

January 21, 2022

The Honorable Vanessa E. Atterbeary, Chair
House Ways and Means Committee
House Office Building Room 131
6 Bladen Street
Annapolis, MD 21401

Re: H.B. 2, *The Work Opportunity Tax Credit*

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

My name is Lisa Rusyniak, President and CEO of Goodwill Industries of the Chesapeake. Goodwill Industries of the Chesapeake is a strong supporter of this bill.

The purpose of this HB2 would give state tax credits 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. The main categories eligible include individuals on food stamps, TANF, long term unemployment, reentering felons, and disabled veterans.

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. The tax credit is being proposed as a state of Maryland companion to the widely used federal Work Opportunity Tax Credit. WOTC is one of the only tax credits that is supported by business, labor, and social justice organizations.

This tax credit is important as Goodwill provides workforce development services to the population this credit targets. In 2021, Goodwill provided 17,404 services to Baltimore and Eastern Shore residents. Goodwill offers free case management, apprenticeships, and job placement services to those with the most difficult barriers to employment. Our primary focus is on ex-offenders, people who have been chronically unemployed, receiving public assistance, and veterans. Last year, Goodwill program participants filled 916 jobs with employers throughout our territory with an average wage of \$15.16.

We support more than 220 employers throughout the State who hire our graduates. We believe this tax credit would be a strong incentive to those employers and incentivize many more to hire people with disadvantaging conditions.

We urge a favorable report on HB 2.

Sincerely,



Lisa Rusyniak
President and CEO