen Fullmer assumed the role of Board Chair; we've added a new Board member, Bryan Fuller of MGM insurance in Presque Isle; John Manganello (one of Boots2Roots founders) steps down from the board in December.

Volunteers: We continue to add important volunteer positions including a part-time, paid resume coach and a financial coach.

PARTNERSHIPS and DEVELOPMENT

LD 1952 to fund a pilot program in Maine with the mission of attracting military talent to Maine's workforce passed the state House and Senate, but COVID prevented a final vote; due to expected decreases in state tax revenue the prospects for state funding in 2021 are diminished.

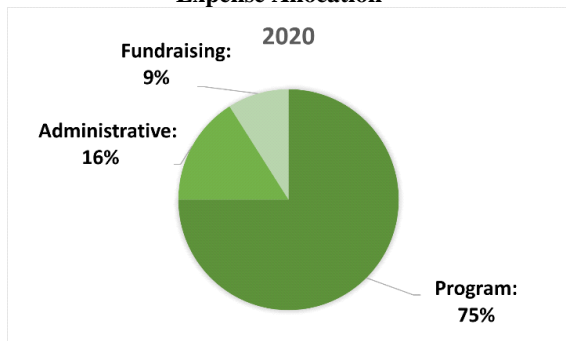
Business partnerships: Boots2Roots added Systems Engineering as a 5 Star Partner. Other new business partners include Machias Savings, Clark Insurance, Martin's Point, Volk Packaging, Boston Financial, Gorham Savings Bank and Welcome Home Realty.

Grants: Boots2Roots applied to 17 different grant programs focused on workforce development in Maine in 2020 (no grants applied for in 2019); significant new grants include \$10,000 from Unum, \$5,000 from Machias Bank and \$2,500 from Peoples United; several grant requests are still pending.

Outreach and Collaboration: Planning is underway to conduct proactive outreach to transitioning military populations with specific skills needed to bolster Maine's workforce; populations being considered include healthcare and skilled trades; collaboration partners include Live and Work in Maine, DOL, MBVS and DECD.

FINANCIALS

Expense Allocation



	Actual	Target	Notes
Revenue	\$130K	\$149K	87% of goal- positive growth despite no in-person event and COVID impacts.
Expense	\$111k	\$149k	75%- deliberate delay of a second full-time hire kept expenses down
Account Balance	\$152K	+20%	12 months of operating expenses on hand when 2021 pledges included