



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

January 9, 2023

Honorable Dar'shun Kendrick
State Representative
404-F Coverdell Legislative Office Building
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill (LC 43 2479)

Dear Representative Kendrick:

The bill would provide a tax credit to employers who hire certified graduates of the workforce-ready program. These credits will total \$9,600 for each graduate employed full time for at least 40 weeks during a 12-month period. The Georgia Department of Labor (GDOL) will establish the criteria for the certification of programs and graduates. The credits are applicable beginning taxable years beginning on or after January 1, 2024.

We are unable to provide a cost estimate of the bill as written. The bill does not provide a sufficient definition of the workforce-ready program. Programs could be defined broadly to include programs in high schools, technical schools, and universities. Without a more defined purpose for programs, we are unable to determine the administrative costs associated with certifying programs and graduates or to determine the impact on state revenue from the tax credit.

Georgia State University's Fiscal Research Center also noted that, while the bill states that an employer can only receive a one-time credit for a certified worker, it is unclear if a certified worker could change jobs and trigger a credit for another employer.

Respectfully,

Greg S. Griffin
State Auditor

Kelly Farr, Director
Office of Planning and Budget

GSG/KF/mt