

October 7, 2024

The Honorable Lloyd Smucker
U.S. House of Representatives
302 Cannon House Office Building
Washington, DC 20515

The Honorable Terri Sewell
U.S. House of Representatives
1035 Longworth House Office Building
Washington, DC 20515

Dear Representatives Smucker and Sewell:

We, the undersigned organizations, write in strong support of H.R. 6833, the *Improve and Enhance the Work Opportunity Tax Credit Act*. As you know, the Work Opportunity Tax Credit (WOTC) is an important tax preference that has been utilized for nearly three decades to build workforces in local communities across the country. WOTC provides those in disadvantaged groups, facing poverty, stigma, or other barriers to employment with opportunities for meaningful work in our industries. We appreciate that your legislation takes important steps to strengthen WOTC, the first significant improvements since the credit's creation in 1996.

H.R. 6833 would make WOTC more effective in achieving the goals of providing job opportunities and on-the-job training for individuals, including eligible veterans, SNAP recipients, individuals with disabilities, second chance workers, and long-term unemployed individuals so they can have a pathway to remaining in the workforce. This critical legislation would also address the amount of the WOTC credit, which has remained stagnant for decades. By failing to keep up with wages and inflation, the effectiveness of the credit has been weakened. As such, the bill would (1) increase the current credit percentage from 40% to 50% of qualified wages and (2) add a second level of credit for employees who work 400 or more hours. In addition, the bill would importantly increase the age at which SNAP recipients are eligible for WOTC, providing an incentive to hire older workers.

The benefits to improving and expanding WOTC are countless. WOTC-eligible workers live in every state in the United States. An expanded credit would help target communities with lower workforce participation rates and provide relief to essential industries that are facing workforce shortages.

According to the U.S. Department of Labor, a total of 2,569,646 WOTC credits were issued in the United States in 2022. This represents an almost 23.45% increase over the previous year.¹ As is

¹ U.S. Dep't of Labor, Employment & Training Admin., WOTC Performance, <https://www.dol.gov/agencies/eta/wotc/performance>.

clearly indicated in the data, WOTC remains a vital lifeline to supporting both businesses and individuals seeking stable employment.

Thank you for your leadership in introducing the *Improve and Enhance the Work Opportunity Tax Credit Act*. We look forward to working with you and your colleagues in a bipartisan manner to enact H.R. 6833.

Sincerely,

Alabama Grocers Association
Alabama Retail Association
Albertsons
American Health Care Association
American Hotel & Lodging Association
American Seniors Housing Association
American Staffing Association
American Trucking Associations
Argentum
Arkansas Grocers Association
Arkansas Retail Merchants Association
Asian American Hotel Owners Association
Associated Builders and Contractors
Associated General Contractors of America
Associated Wholesale Grocers, Inc.
Brookshire's
Brookshire Grocery Company
California Grocers Association
California Retailers Association
Coalition of Franchisee Associations
Connecticut Food Association
Critical Labor Coalition
Culinary Workers Union in Las Vegas
Delaware Food Industry Council
Delaware Association of Chain Drug Stores
Due Process Institute
Family League of Baltimore
FMI - The Food Industry Association
Food Industry Alliance of New York State
Franchise Business Services
Fresh By Brookshire's
Georgia Food Industry Association
Giant Eagle and GetGo Café + Market
Hawai'i Food Industry Association
H-E-B

Honest Jobs
ICSC
Idaho Retailers Association
Illinois Retail Merchants Association
Indiana Retail Council
International Franchise Association
Iowa Grocery Industry Association
Kentucky Grocers & Convenience Stores Association
Kentucky Retail Federation
The Kroger Co.
Louisiana Retailers Association
Maine Grocers & Food Producers Association
Maryland Association of Chain Drug Stores
Maryland Food Industry Council
Maryland Retailers Alliance
Massachusetts Food Association
Michigan Retailers Association
Minnesota Grocers Association
Missouri Grocers Association
Missouri Retailers Association
NAACP
NAPEO
National Association of Convenience Stores
National Association for Home Care and Hospice
National Association of Wholesaler-Distributors
National Beer Wholesalers Association
National Franchisee Association
National Grocers Association
National Restaurant Association
National Urban League
NATSO, Representing America's Travel Centers and Truck Stops
Nebraska Grocery Industry Association
New Hampshire Grocers Association
New Jersey Food Council
North Carolina Retail Merchants Association
North Dakota Grocers Association
Ohio Grocers Association
Oklahoma Grocers Association
Pennsylvania Food Merchants Association
Reasor's
Retail Industry Leaders Association
Retail Grocers Association MO&KS
Retail Merchants Association
Retailers Association of Massachusetts

SIGMA: America's Leading Fuel Marketers
Small Business & Entrepreneurship Council
Society for Human Resource Management
Spring Market
Super 1 Foods
Tennessee Grocers & Convenience Store Association
Tennessee Retail Association
Texas Retailers Association
UPS
Utah Food Industry Association
Utah Retail Merchants Association
Vermont Retail & Grocers Association
Wakefern Food Corp.
Washington Retail Association
Wisconsin Grocers Association