

BOB DOLE
1ST DISTRICT, KANSAS

244 CANNON HOUSE OFFICE BUILDING
CAPITOL 4-3121, EXT. 2715

COMMITTEE:
AGRICULTURE

DISTRICT OFFICE:
210 FEDERAL BUILDING
HUTCHINSON, KANSAS 67501

Congress of the United States
House of Representatives
Washington, D.C. 20515

COUNTIES:
BARBER HODGEMAN RAWLINS
BARTON JEWELL RENO
CHEYENNE KEARNY REPUBLIC
CLARK KINGMAN RICE
CLOUD KIOWA ROOKS
COMANCHE LANE RUSH
DECATUR LINCOLN RUSSELL
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Congressman Bob Dole (R-Kan) joined 42 other House members Thursday, September 9, who introduced bills to encourage a significant increase in the job training programs of private employers. If enacted, the legislation would be known as the Human Investment Act of 1965.

In explaining how the act would work, Dole said: "Specifically the Human Investment Act of 1965 provides a 7-percent tax credit to employers for six types of expenses incurred in training their employees in new job skills.

"This is how the maximum tax credit under the Human Investment Act of 1965 would be computed:

"The maximum amount of credit that a taxpayer may claim for one taxable year is \$25,000 plus 25 percent of his tax liability in excess of \$25,000.

"Example: Suppose a taxpayer has a tax liability to the Federal Government of \$425,000 for a tax year. The maximum amount of credit that he could claim under the act is \$25,000 plus 25 percent of the tax liability in excess of \$25,000. The tax liability in excess of \$25,000 is \$400,000 -- \$425,000 minus \$25,000. Twenty-five percent of this \$400,000 is \$100,000. The maximum that could be claimed is thus \$25,000 plus \$100,000, or \$125,000."

Dole stated that "three years ago the Congress enacted a 7 percent tax credit to ^{spur} ~~open~~ investment in modern plants, machinery, and equipment. What the Congress failed to realize at that time is that a nation's most important kind of capital is its human capital -- the skills, experience and security of its working men and women. The Human Investment Act provides a seven percent tax credit to an employer toward certain of his employee training expenses. Specifically, some of these are: apprenticeship training, on the job training under the Manpower Development and Training Act, cooperative work-study programs and organized group instruction payments by employers.

"Under this bill each employer would have an incentive to expand his training programs and to initiate new programs for his employees. An employee can improve his skills by participating in advanced training, and thus improve his job security and earning ability."

Dole concluded, "This approach places the responsibility for increased job training where it belongs -- on our Nation's greatest job trainer, the private enterprise system. As those presently employed move up to better jobs through more training, those now unemployed because of insufficient skills can be hired to take their places. The Human Investment Act offers new hope, too, to workers whose jobs are threatened by automation or by shifting defense contracts."