AN ACT

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
definition of "maximum
annual household income" in section 2002-B of the act of March
10, 1949 (P.L.30, No.14), known as the Public School Code of
1949, amended June 22, 2018 (P.L.241, No.39), is amended to
read:
Section 2002-B. Definitions.
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:
"Maximum annual household income."

(1) Subject to adjustment under paragraphs (2) and (3):

   (i) Through fiscal year 2018-2019, the amount of $85,000, plus the applicable income allowance.

   (ii) Beginning with fiscal year 2019-2020 and each fiscal year thereafter, the amount of $73,000.

Section 2. Section 2003-B(c)(1) and (f) of the act are amended and the section is amended by adding a subsection to read:

Section 2003-B. Qualification and application by organizations.

   (c) Scholarship organizations and pre-kindergarten scholarship organizations.--A scholarship organization or pre-kindergarten scholarship organization must certify to the department that the organization is eligible to participate in the educational improvement tax credit program established under this article and must agree to annually report the following information to the department by November 1 of each year:

   (1) (i) The number of scholarships awarded during the immediately preceding school year to eligible pre-kindergarten students.

   (ii) The total and average amounts of the scholarships awarded during the immediately preceding school year to eligible pre-kindergarten students.

   (iii) The number of scholarships awarded during the immediately preceding school year to eligible students in grades kindergarten through eight.

   (iv) The total and average amounts of the
scholarships awarded during the immediately preceding
school year to eligible students in grades kindergarten
through eight.

(v) The number of scholarships awarded during the
immediately preceding school year to eligible students in
grades nine through 12.

(vi) The total and average amounts of the
scholarships awarded during the immediately preceding
school year to eligible students in grades nine through
12.

(vii) Where the scholarship organization or pre-
kindergarten scholarship organization collects
information on a county-by-county basis, the total number
and the total amount of scholarships awarded during the
immediately preceding school year to residents of each
county in which the scholarship organization or pre-
kindergarten scholarship organization awarded
scholarships.

(viii) The total number of scholarship applications
processed and the amounts of any application fees
charged, either per scholarship application or in the
aggregate through a third-party processor.

(viii.1) The total number of eligible scholarship
applicants with a maximum annual household income below
70% of the Federal poverty guidelines.

(viii.2) The total number of eligible scholarship
applicants with a maximum annual household income above
70% of the Federal poverty guidelines.

(viii.3) The number of scholarship applicants under
subparagraphs (viii.1) and (viii.2).
(vii.4) The number of scholarship applicants under subparagraphs (vii.1) and (vii.2) awarded scholarships.

(viii.5) The amount of scholarship money awarded to eligible scholarship applicants under subparagraphs (viii.1) and (viii.2).

(viii.6) The total amount transmitted to each school on behalf of a scholarship recipient.

(ix) The organization's Federal Form 990 or other Federal form indicating the tax status of the organization for Federal tax purposes, if any, and a copy of a compilation, review or audit of the organization's financial statements conducted by a certified public accounting firm.

(x) A complete list of every individual and business that donated to the organization during the preceding fiscal year.

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(d.3) Scholarship priority.--Eligible students with a maximum annual household income below 70% of the Federal poverty guidelines as determined by the annual report of the United States Department of Health and Human Services shall receive scholarships prior to all eligible students above the threshold that have been approved for scholarships.

* * *

(f) Publication.--The department shall annually publish a list of each scholarship organization, pre-kindergarten scholarship organization, educational improvement organization and opportunity scholarship organization qualified under this section and all information required under section 2008-B.1 in the Pennsylvania Bulletin. The list shall also be posted and
updated as necessary on the publicly accessible Internet website
of the department.

Section 3. Section 2004-B of the act is amended by adding a
subsection to read:

Section 2004-B. Application by business firms.

* * *

(f) Conflicts of interest.--A business firm or individual
applying for an educational improvement or opportunity
scholarship tax credit with the department shall include the
following, when applicable:

(1) A list of individual donors.
(2) Business contracts with the Commonwealth.
(3) Donations to elected officials.
(4) Business contracts with schools.
(5) Relatives employed by schools.
(6) Pending litigation involving the Commonwealth.
(7) Fines, penalties or back taxes owed to the

Commonwealth.

Section 4. The act is amended by adding sections to read:

Section 2008-B.1. School requirements.

To receive funds through the educational improvement tax
credit and opportunity scholarship tax credit programs, public
and nonpublic schools must submit the following to the
Department of Education:

(1) A complete, updated school code which outlines the
school's values, mission statement, policies and procedures
to be considered in comparison to the social equity standards
provided by the Pennsylvania Human Relations Commission, the
Department of Education and the Governor's Office.

(2) An overview of the school's pedagogy.
(3) Curricula information from three years prior to the date of application.

(4) Data on academic performance outcomes as it relates to standardized testing or another consistent measure of academic performance.

(5) Demographic information, including, but not limited to, race, gender and disability of scholarship applicants, scholarship recipients and the school's student body.

Section 2014-B. Study on academic performance.

Following the 2020-2021 school year, the Legislative Budget and Finance Committee shall conduct a study of the effectiveness of the educational improvement and opportunity scholarship tax credit programs as they relate to academic performance and their impact on social equity and shall deliver a written report of its findings to the Governor, the chairperson and minority chairperson of the Education Committee of the Senate and the chairperson and minority chairperson of the Education Committee of the House of Representatives by December 31, 2021. The report shall include, but is not limited to, the following:

(1) Academic outcomes and performance of scholarship recipients.

(2) Demographics of the scholarship recipients.

(3) Current accountability measures regarding schools receiving funds on behalf of scholarship recipients.

(4) Recommendations on increasing accountability measures and ensuring that scholarship funds are being granted to eligible students most in need.

Section 5. This act shall take effect in 120 days.