AN ACT

1 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," in educational tax credits, further providing for definitions, for tax credits and for limitations.

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

10 Section 1. Section 2002-B of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, is amended by adding a definition to read:

13 Section 2002-B. Definitions.

14 The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

17 * * *

18 "Person adversely affected." Any of the following:

19 (1) An applicant.

20 (2) A business firm.
(3) An educational improvement organization.
(4) An eligible pre-kindergarten student.
(5) An eligible student.
(6) An eligible student with a disability.
(7) An opportunity scholarship organization.
(8) A parent.
(9) A participating nonpublic school.
(10) A participating public school.
(11) A recipient.
(12) A scholarship organization.

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Section 2. Section 2005-B of the act is amended by adding a subsection to read:

Section 2005-B. Tax credits.

* * *

(k) Private action.--A person adversely affected by the withholding of a written notice of approval as required under subsection (g.1) may bring an action in mandamus to compel the department to perform its duty to give the written notice of approval or a private action to recover damages or request declaratory or injunctive relief. In addition to other relief provided in this section, the court may award to the person adversely affected costs and reasonable attorney fees.

Section 3. Section 2006-B(a) of the act, amended November 6, 2017 (P.L.1142, No.55), is amended to read:

Section 2006-B. Limitations.

(a) Amount.--

(1) [The] Subject to annual increase under paragraph (1.1), the total aggregate amount of all tax credits approved for contributions from business firms to scholarship

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organizations, educational improvement organizations and pre-kindergarten scholarship organizations shall not exceed $135,000,000 in a fiscal year[, with each category as]

follows:

(i) No less than $85,000,000 of the total aggregate amount shall be used to provide tax credits for contributions from business firms to scholarship organizations.

(ii) No less than $37,500,000 of the total aggregate amount shall be used to provide tax credits for contributions from business firms to educational improvement organizations.

(iii) The total aggregate amount of all tax credits approved for contributions from business firms to pre-kindergarten scholarship organizations shall not exceed $12,500,000 in a fiscal year.

(1.1) Beginning July 1, 2018, the department shall annually increase the dollar amounts under paragraph (1) if more than 90% of the total aggregate amount of tax credits under paragraph (1) was used by taxpayers during the prior fiscal year and the General Assembly has not otherwise enacted an increase to the dollar amounts. The amount of the increase required under this paragraph for the total aggregate amount under paragraph (1) shall be 25%. The increase shall be distributed as follows:

(i) The category enumerated under paragraph (1)(i) shall receive 60% of the increase under this paragraph.

(ii) The category enumerated under paragraph (1)(ii) shall receive 30% of the increase under this paragraph.

(iii) The category enumerated under paragraph (1)
(iii) shall receive 10% of the increase under this paragraph.

The department shall immediately submit the increased dollar amounts to the Legislative Reference Bureau for publication as a notice in the Pennsylvania Bulletin.

(2) The total aggregate amount of all tax credits approved for contributions from business firms to opportunity scholarship organizations shall not exceed $50,000,000 in a fiscal year.

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Section 4. This act shall take effect July 1, 2018, or immediately, whichever is later.