

## THE ISSUE: Workforce Development & Taxes

Nearly half of NFIB members are currently trying to hire. Unfortunately, most report few to no qualified applicants. Government can serve as a partner or an obstacle to facilitating an environment where employers find the skilled workers they need and employees can build their marketability through additional training, certification, and/or appropriate licensure.

Stability and predictability in tax policy are key to small-business owners' confidence in expanding operations, making capital outlays, and other economic activity. Creating appropriate tax incentives helps stimulate growth.

### Action Alert! Support Workforce Development Programs!

**Workforce development programs and one-time spending on career tech are key components of the state operating budget. Our members need employees, skilled employees! Nearly 50% of our members are trying to hire.**

### TALKING POINTS:

- 1) Business Income Deduction (BID):** The state operating budget preserves the BID. The BID permits pass-through entities (the majority of NFIB members) to deduct up to the first \$250,000 of business income from their state tax liability. Business income above this amount is taxed at a flat 3 percent rate. This important, small-business deduction has come under attack in previous operating budgets. A 2018 BID study showed an annual economic benefit to Ohio of \$5.9 billion. *Encourage legislators to continue to support the BID and the positive impact it has on Ohio's overall economy.*
- 2) TechCred:** TechCred allows business owners to seek reimbursement of up to \$2,000 per employee for completed training in tech-related fields. To date, over 57,000 awards have been granted. Small businesses have received over \$19 million in reimbursement. Ohio has an attainment goal of 65% of Ohioans having a credential, certification, or degree by 2025. TechCred helps employers, employees, and the state. *Urge continued support for TechCred.*
- 3) Career Tech Support:** Based upon recent Ohio economic surveys, we know that nearly half of our members require employees that have a certification, certificate, or career-tech-focused education. The operating budget has a one-time appropriation of \$100 million over the biennium to allow for the purchase of new equipment to meet employer needs. An additional \$200 million has been allocated for facility upgrades. *Encourage elected officials to maintain this substantial, one-time investment in career tech centers to give students access to the most modern equipment and facilities.*
- 4) Industry-Recognized Credentials:** High school students have a wonderful workforce opportunity by obtaining industry-recognized credentials before graduation. These credentials are driven by industry-sector businesses and help to fill the skillset void too many employers are currently experiencing. These credentials make students desirable and marketable upon graduation. *Ask policymakers to continue these credentialing opportunities to meet workforce needs.*
- 5) Right-Sizing Licensure Requirements:** A meaningful review of hours required to obtain licensure for various trades is long overdue. Does it make sense for individuals attending private cosmetology schools to need 1,500 hours when they can attend a joint-vocational school for significantly fewer hours? *Ohio should reevaluate our licensure scheme to right-size training requirements and where appropriate alleviate barriers to entry.*