



January 21, 2021

The Honorable Anne Kaiser, Chair
House Ways and Means Committee
House Office Building Room 131
6 Bladen Street
Annapolis, MD 21401

Re: H.B. 0337, *Sales and Use Tax-Vendor Collection Credit- Job Training*

Chair Kaiser and Members of the House Ways and Means Committee:

My name is Joe Durham, Regional Executive at Fulton Bank and Chair of the Board of Directors for Goodwill Industries of the Chesapeake. Goodwill Industries of the Chesapeake is a strong supporter of this legislation

Goodwill Industries of the Chesapeake is a strong supporter of this legislation. The purpose of this bill is to allow for qualified job training organizations to keep the taxes that are currently remitted, up to \$250K, to the state through the sale of donated goods, permitting them to further invest in their communities through workforce development programs. This bill would impact residents throughout the State of Maryland by allowing qualified job training organizations to increase their capacity by providing access to quality remedial education, pre-apprenticeships and access to in-demand skills training and careers.

Goodwill is a nonprofit organization that operates 32 retail stores and 5 career centers in Central Maryland and the Eastern Shore. Our career centers provide a continuum of skills training and career placement services to those seeking employment and in particular those who have the biggest hurdles to overcome when looking for work. Our retail stores provide the majority of the funding to support our workforce development programs.

As was the case for all of us, 2020 was a challenging year. With unemployment numbers growing across the state, now more than ever, our communities need access to workforce development services! As we enter our 102nd year of service, we will continue to increase the impact of the workforce development services we provide. House Bill 337 will help us do that.

Even when faced with limitations due to a pandemic, nearly 1,417 people went through our intake assessment process in 2020, with 60% having been unemployed for 90 days or more and 35%



having less than a high school diploma. Last year, Goodwill program participants filled more than 850 jobs with employers throughout our territory with an average wage of \$13.93.

Goodwill services include job readiness training, job placement and retention, remedial education, skills training and several pre-apprenticeship programs. We added remedial education and skills training to our portfolio of services to help participants gain access to middle skill jobs. We selected health care and construction, both growth industry sectors identified by the Baltimore Metropolitan Council's Opportunity Collaborative. Through partnerships with CVS Health and Baltimore-D.C Building Trades, we have established pre-apprenticeship programs for pharmacy technicians and the construction trades respectively. Both of these partnerships have yielded over a 90% graduation and job placement rate. In addition, in partnership with Microsoft, we have expanded our Digital Skills trainings to include the Microsoft Technology Associates certification.

This tax credit will help move families in our communities out of poverty and into prosperity, help to provide a prepared workforce in the state, thus helping to improve our economy.

We urge a favorable report on HB 337.

Sincerely,

Joe Durham

Chair