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Testimony in Support of
Senate Bill 0102 – Income Tax – Credits for Preceptors in Areas with Health Care Workforce Shortages
Budget and Taxation
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The Rural Maryland Council Supports Senate Bill 102 – Income Tax – Credits for Preceptors in Areas with Health Care Workforce Shortages. In 2016 Legislation passed for the Preceptor Tax Credit Program. This Program authorizes a credit against the State income tax for individuals who have served as a preceptor in certain preceptorship programs and work in certain areas of the State with a health care workforce shortage. Preceptorship program means an organized system of clinical experience, that, for the purpose of attaining specified learning objectives, pairs either 1) a Medical student in a Maryland medical school with a licensed Physician who meets the qualifications as a preceptor, or 2) a Nurse Practitioner student enrolled in a nursing education program that is recognized by the State Board of Nursing with a Nurse Practitioner or licensed Physician who meets the qualifications as a preceptor. Presently under this Program, Physician Assistants are not included for the tax credit. Physician assistants are academically prepared and highly skilled health care professionals who provide a broad range of medical services in different clinical settings, under the supervision of a physician. The Credit would also be going to preceptors who are participating in these preceptorships with no compensation. The Council would like to see this Tax Credit Program include Physician Assistants.

Rural Maryland has previously had a shortage of workers in healthcare, which has only worsened during the COVID-19 pandemic, with facilities in rural parts of Maryland being overrun by the virus. In addition to a healthcare shortage, Rural Marylanders are overall older and in worst health than their suburban counterparts. By extending the tax credit to Physician Assistants who participate as a preceptor in certain preceptorship programs and work in certain areas of the State with a health care workforce shortage, it would promote more healthcare practitioners to become preceptors in preceptorships, allowing more students to fulfill the requirements needed to enter the healthcare workforce in the regions that need them the most.

The Bill will also extend Chapter 385 and 386 of The Acts of 2016. This would allow for these tax credits to be distributed to certain preceptors participating in certain preceptorships who work in certain areas of the State with a health care workforce shortage past the current end date of June 31, 2021. The Council respectfully requests your favorable support of SB0102.

The Rural Maryland Council (RMC) is an independent state agency governed by a nonpartisan, 40-member board that consists of inclusive representation from the federal, state, regional, county and municipal governments, as well as the for-profit and nonprofit sectors. We bring together federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to identify challenges unique to rural communities and to craft public policy, programmatic or regulatory solutions.

“A Collective Voice for Rural Maryland”