



MARYLAND
Chamber of Commerce

LEGISLATIVE POSITION:

Favorable

House Bill 1457

Apprenticeship Start-Up Act of 2020

House Ways & Means Committee

Thursday, March 5, 2020

Dear Chairwoman Kaiser and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 4,500 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees and families. Part of our work includes developing a workforce and talent pipeline that ensures Maryland's continued economic expansion.

House Bill 1457 would eliminate the termination date of the apprenticeship income tax credit and expand the tax credit program by increasing the amount from \$1,000 to \$3,000 for each eligible apprentice. The bill also eliminates the \$500,000 annual cap on the program and creates an apprenticeship tax credit reserve fund.

Apprenticeships are a critically important tool for workforce development in Maryland. These voluntary, industry-sponsored opportunities afford jobseekers the ability to gain the high-level skills and technical knowledge required in certain industries. They do this through supervised, on-the-job training under the guidance of a skilled journeyperson. Employers benefit from these opportunities by providing the skills training needed to meet their workforce needs for the future.

The Maryland Chamber of Commerce supports any effort to expand workforce development offerings in the State, including apprenticeship programs. Through the Maryland Chamber Foundation, we are engaged in initiatives including business education on workforce best practices, talent pipeline support, workforce development needs and establishing partnerships between businesses and schools to support underserved communities in career-focused education, licensure, CTE, apprenticeships and more¹.

For these reasons, the Maryland Chamber of Commerce respectfully request a **favorable report** on House Bill 1457.

¹ <https://mdchamber.org/foundation/workforce-development/>