

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 527 Session of 2021

INTRODUCED BY REGAN, PHILLIPS-HILL, MARTIN, DiSANTO, BARTOLOTTA, HUTCHINSON, J. WARD, PITTMAN AND AUMENT, APRIL 14, 2021

SENATOR MARTIN, EDUCATION, AS AMENDED, JANUARY 19, 2022

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," in educational tax credits, further
6 providing for limitations.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 2006 B(a) of the act of March 10, 1949 <--
10 (P.L.30, No.14), known as the Public School Code of 1949, is
11 amended and the section is amended by adding a subsection to
12 read:

13 Section 2006 B. Limitations.

14 (a) Amount.

15 (1) The total aggregate amount of all tax credits
16 approved for contributions from business firms to scholarship
17 organizations, educational improvement organizations and pre-
18 kindergarten scholarship organizations shall not exceed
19 \$185,000,000 in [a] fiscal year 2020 2021.

20 (i) No less than \$135,000,000 or 73% of the total

1 ~~aggregate amount under this paragraph, whichever is~~
2 ~~greater, shall be used to provide tax credits for~~
3 ~~contributions from business firms to scholarship~~
4 ~~organizations.~~

5 SECTION 1. SECTION 2006-B(A) OF THE ACT OF MARCH 10, 1949 <--
6 (P.L.30, NO.14), KNOWN AS THE PUBLIC SCHOOL CODE OF 1949,
7 AMENDED JUNE 30, 2021 (P.L.158, NO.26), IS AMENDED AND THE
8 SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

9 SECTION 2006-B. LIMITATIONS.

10 (A) AMOUNT.--

11 (1) THE TOTAL AGGREGATE AMOUNT OF ALL TAX CREDITS
12 APPROVED FOR CONTRIBUTIONS FROM BUSINESS FIRMS TO SCHOLARSHIP
13 ORGANIZATIONS, EDUCATIONAL IMPROVEMENT ORGANIZATIONS AND PRE-
14 KINDERGARTEN SCHOLARSHIP ORGANIZATIONS SHALL NOT EXCEED
15 \$225,000,000 IN [A] FISCAL YEAR 2021-2022.

16 (I) NO LESS THAN \$175,000,000 OR 78% OF THE TOTAL
17 AGGREGATE AMOUNT UNDER THIS PARAGRAPH, WHICHEVER IS
18 GREATER, SHALL BE USED TO PROVIDE TAX CREDITS FOR
19 CONTRIBUTIONS FROM BUSINESS FIRMS TO SCHOLARSHIP
20 ORGANIZATIONS.

21 (ii) No less than \$37,500,000 or 20% 17% of the <--
22 total aggregate amount under this paragraph, whichever is
23 greater, shall be used to provide tax credits for
24 contributions from business firms to educational
25 improvement organizations.

26 (iii) The total aggregate amount of all tax credits
27 approved for contributions from business firms to pre-
28 kindergarten scholarship organizations shall not exceed
29 \$12,500,000 or 7% 5% of the total aggregate amount under <--
30 this paragraph, whichever is greater, in a fiscal year.

1 (2) The total aggregate amount of all tax credits
2 approved for contributions from business firms to opportunity
3 scholarship organizations shall not exceed \$55,000,000 in a
4 fiscal year and no less than \$5,000,000 of the total
5 aggregate amount shall be used to provide tax credits for
6 contributions from business firms to increase the scholarship
7 amount to students attending an economically disadvantaged
8 school by up to \$1,000 more than the amount provided during
9 the immediately preceding school year.

10 (a.1) Increases.--

11 (1) Beginning in fiscal year ~~2021-2022~~ 2022-2023, in any <--
12 fiscal year in which the total aggregate amount of tax
13 credits approved under subsection (a)(1) for the prior fiscal
14 year is equal to or greater than 90% of the total aggregate
15 amount of all tax credits available under subsection (a)(1)
16 for the prior fiscal year, the total aggregate amount of all
17 tax credits available under subsection (a)(1) shall increase
18 by 25%. The department shall publish on its publicly
19 accessible Internet website the total aggregate amount of all
20 tax credits available when the amount is increased under this
21 paragraph.

22 (2) Beginning in fiscal year ~~2021-2022~~ 2022-2023, in any <--
23 fiscal year in which the total aggregate amount of tax
24 credits approved under subsection (a)(2) for the prior fiscal
25 year is equal to or greater than 90% of the total aggregate
26 amount of all tax credits available under subsection (a)(2)
27 for the prior fiscal year, the total aggregate amount of all
28 tax credits available under subsection (a)(2) shall increase
29 by 25%. The department shall publish on its publicly
30 accessible Internet website the total aggregate amount of all

1 tax credits available when the amount is increased under this
2 paragraph.

3 * * *

4 Section 2. This act shall take effect in 60 days.