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Testimony on

L.D. 1812, "An Act to Provide Low-interest Loans for Accredited College Graduates Entering Trade Professions and an Employer Tax Credit for Trade Tool Reimbursements"

Presented by

Representative Russell P. White

District 13

Housing and Economic Development Committee

Friday, May 9, 2025

Good morning, Senator Curry, Representative Gere, and distinguished members of the Joint Standing Committee on Housing and Economic Development:

I am State Representative Russell P. White, and I proudly represent District 13, Central Hancock, Ellsworth, and Waltham. It is an honor to appear before you today for the purpose of introducing L.D. 1812, *"An Act to Provide Low-interest Loans for Accredited College Graduates Entering Trade Professions and an Employer Tax Credit for Trade Tool Reimbursements."*

In an effort to encourage participation in the trades, L.D. 1812 seeks to establish the Loans for Trade Tools Program, which will be a program administered by the Finance Authority of Maine to provide low-interest loans to graduates of a trade program for the purchase of tools and equipment necessary for employment in a trade. Loans would be limited to \$20,000 and would need to be repaid within 10 years. However, if an employee maintains full-time employment, meaning at least 32 hours per week in the trade, that employee's loan may be forgiven.

L.D. 1812, likewise, seeks to establish a tax credit for employers of employees engaged in a trade for the purchase of tools or equipment needed by that employee within the first year of employment with that employer. The credit is limited to 25% of the amount of the cost of the trade tools and \$5,000 per employee, is nonrefundable, and may not be carried forward from year to year.

With State finances being strained, I do understand that the appropriation of \$1,000,000 for each year of the 2026-2027 biennium to the Finance Authority of Maine for the Loans for Trade Tools Program may hinder the bill's passage. Nonetheless, I firmly believe that the return on investment will result in greater benefit to the State and help meet the growing demand for services provided by tradespeople.

Thank you for your time.