



House Finance and Taxation HB1383

January 23, 2023

Chairman Headland and members of the House Finance and Taxation Committee, my name is Wayde Sick, State Director for the Department of Career and Technical Education. I am submitting testimony in support for HB1383.

HB1383 is a bill that would create an apprenticeship income tax credit, very similar to the current internship tax credit.

As we are all aware, workforce is the main issue that is currently holding back our state's economy. All industries and all regions of the state are currently short of a trained workforce. This tax credit could be an incentive to utilize an effective, but under-utilized workforce solution, registered apprenticeship.

Apprenticeship is an effective solution, as it allows an employer to partner with a training provider and customize their training programming, to meet their specific needs. An employer is able to hire apprentices, place them under the supervision of a mentor for on the job training, while requiring coursework, known as Related Technical Instruction in an apprenticeship program. Related Technical Instruction can be completed in the evenings, weekends, online, etc. Many times, the training provider is a

community college, allowing an apprenticeship to complete an apprenticeship and a certificate or degree simultaneously. The earn while you learn model of an apprenticeship can be attractive as individuals are employed while they are gaining skills and attractive for employers as it can be an immediate workforce solution.

Apprenticeship can be a workforce solution for almost any profession. When we think of apprenticeship, we typically think of plumbers, electricians, and other skilled occupations. But recently apprenticeship has begun to expand into other occupations. In the state of North Dakota and across the country, apprenticeships in manufacturing, information technology, healthcare and very recently education, have been developed.

Again, North Dakota Career and Technical is supportive of HB1383. Encouraging employers to utilize apprenticeship through an apprenticeship tax credit can expand opportunities for individuals looking for a different path to employment while providing employers another workforce pipeline.

This concludes my testimony, feel free to contact me directly with any questions you may have.

Wayde Sick

wasick@nd.gov

328-2259