

the people who need the most help with critical skills training. In particular, lower-income citizens, with smaller tax liabilities, will not be greatly assisted under this approach, unlike that granted through the HOPE Scholarship Programs.

It is also worth noting that Senate Bill 423 is one of many new spending programs created by the General Assembly. During the 1999 Session, legislative initiatives totaling over \$100 million were enacted. This includes worthy programs such as after-school programs and child care tax credits (\$14 million), incentives of qualified teachers (approximately \$25 million), additional money for State Resource Centers (\$6 million), reductions in the inheritance tax (\$8 million), expanding Medicaid to cover assisted-living placements (up to \$14 million), tuition assistance for direct service workers for community providers (\$14 million) and incentives for lottery agents (\$9 million). I do not believe it is prudent to authorize this well-intentioned, but potentially costly, tax credit program at this time.

While the above concerns prevent me from signing Senate Bill 423 into law, I agree with the sponsors that we should do more to train students and employees in the skills that are critical to Maryland's economic development future. I will be happy to work with the General Assembly to develop a narrowly focused approach that is less expensive and consistent with the Science and Technology, Teacher and HOPE Scholarship programs enacted over the past two years.

For the above reasons, I have vetoed Senate Bill 423.

Sincerely,
Parris N. Glendening
Governor

Senate Bill 423

AN ACT concerning

Critical Skills Training - Income Tax Credit for Individuals and Employers

FOR the purpose of allowing an individual a credit against the State income tax for certain amounts paid by the individual during the taxable year for certain tuition and fees for certain approved educational programs for the individual or the individual's spouse or dependents, subject to certain limitations and conditions; ~~allowing an employer a credit against the State income tax for certain amounts paid by the employer during the taxable year for certain tuition and fees for certain approved educational programs for the employer's employees in the State, subject to certain limitations;~~ requiring the Secretary of the Maryland Higher Education Commission after consultation with certain persons to approve certain educational programs as qualifying for the tax credits and to designate work-related skills and occupations that are in short supply and are critical to Maryland's economic development strategy; defining certain terms; providing for the application of this Act; and generally relating to certain income tax credits for individuals ~~and employers~~ for certain amounts paid for certain approved educational programs.

BY adding to