THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 2156 Session of 2018

INTRODUCED BY TOBASH, MULLERY, ROEBUCK, QUIGLEY, RYAN, PICKETT, THOMAS, DAVIS, HICKERNELL, READSHAW, BOBACK, A. DAVIS, CHARLTON, SCHLOSSBERG, BERNSTINE, FEE, LEWIS, MCGINNIS, STAATS, IRVIN, SOLOMON, SCHLEGEL CULVER, PHILLIPS-HILL, PASHINSKI, DERMODY, HEFFLEY, J. MCNEILL, DRISCOLL, GROVE, HANNA, A. HARRIS, MARSICO, REESE, RAPP, COX, JOZWIAK, GOODMAN, DeLUCA, O'NEILL, ENGLISH, ROTHMAN, MICCARELLI, DUSH, D. COSTA, M. QUINN, WHEELAND AND KLUNK, APRIL 6, 2018

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, MAY 1, 2018

AN ACT

1 2 3 4 5 6	Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," providing for Career and Technical Education Partnership Tax Credit Program.
7	The General Assembly of the Commonwealth of Pennsylvania
8	hereby enacts as follows:
9	Section 1. The act of March 10, 1949 (P.L.30, No.14), known
10	as the Public School Code of 1949, is amended by adding an
11	article to read:
12	ARTICLE XX-H
13	CAREER AND TECHNICAL EDUCATION PARTNERSHIP
14	TAX CREDIT PROGRAM
15	Section 2001-H. Scope of article.
16	This article relates to the Career and Technical Education

1	<u>Partnership Tax Credit Program.</u>
2	<u>Section 2002-H. Definitions.</u>
3	The following words and phrases when used in this article
4	shall have the meanings given to them in this section unless the
5	context clearly indicates otherwise:
6	"Area career and technical education school." Any of the
7	following:
8	(1) A specialized public secondary school used
9	exclusively or principally for the provision of career and
10	technical education to individuals who are available for
11	study in preparation for entering the labor market.
12	(2) The department of a public secondary school
13	exclusively or principally used for providing career and
14	technical education in not fewer than five different
15	occupational fields to individuals who are available for
16	study in preparation for entering the labor market.
17	(3) A public or nonprofit technical institution or
18	career and technical education school used exclusively or
19	principally for the provision of career and technical
20	education to individuals who have completed or left secondary
21	school and who are available for study in preparation for
22	entering the labor market, if the institution or school
23	admits, as regular students, individuals who have completed
24	secondary school and individuals who have left secondary
25	<u>school.</u>
26	(4) The department or division of an institution of
27	higher education that operates under the policies of the
28	eligible agency and that provides career and technical
29	education in not fewer than five different occupational
30	fields leading to immediate employment but not necessarily
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1	leading to a baccalaureate degree, if the department or
2	division admits, as regular students, individuals who have
3	completed secondary school and individuals who have left
4	secondary school.
5	"Business firm." An entity which is authorized to do
6	business in this Commonwealth and subject to taxes imposed by
7	Article III, IV, VI, VII, VIII, IX, XV or XX of the Tax Reform
8	Code of 1971 or a tax under Article XVI of the act of May 17,
9	1921 (P.L.682, No.284), known as The Insurance Company Law of
10	1921. The term includes a pass-through entity, including a pass-
11	through entity whose purpose is the making of contributions
12	under this article and whose shareholders, partners or members
13	are composed of owners or employees of other business firms.
14	"Career and technical education." Organized educational
15	activities which meet all of the following:
16	(1) Offer a sequence of courses that:
17	(i) provides individuals with coherent and rigorous
18	content aligned with challenging academic standards and
19	relevant technical knowledge and skills needed to prepare
20	for further education and careers in current or emerging
21	professions;
22	(ii) provides technical skill proficiency, an
23	industry-recognized credential, a certificate or an
24	associate degree; and
25	(iii) may include prerequisite courses, other than a
26	remedial course, that meet the requirements of this
27	paragraph.
28	(2) Include competency-based applied learning that
29	contributes to the academic knowledge, higher-order reasoning
30	and problem-solving skills, work attitudes, general

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1	employability skills, technical skills, occupation-specific
2	skills and knowledge of all aspects of an industry, including
3	entrepreneurship, and an individual.
4	"Career and technical partnership organization." A nonprofit
5	entity which meets all of the following:
6	(1) Is exempt from Federal taxation under section 501(c)
7	(3) of the Internal Revenue Code of 1986 (Public Law 99-514,
8	<u>26 U.S.C. § 1 et seq.).</u>
9	(2) Provides support or expands access to career and
10	technical education.
11	(3) Contributes based on one of the following:
12	(i) At least 80% of its annual receipts as
13	contributions to a public school, area career and
14	technical education school, charter school, regional
15	charter school or an institution of higher education. For
16	purposes of this subparagraph, a nonprofit entity
17	"contributes" its annual cash receipts when it expends or
18	otherwise irrevocably encumbers those funds for
19	expenditure during the then-current fiscal year of the
20	nonprofit entity or during the next succeeding fiscal
21	year of the nonprofit entity. A nonprofit entity shall
22	include a school district foundation, public school
23	foundation, charter school foundation, area career and
24	technical education school foundation or institution of
25	higher education.
26	<u>(ii) At least 80% of its annual cash receipts to a</u>
27	scholarship program. For purposes of this subparagraph, a
28	nonprofit entity "contributes" its annual cash receipts
29	to a scholarship program when it expends or otherwise
30	irrevocably encumbers those funds for distribution during

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1	the then-current fiscal year of the nonprofit entity or
2	during the next succeeding fiscal year of the nonprofit
3	entity.
4	(iii) At least 80% of its annual cash receipts to a
5	combination of expenditures under subparagraphs (i) and
6	<u>(ii).</u>
7	"Charter school." As defined in section 1703-A.
8	"Contribution." The donation of any of the following:
9	(1) Cash or personal property.
10	(2) Services, the value of which is the net cost of the
11	donation to the donor or the pro rata hourly wage, including
12	benefits, of the individual performing the service.
13	"Department." The Department of Community and Economic
14	Development of the Commonwealth.
15	"Dual enrollment program." A program which provides an
16	eligible student with college credits while fulfilling high
17	school requirements at the same time.
18	"Eligible student." A student who:
19	(1) is 22 years of age or younger;
20	(2) is enrolled in a school, area career and technical
21	education school, charter school, regional charter school or
22	institution of higher education; and
23	(3) has enrolled in at least two career and technical
24	education courses.
25	"High-demand occupation." A profession that:
26	(1) is found in the current year high-priority
27	occupations list developed by the Department of Labor and
28	Industry; and
29	(2) requires a credential, certification, licensing,
30	<u>postsecondary training, an associate's degree, a master's</u>

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1	<u>degree or a doctoral or first professional degree.</u>
2	"Institution of higher education." An accredited entity
3	located in this Commonwealth which is any of the following:
4	(1) A community college operating under Article XIX-A.
5	(2) A university within the State System of Higher
6	Education.
7	(3) The Pennsylvania State University, the University of
8	Pittsburgh, Temple University, Lincoln University or any
9	other institution designated as State-related by the
10	Commonwealth.
11	(4) The Thaddeus Stevens College of Technology.
12	(5) A college established under Article XIX-G.
13	(6) An institution of higher education located in and
14	incorporated or chartered by the Commonwealth and entitled to
15	confer degrees as specified in 24 Pa.C.S. § 6505 (relating to
16	power to confer degrees) and as provided for by the standards
17	and qualifications prescribed by the State Board of Education
18	under 24 Pa.C.S. Ch. 65 (relating to private colleges,
19	universities and seminaries).
20	(7) A private school licensed under the act of December
21	15, 1986 (P.L.1585, No.174), known as the Private Licensed
22	Schools Act.
23	(8) A foreign corporation approved to operate an
24	educational enterprise under 22 Pa. Code Ch. 36 (relating to
25	foreign corporation standards).
26	"Nonpublic school." A nonprofit school, other than a public
27	school within this Commonwealth, at which a resident of this
28	Commonwealth may legally fulfill the compulsory school
29	attendance requirements of this act and which meets the
30	applicable requirements of Title VI of the Civil Rights Act of
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1	<u>1964 (Public Law 88-352, 78 Stat. 241).</u>
2	"Parent." An individual who:
3	(1) is a resident of this Commonwealth; and
4	(2) either:
5	(i) has legal custody or guardianship of a student;
6	or
7	(ii) keeps in the individual's home a student and
8	supports the student gratis as if the student were a
9	lineal descendant of the individual.
10	"Pass-through entity." A partnership as defined in section
11	301(n.0) of the Tax Reform Code of 1971, a single-member limited
12	liability company treated as a disregarded entity for Federal
13	income tax purposes or a Pennsylvania S corporation as defined
14	in section 301(n.1) of the Tax Reform Code of 1971. The term
15	includes a pass-through entity that owns an interest in a pass-
16	through entity.
17	"Program." The Career and Technical Education Partnership
18	Tax Credit Program established under this article.
19	"Public school." A public elementary school or a public
20	secondary school at which a resident of this Commonwealth may
21	legally fulfill the compulsory school attendance requirements of
22	this act and which meets the applicable requirements of Title VI
23	of the Civil Rights Act of 1964.
24	"Recipient." An applicant who receives a scholarship.
25	"Regional charter school." As defined in section 1703-A.
26	"Scholarship." An award under a scholarship program.
27	"Scholarship program." A program to pay school-related fees
28	for eligible students to attend a school, area career and
29	technical education school, charter school, regional charter
30	school or institution of higher education located in this

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1	Commonwealth. A scholarship program must include an application
2	and review process for the purpose of making awards to eligible
3	students.
4	"School." A public or nonpublic secondary school at which a
5	resident of this Commonwealth may legally fulfill the compulsory
6	school attendance requirements of this act and which meets the
7	applicable requirements of Title VI of the Civil Rights Act of
8	<u>1964.</u>
9	"School-related fees." Tuition and fees normally assessed a
10	student carrying an academic or certification workload as
11	determined by the school, area career and technical education
12	school, charter school, regional charter school or institution
13	of higher education and including costs for rental or purchase
14	of equipment, materials or supplies required of all students in
15	that course of study.
16	"Secondary school." A school with an eleventh grade.
17	"Student." An individual who meets all of the following:
18	(1) Is registered for grades nine through 12.
19	(2) Is a resident of this Commonwealth.
20	(3) Attends or is about to attend a public school, area
21	career and technical education school, charter school,
22	regional charter school or institution of higher education.
23	"Tax Reform Code of 1971." The act of March 4, 1971 (P.L.6,
24	No.2), known as the Tax Reform Code of 1971.
25	Section 2003-H. Qualification and application by organizations.
26	(a) EstablishmentIn accordance with section 14 of Article
27	III of the Constitution of Pennsylvania, the Career and
28	Technical Education Partnership Tax Credit Program is
29	established to expand access to high-career and technical
30	education by encouraging private investment in education, career
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1	and technical education programs and the repair, upkeep,
2	replacement and upgrading of industry-grade materials and
3	instructional equipment as approved by participating schools
4	under section 2009-H.
5	(b) InformationTo qualify under this article, a career
6	and technical partnership organization must submit information
7	to the department that enables the department to confirm that
8	the organization is exempt from taxation under section 501(c)(3)
9	of the Internal Revenue Code of 1986 (Public Law 99-514, 26
10	<u>U.S.C. § 1 et seq.).</u>
11	<u>(c) Certification</u>
12	(1) By September 1, 2019 OCTOBER 1, 2018, and each <
13	September 1 thereafter, a career and technical partnership
14	organization must certify to the department that the
15	organization is eligible to participate in the program and
16	must report the following information to the department:
17	(i) The number of scholarships awarded during the
18	immediately preceding school year to eligible students.
19	(ii) The total and average amounts of the
20	scholarships awarded during the immediately preceding
21	school year to eligible students.
22	(iii) Where the career and technical partnership
23	organization collects information on a county-by-county
24	basis, the total number and the total amount of
25	scholarships awarded during the immediately preceding
26	school year to residents of each county in which the
27	<u>scholarships were awarded.</u>
28	(iv) The total number of scholarship applications
29	processed and the amounts of any application fees
30	charged, either per scholarship application or in the

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1	aggregate through a third-party processor.
2	(v) The name of any career and technical education
3	program and the total amount of the contribution made to
4	those programs during the immediately preceding school
5	<u>year.</u>
6	(vi) A description of how each contribution was
7	utilized during the immediately preceding school year and
8	a description of vocational and technical education
9	programs through a coherent sequence of courses to ensure
10	learning in career and technical education and entry into
11	a high-demand occupation.
12	(vii) The name of each school, area career and
13	technical education school, charter school, regional
14	charter school or institution of higher education that
15	works with high technology industries to offer voluntary
16	internships and mentoring programs.
17	(viii) The name of each school, area career and
18	technical education school, charter school, regional
19	charter school or institution of higher education where
20	career and technical programs that received contributions
21	during the immediately preceding school year were
22	implemented.
23	(ix) Where the career and technical partnership
24	organization collects information on a county-by-county
25	basis, the total number and the total amount of
26	contributions made during the immediately preceding
27	school year for programs at schools, institutions of
28	higher education and career and technical schools in each
29	county in which the contributions were made.
30	(x) The credential earned by each student using a

1	<u>scholarship, including, but not limited to, a</u>
2	certificate, industry certification or State license, and
3	the industry or occupation to which the credential is
4	linked.
5	(xi) The organization's Federal Form 990 or other
6	Federal form indicating the tax status of the
7	organization for Federal tax purposes, if any, and a copy
8	of a compilation, review or audit of the organization's
9	financial statements conducted by a certified public
10	accounting firm.
11	(2) The information required under paragraph (1) shall
12	be submitted on a form provided by the department. By
13	September 1, 2019 2018, and each September MAY 1 thereafter, <
14	the department shall distribute sample forms, together with
15	the forms on which the reports are required to be made, to
16	each listed career and technical partnership organization.
17	(3) The department may not require any other information
18	to be provided by career and technical partnership
19	organizations, except as expressly authorized in this
20	<u>article.</u>
21	(4) The department shall consult with the Department of
22	Education and the Department of Labor and Industry.
23	(5) A career and technical partnership organization that
24	does not meet the requirements of this article shall not be
25	eligible to participate in the program.
26	Section 2004-H. Application by business firms.
27	(a) ApplicationA business firm may apply to the
28	department for a tax credit for contributions to a career and
29	technical partnership organization under section 2005-H. A
30	business firm shall receive a tax credit under this article if
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1	the career and technical partnership organization that receives
2	the contribution appears on the list established under section
3	2007-H, subject to the limitations in sections 2005-H and 2006-
4	<u>H.</u>
5	(b) Availability of tax creditsTax credits under this
6	article shall be made available by the department on a first-
7	come, first-served basis within the limitation established under
8	<u>section 2006-H(a).</u>
9	(c) ContributionsA contribution by a business firm to a
10	career and technical partnership organization shall be made no
11	later than 60 days following the approval of an application
12	under subsection (a) or (b).
13	Section 2005-H. Tax credits.
14	(a) Business firmIn accordance with section 2006-H, the
15	<u>Department of Revenue shall grant a tax credit against any</u>
16	applicable tax to a business firm providing proof of a
17	contribution to a career and technical partnership organization
18	in the taxable year in which the contribution is made in
19	accordance with the following:
20	(1) The tax credit shall not exceed 75% of the total
21	amount contributed during the taxable year by the business
22	<u>firm.</u>
23	(2) Except as provided under subsection (g), for fiscal
24	year 2018-2019, and each fiscal year thereafter, the tax
25	credit shall not exceed \$750,000 annually per business firm
26	for contributions made to career and technical partnership
27	organizations.
28	(b) Additional amountIn accordance with section 2006-H,
29	the Department of Revenue shall grant a tax credit of up to 90%
30	of the total amount contributed during the taxable year if the
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1	business firm provides a written commitment to provide the
2	career and technical partnership organization with the same
3	amount of contribution for two consecutive tax years. The
4	business firm must provide the written commitment under this
5	subsection to the department at the time of application.
6	(c) Restriction on applicability of creditsNo credits
7	granted under this section shall be applied against tax withheld
8	by an employer from an employee under Article III of the Tax
9	<u>Reform Code of 1971.</u>
10	(d) Time of application for credits
11	(1) Except as provided in paragraph (2), the department
12	<pre>may accept applications for tax credits available during a</pre>
13	fiscal year 2018-2019 BEGINNING NO EARLIER THAN JANUARY 1, <
14	2019, AND no earlier than July 1 of each fiscal year
15	THEREAFTER. <
16	(2) The application of a business firm for tax credits
17	available during a fiscal year as part of the second year of
18	<u>a two-year commitment or as a renewal of a two-year</u>
19	commitment which was fulfilled in the previous fiscal year
20	may be accepted no earlier than May 15 preceding the fiscal
21	year.
22	(e) Approval of tax creditsUnless otherwise requested by
23	the business firm and agreed to by both the business firm and
24	the department, and unless all authorized credits have already
25	been awarded, for fiscal year 2019-2020, and each fiscal year <
26	thereafter, the department shall give written notice of its
27	approval to each business firm that submitted a completed
28	application under subsection (d) within 30 days following
29	receipt of the completed application.
30	(f) Waiting listThe department shall maintain a waiting
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1	list consisting of each business firm which chooses to be
2	included on the list and whose application has not been approved
3	because all available tax credits have been awarded. A business
4	firm that was not awarded a tax credit due to a lack of
5	available tax credits shall be notified of and offered a place
6	on the waiting list. When tax credits become available, the
7	department shall award the tax credits to the business firms in
8	the order in which the business firms were placed on the waiting
9	<u>list.</u>
10	(g) Temporary increase in maximum tax credits available
11	(1) If all tax credits authorized under this article for
12	contributions to career and technical partnership
13	organizations have not been awarded as of October 1 of a
14	fiscal year, then for applications accepted by the department
15	from October 1 through November 30 of that fiscal year, the
16	limitations specified in subsection (a) shall not apply.
17	Under this paragraph, the department may accept applications
18	<u>under section 2004-H from October 1 through November 30 from</u>
19	a business firm, including a business firm that already
20	applied for the maximum tax credits available under
21	subsections (a) and (d), which may apply under section 2004-
22	<u>H(a) for up to the total amount of tax credits remaining</u>
23	available for contributions to career and technical
24	partnership organizations for the fiscal year as specified in
25	<u>section 2006-H(a).</u>
26	(2) The provisions of subsection (b) shall not apply to
27	applications for tax credits made under this subsection. Tax
28	credits awarded under this subsection shall not exceed 75% of
29	the total amount contributed during the taxable year by a
30	business firm pursuant to an application filed under this

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1 <u>subsection.</u>

2	(3) Prior to the award of tax credits applied for under
3	this subsection, the department shall first award tax credits
4	applied for by a business firm during the period October 1
5	through November 30 in an amount no greater than the maximum
6	amount of tax credits for which a business firm is eligible
7	under subsection (a). The tax credits shall be awarded on a
8	first-come, first-served basis as set forth in section 2004-
9	<u>H(c).</u>
10	Section 2006-H. Limitations.
11	(a) Amount
12	(1) Subject to paragraph (2), the THE total aggregate <
13	amount of all tax credits approved for contributions from
14	business firms to career and technical partnership
15	organizations shall not exceed \$15,000,000 in a fiscal year.
16	(2) Beginning July 1, 2019, and each July 1 thereafter, <
17	the department shall automatically increase the tax credit
18	amount by \$5,000,000 if the amount used in the prior fiscal
19	year is equal to or greater than 90% of the total tax credit
20	amount approved in the prior fiscal year or the amount
21	published by the Legislative Reference Bureau under
22	subparagraphs (i) and (ii). The following shall apply:
23	(i) The department shall immediately submit notice
24	of the increased dollar amounts to the Legislative
25	<u>Reference Bureau.</u>
26	(ii) The Legislative Reference Bureau shall publish
27	the notice in the Pennsylvania Bulletin.
28	(b) ActivitiesNo tax credit shall be approved for
29	activities that are a part of a business firm's normal course of
30	business.

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1 (c) Tax liability.--

2	(1) Except as provided in paragraph (2), a tax credit
3	granted for any one taxable year may not exceed the tax
4	<u>liability of a business firm.</u>
5	(2) In the case of a credit granted to a pass-through
6	entity which elects to distribute the credit under this
7	article, a tax credit granted for any one taxable year and
8	distributed to a shareholder, member or partner may not
9	exceed the tax liability of the shareholder, member or
10	partner.
11	(d) UseA tax credit not used by the applicant in the
12	taxable year the contribution was made or in the year designated
13	by the shareholder, member or partner to whom the credit was
14	transferred under this article may not be carried forward or
15	carried back and is not refundable or transferable.
16	(e) Nontaxable incomeA scholarship received by an
17	eligible student shall not be considered to be taxable income
18	for the purposes of Article III of the Tax Reform Code of 1971.
19	(f) Financial assistanceA scholarship received by a
20	recipient shall not impact an appropriation, education funding
21	or other financial assistance received by the school which is
22	attended by the recipient.
23	<u>Section 2007-H. Lists.</u>
24	By June 30, 2019, and each June 30 thereafter, the Department
25	of Revenue shall provide a list of all career and technical
26	partnership organizations receiving contributions from business
27	firms granted a tax credit under this article to the General
28	Assembly.
29	Section 2008-H. Guidelines.
30	Within 90 45 days of the effective date of this section, in <
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1	consultation with the Department of Education and the Department
2	of Labor and Industry, the department shall develop guidelines
3	to determine the eligibility of a career and technical education
4	program.
5	Section 2009-H. School participation in program.
6	(a) ElectionBy February 15, 2019, and each February 15 <
7	OCTOBER 1, 2018, AND EACH JANUARY 1 thereafter, a school, area <
8	career and technical education school, charter school, regional
9	charter school or institution of higher education may elect to
10	participate in the program for the following school year.
11	(b) Notice
12	(1) A school, area career and technical education
13	<pre>school, charter school, regional charter school, cyber <</pre>
14	charter school or institution of higher education that elects
15	to participate under subsection (a) must notify the
16	Department of Education of the intent to participate.
17	(2) For a school district, the notice under paragraph
18	(1) must be submitted on a form developed by the Department
19	of Education and shall specify all of the following:
20	(i) Each school within the school district which the
21	school district intends to make a participating public
22	<u>school.</u>
23	(ii) The amount of tuition and school-related fees
24	attributable to each available seat. The amount under
25	this subparagraph shall not exceed the amount calculated
26	under section 2561.
27	(3) For a nonpublic school, area career and technical
28	education school, charter school, regional charter school or
29	institution of higher education, the notice under paragraph
30	(1) must be submitted on a form developed by the Department
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1	of Education and shall specify the amount of tuition and
2	school-related fees attributable to an available seat. The
3	amount under this paragraph shall not exceed the amount that
4	a school under this paragraph would have charged to a student
5	who had not received a scholarship under this article. For
6	the amounts received in a scholarship, the resident school
7	district is not liable for school payment.
8	(c) Tuition rates
9	(1) No school district of a participating public school,
10	participating nonpublic school, area career and technical
11	education school, charter school, regional charter school or
12	institution of higher education may charge a recipient a
13	higher tuition rate or school-related fee than the school
14	district of the participating public school, participating
15	nonpublic school, area career and technical education school,
16	charter school, regional charter school or institution of
17	higher education would have charged to a similarly situated
18	<u>student who is not receiving a scholarship.</u>
19	(2) Notwithstanding the provisions of section 2561, a
20	school district of a participating public school may charge a
21	recipient a tuition rate that is lower than that charged to
22	students who are not recipients of scholarships.
23	(d) Participating public school criteriaThe following
24	criteria apply to a participating public school:
25	(1) Except as otherwise provided in this article, a
26	school district shall enroll students in a participating
27	public school on a lottery basis from a pool of recipients
28	who meet the application deadline set by the Department of
29	Education until the participating public school fills the
30	school's available seats. The pool may not include a
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1	recipient who:
2	(i) Has been expelled or is in the process of being
3	expelled under section 1317.2 or 1318 and applicable
4	regulations of the State Board of Education.
5	(ii) Has been recruited by the school district or
6	its representatives for athletic purposes.
7	(2) The enrollment of recipients may not place the
8	school district in violation of a valid and binding
9	desegregation order.
10	(3) Priority shall be given to:
11	(i) An existing recipient.
12	(ii) A recipient who is a sibling of a student
13	currently enrolled in the school district.
14	(e) Participating entity criteriaThe following criteria
15	shall apply:
16	(1) The participating nonpublic school, area career and
17	technical education school, charter school, regional charter
18	school or institution of higher education may not
19	discriminate on a basis which is illegal under Federal or
20	State laws applicable to nonpublic schools.
21	(2) The participating nonpublic school, area career and
22	technical education school, charter school, regional charter
23	school or institution of higher education shall comply with
24	section 1521.
25	(3) The participating nonpublic school, area career and
26	technical education school, charter school, regional charter
27	school or institution of higher education may not recruit a
28	student for athletic purposes.
29	(f) Student rules, policies and procedures
30	(1) Prior to enrollment of a recipient, a school

1	district of a participating public school, participating
2	nonpublic school, participating area career and technical
3	education school, participating charter school, participating
4	regional charter school or participating institution of
5	higher education shall inform the parent of a recipient of
6	each rule, policy and procedure of the participating public
7	school, participating nonpublic school, participating area
8	career and technical education school, participating charter
9	school, participating regional charter school or
10	participating institution of higher education, including any
11	academic policy, disciplinary rule or administrative
12	procedure of the participating public school, participating
13	nonpublic school, participating area career and technical
14	education school, participating charter school, participating
15	regional charter school or participating institution of
16	higher education.
16 17	<u>higher education.</u> (2) Enrollment of a recipient in a participating public
17	(2) Enrollment of a recipient in a participating public
17 18	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area
17 18 19	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter
17 18 19 20	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or
17 18 19 20 21	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education shall
17 18 19 20 21 22	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education shall constitute acceptance of any rule, policy or procedure of the
17 18 19 20 21 22 23	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education shall constitute acceptance of any rule, policy or procedure of the participating public school, participating nonpublic school,
17 18 19 20 21 22 23 24	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education shall constitute acceptance of any rule, policy or procedure of the participating public school, participating nonpublic school, participating area career and technical education school,
17 18 19 20 21 22 23 24 25	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education shall constitute acceptance of any rule, policy or procedure of the participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter
17 18 19 20 21 22 23 24 25 26	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education shall constitute acceptance of any rule, policy or procedure of the participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education.
17 18 19 20 21 22 23 24 25 26 27	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education shall constitute acceptance of any rule, policy or procedure of the participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education. (g) Transportation
17 18 19 20 21 22 23 24 25 26 27 28	(2) Enrollment of a recipient in a participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education shall constitute acceptance of any rule, policy or procedure of the participating public school, participating nonpublic school, participating area career and technical education school, participating charter school, participating regional charter school or participating institution of higher education. (g) Transportation (1) Transportation of recipients of school age, as

1	(2) Reimbursement shall be as follows:
2	(i) Transportation of a recipient of school age, as
3	defined in section 2002-B, attending a participating
4	public school shall be subject to reimbursement under
5	section 2541.
6	(ii) Transportation of a recipient of school age, as
7	defined in section 2002-B, attending a participating
8	nonpublic school, participating area career and technical
9	education school, participating charter school,
10	participating regional charter school or participating
11	institution of higher education shall be subject to
12	reimbursement under sections 2509.3 and 2541.
13	(h) ConstructionNothing in this article shall be
14	construed to:
15	(1) Prohibit a participating nonpublic school from
16	limiting admission to a particular grade level, a single
17	gender or areas of concentration of the participating
18	nonpublic school, including mathematics, science and the
19	<u>arts.</u>
20	(2) Authorize the Commonwealth or any of its agencies,
21	officers or political subdivisions to impose additional
22	requirements on a participating nonpublic school which are
23	not otherwise authorized under the laws of this Commonwealth
24	or to require a participating nonpublic school to enroll a
25	recipient if the participating nonpublic school does not
26	offer appropriate programs or is not structured or equipped
27	with the necessary facilities to meet the special needs of
28	the recipient or does not offer a particular program
29	requested.
30	Section 2010-H. Scholarships.

1	(a) NoticeBy February 1, 2019 NOVEMBER 1, 2018, and each <
2	February 1 thereafter, the department shall provide all career
3	and technical partnership organizations with a list of each
4	participating public school, area career and technical education
5	school, charter school, regional charter school or institution
6	of higher education in this Commonwealth located within each
7	county.
8	(b) Award
9	(1) A career and technical partnership organization may
10	award a scholarship to an eligible student who plans to
11	enroll in the upcoming school year at a participating public
12	school, area career and technical education school, charter
13	school, regional charter school or institution of higher
14	education in this Commonwealth providing career and technical
15	education selected by the parent or guardian of the
16	applicant.
17	(2) If an eligible student who received a scholarship
18	for the prior school year resides within the attendance
19	boundary of a participating public school, area career and
20	technical education school, charter school, regional charter
21	school or institution of higher education in this
22	Commonwealth that was removed from the list provided by the
23	department under subsection (a), the eligible student may
24	<u>receive a scholarship.</u>
25	(3) The scholarship may be for each year of enrollment
26	in a participating public school, area career and technical
27	education school, charter school, regional charter school or
28	institution of higher education for up to five years or until
29	the eligible student reaches 23 years of age, whichever
30	occurs first, if the applicant otherwise remains eligible.
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1	(4) In awarding scholarships, a career and technical
2	partnership organization shall give preference to any of the
3	following:
4	(i) An eligible student who received a scholarship
5	for the prior school year.
6	(ii) An eligible student who would like to enroll in
7	a participating public school, area career and technical
8	education school, charter school or regional charter
9	school with a waiting list.
10	(iii) An eligible student participating in dual
11	enrollment programs that meet the requirements of the
12	law.
13	(iv) An eligible student enrolled in courses that
14	will result in employment in a high-demand occupation.
15	(c) Home schoolingA career and technical partnership
16	organization shall not award a scholarship to an applicant for
17	enrollment in a home education program under section 1327.1.
18	Section 2011 H. Carryover, carryback, refund and assignment. <
19	(a) CarryoverIf a taxpayer cannot use the entire amount
20	<u>of the tax credit for the taxable year in which the taxpayer is </u>
21	eligible for the credit, the excess may be carried over to
22	succeeding taxable years and used as a credit against the
23	taxpayer's tax liability for those taxable years. Each time that
24	<u>the tax credit is carried over to a succeeding taxable year it</u>
25	shall be reduced by the amount of tax credits claimed during the
26	immediately preceding taxable year. The tax credits awarded
27	<u>under this act may not be utilized for tax years beginning after</u>
28	<u>December 31, 2020.</u>
29	(b) Carryback or refundA taxpayer may not be entitled to
30	<u>carry back or obtain a refund of an unused tax credit.</u>

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1	(c) Sale or assignment. A taxpayer, upon application to and
2	approval by the Department of Revenue, may sell or assign, in
3	whole or in part, a tax credit granted to the taxpayer under
4	this article if the taxpayer does not have a tax liability
5	against which the tax credit may be applied in a taxable year in
6	which the tax credit is permitted to be claimed. The Department
7	of Revenue shall establish guidelines for the approval of an
8	application under this subsection. Before an application is
9	approved, the Department of Revenue shall make a finding that
10	the taxpayer and its assignee have filed the required State tax
11	reports and returns for the taxable years and paid any balance
12	of State tax due as determined by the Department of Revenue.
13	(d) Purchaser and assignee. The purchaser or assignee of a
14	tax credit under subsection (c) shall immediately claim the
15	credit against its tax liability in the taxable year in which
16	the purchase or assignment is made. The purchaser or assignee
17	may not carry back, carry forward or obtain a refund of or sell
18	or assign the tax credit. The purchaser or assignee shall notify
19	the Department of Revenue of the seller or assignor of the tax
20	credit in compliance with procedures specified by the Department
21	<u>of Revenue.</u>
22	Section 2012 H 2011-H. Original jurisdiction. <
23	The Pennsylvania Supreme Court shall have exclusive and
24	original jurisdiction to hear a challenge or to render a
25	declaratory judgment concerning the constitutionality of this
26	article. The Pennsylvania Supreme Court may take an action as
27	the court deems appropriate, consistent with the Pennsylvania
28	Supreme Court's retaining jurisdiction over the matter, to find
29	facts or to expedite a final judgment in connection with a
30	challenge or request for declaratory relief.

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1	Section 2013-H 2012-H. Annual report to General Assembly. <
2	<u>(a)</u> Submittal
3	(1) No later than June 1, 2019, and September 1 of each
4	year thereafter, the Secretary of Community and Economic
5	Development shall submit a report to the General Assembly
6	summarizing the effectiveness of the tax credits provided by
7	this article.
8	(2) The report shall be submitted to all of the
9	following:
10	(i) The chairperson and minority chairperson of the
11	Appropriations Committee of the Senate.
12	(ii) The chairperson and minority chairperson of the
13	Education Committee of the Senate.
14	(iii) The chairperson and minority chairperson of
15	the Appropriations Committee of the House of
16	Representatives.
17	(iv) The chairperson and minority chairperson of the
18	Education Committee of the House of Representatives.
19	(b) ContentsThe report shall include the following
20	information:
21	(1) The amount of tax credits claimed for contributions
22	to a career and technical partnership organization during the
23	<u>fiscal year.</u>
24	(2) A funding evaluation of the program and
25	recommendations.
26	Section 2. Within 10 days of the development of the
27	guidelines under section 2008-H of the act, the Department of
28	Community and Economic Development shall provide notice of the
29	development of the guidelines to the Legislative Reference
30	Bureau, which shall publish the notice in the Pennsylvania
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1 Bulletin.

2	Section 3. The addition of Article XX-H of the act shall
3	apply to taxable years commencing after December 31, 2018.
4	Section 4. This act shall take effect as follows:
5	(1) The following shall take effect immediately:
6	(i) This section.
7	(ii) Section 2 of this act.
8	(iii) Section 3 of this act.
9	(iv) The addition of sections 2001-H, 2002-H and
10	2008-H of the act.
11	(2) The remainder of this act shall take effect 30 days <
12	after IMMEDIATELY UPON publication in the Pennsylvania <
13	Bulletin of the notice under section 2 of this act.