



January 21, 2022

Maryland House of Delegates  
House Office Building  
6 Bladen Street  
Annapolis, Maryland

Dear Speaker Jones and Delegates,

On behalf of LifeSpan Network, it is my privilege to write in support of HB2, The Work Opportunity Tax Credit (or "WOTC"). As you are aware, HB2 would provide a corresponding state tax credit to employers that hire and retain employees that fall into one of 10 categories of individuals who have faced employment discrimination or that have faced barriers to entering the workforce.

LifeSpan Network is the largest and most diverse senior living association in Maryland. LifeSpan's members represent more than 280 institutional providers of skilled nursing, assisted living, retirement living, and home and community-based services. These organizations represent more than 40,000 older adults and those who serve them. HB2, the WOTC, would provide a much-needed vehicle to hire new employees from these targeted groups.

The senior living industry in Maryland has been particularly impacted by the COVID-19 pandemic, making it difficult for employers to hire direct care workers and others who provide support to the state's most vulnerable elderly citizens. Prior to the pandemic, attracting and retaining workers for these roles was a challenge; for the past two years, COVID-19 has exacerbated these challenges, making it exceedingly difficult for employers to retain and replace workers and maintain adequate staffing ratios as required by the state.

As you know, The Biden Administration is promoting WOTC as an important tool to creating new jobs while investing in social equity. HB2 provides a state tax credit for employers that hire and retain employees from these targeted groups. By modeling the federal credit, the state credit is easy for employers and the state to administer, scale and succeed. WOTC takes people off of social programs into taxable employment, and thus the state will financially benefit from the accelerated hiring.

HB2 is important as the economy struggles to increase the labor participation rate and to support the significant wage inflation we are seeing in the economy. In the senior living industry, WOTC would provide much-needed relief for the current workforce shortage.

On behalf of LifeSpan and its members, thank you for your consideration of this important bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin D. Heffner", followed by a horizontal line.

Kevin D. Heffner, MAGS  
President