



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2156

PRINTERS NO. 3394

PRIME SPONSOR: Tobash

AS AMENDED BY: A07003

REVENUE INCREASE / (LOSS)

FUND	FY 2017/18	FY 2018/19
General Fund	\$0	See Fiscal Impact

SUMMARY:

House Bill 2156 amends the Public School Code concerning a career and technical education partnership tax credit program. Effective dates vary by provision.

ANALYSIS:

House Bill 2156 amends the Public School Code by adding a new article establishing a career and technical education partnership tax credit program. It establishes a new tax credit for business firms contributing to a Career and Technical Partnership Organization (CTPO), defined as a non-profit entity that provides support or expands access to career and technical education by contributing at least 80% of its annual receipts directly to a public school, area career and technical school, charter school, regional charter school, or an institution of higher education, or to a scholarship program that pays school-related fees for eligible students in grades 9 or above to attend a public or nonpublic secondary school, area career and technical school, charter school, regional charter school, or an institution of higher education.

The CTPOs must apply to the Department of Community and Economic Development (DCED) for certification by October 1, 2018, and each September 1 thereafter, by providing information enumerated in the legislation. Also by October 1, 2018, and each January 1 thereafter, school entities may elect to participate in the program.

The bill also establishes a timeline whereby businesses can contribute to CTPOs and take tax credits beginning in the 2018-19 fiscal year, and each year thereafter. Business firms may apply for tax credits no earlier than January 1, 2019 for the 2018-19 fiscal year, and no earlier than July 1 for each fiscal year thereafter.

FISCAL IMPACT:

House Bill 2156 limits tax credits available through the career and technical education partnership tax credit program to not more than \$15 million in a fiscal year, so the bill could result in a reduction to General Fund revenues of up to \$15 million beginning in 2018-19.

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: May 1, 2018

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.