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Position Statement

House Bill 1195 – Income Tax - Credits for Preceptors in Areas With Health Care Workforce Shortages - Eligibility and Sunset Repeal
Ways and Means Committee
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The Rural Maryland Council **Supports with Amendments** House Bill 1195 - Income Tax - Credits for Preceptors in Areas with Health Care Workforce Shortages - Eligibility and Sunset Repeal. 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.

A preceptorship program is 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. Currently, for a Nurse Practitioner to qualify for the credit towards the state income tax, they must complete a minimum of three rotations, each consisting of 100 hours of community-based clinical training. For a Physician to qualify for the same tax credit, they must complete a minimum of three rotations, each consisting of 160 hours. The Council supports the change in accordance with HB1195, to reduce the hours of each rotation from 160 to 100.

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 workforce shortage, Rural Marylanders are overall older and in worst health than their suburban counterparts. By allowing Physicians who participate as a preceptor in certain preceptorship programs in certain areas of the state with a health care workforce shortage to complete 100 hours per rotation instead of the current 160, it will encourage more Physicians to participate in preceptorship programs, and ultimately train more students who can join the healthcare workforce in these struggling areas.

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 Senate's Budget and Taxation Committee recently gave a favorable report to this bill's companion. The Council supports the amendments added and for this bill to be amended to match the language of the companion bill. The Council respectfully requests your favorable **support with amendments** of House Bill 1195.

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”