



House Bill 220

Date: February 14, 2020

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 highly skilled 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 use 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 highly skilled workforce is critical to the success of Maryland's businesses. By providing an incentive to use 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 company, OST Global Solutions, Inc., has recently registered the innovative non-traditional apprenticeship program for a Government Business Development Specialist. We are both a sponsor for other employers, and an employer at the same time. We have two internal apprentices and five external employees of other companies.

We work with Government contractors who have a strong need in the professional Business Developers that would drive their federal business and help them grow companies. There is a shortage of competent Government Business Developers in the market, and the program is filling that gap. Many of the employers we work with are small and small disadvantaged businesses. Tax Credit incentives help us attract more of these employers and allow us to hire additional internal employees to become apprentices. The Tax Credit offsets the cost of the education for employers to participate and for us to offset the wages of our own personnel we develop.



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Maryland Tax Credit was one of the reasons that encouraged us register our apprenticeship program. It most definitely assists us in our quest to both hire and train more apprentices. Without that credit, it would make our Program somewhat less attractive.

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, OST Global Solutions, Inc. respectfully requests a favorable report from the committee on House Bill 220.**

Best regards,

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