

House Bill 220

Date: February 14, 2020
Committee: Ways and Means
Bill Title: Income Tax Credit - Employment of Apprentices - Extension
Re: **Letter of Support**

Registered Apprenticeships connect Marylanders to sustainable employment, ensure that employers have a capable workforce, and are critical to the success of Maryland's diverse industries. House Bill 220 ensures the continued success of Registered Apprenticeships by extending the Registered Apprenticeship tax credit for an additional five (5) years, from a sunset of June 30, 2020 to June 30, 2025.

Registered Apprenticeships provide a pathway to economic security and valuable employment for thousands of Marylanders. Registered apprentices utilize the "earn and learn" approach, which allows employees to earn a salary while completing a combination of on-the-job training and related instruction. This first step on the career path is often necessary to ensure that Marylanders are prepared to succeed in today's economy.

A capable and well-trained workforce is critical to the success of Maryland's businesses. By providing an incentive to utilize the Registered Apprenticeship model, House Bill 220 ensures that businesses continue to capitalize on the viable career pathways provided to registered apprentices. In turn, the model provides businesses with the opportunity to recruit and train a workforce that is prepared to meet the standards of Maryland's consumers.

Our contractors/apprentice sponsors use the tax credit to allow them to sponsor apprentice students. The credit allows many companies to enroll more than one student in the program. Skilled help in our industry is very hard to find, we must build our own workforce and doing that requires that we pay a fair wage and pay for the cost of their education. The Apprenticeship Tax Credit assists us in our quest to hire and train more apprentice students.

Maryland is best served by a workforce that is capable of providing in-demand services to Maryland's consumers. House Bill 220 ensures that Maryland's diverse industries continue to thrive by paving the way for registered apprentices to find a career path and grow within the industry.

By extending the Registered Apprenticeship tax credit, Maryland will continue to lead the way in Registered Apprenticeships. **For this reason, The Heating and Air Conditioning Contractors of Maryland respectfully requests a favorable report from the committee on House Bill 220.**