
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 967 Session of
1999

INTRODUCED BY STERN, FLEAGLE, RAYMOND, SAYLOR, GRUCELA, BARRAR,
HARHAI, BAKER, HERMAN, ARMSTRONG, SEYFERT, ZUG, GEIST,
SEMMELE, MYERS, McCALL, HALUSKA, SCHULER, HUTCHINSON,
GODSHALL, ROSS, CAWLEY, TRELLO, RUBLEY, READSHAW, WRIGHT,
MARKOSEK, FAIRCHILD, WOJNAROSKI, NAILOR, CORRIGAN,
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DeLUCA, WILLIAMS, HENNESSEY, McILHATTAN, DAILEY, SANTONI,
CIVERA, STEELMAN, ORIE, PLATTS, SNYDER, EGOLF, FREEMAN,
YOUNGBLOOD, LEH, ROONEY, MAYERNIK, HANNA AND McILHINNEY,
MARCH 22, 1999

REFERRED TO COMMITTEE ON FINANCE, MARCH 22, 1999

AN ACT

1 Establishing the Vocational Education - Employer Partnership
2 Program; and providing for business tax credits.

3 TABLE OF CONTENTS

4 Section 1. Short title.

5 Section 2. Declaration of policy.

6 Section 3. Definitions.

7 Section 4. Establishment of the Vocational Education - Employer
8 Partnership Program.

9 Section 5. Powers and duties of Department of Community and
10 Economic Development.

11 Section 6. Tax credit.

12 Section 7. Grant of tax credit.

13 Section 8. Unused credit.

1 Section 9. Decision in writing.

2 Section 10. Powers and duties of Department of Revenue.

3 Section 11. Expiration.

4 Section 12. Effective date.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Vocational
9 Education and Employer Partnership Act.

10 Section 2. Declaration of policy.

11 (a) Findings.--The General Assembly finds and declares as
12 follows:

13 (1) A well-trained and well-educated work force is
14 essential to the economic well-being of this Commonwealth.

15 (2) Many vocational schools in this Commonwealth do not
16 have the financial resources to provide their students with
17 the advanced curriculum needed for the workplace and high
18 technology industries of the 21st century.

19 (3) Sharing resources is a cost-effective and proven
20 method of ensuring that all of the Commonwealth's school
21 children have access to a high-quality curriculum that
22 provides hands-on experience with modern and sophisticated
23 scientific and technical equipment and that provides teachers
24 with the training and education to incorporate the use of
25 these types of equipment into the teaching curricula.

26 (4) Significant opportunities exist for collaboration
27 between vocational education providers and the business
28 community of the Commonwealth to enhance the education of
29 this Commonwealth's school children.

30 (b) Intent.--It is the intent of the General Assembly and

1 the purpose of this act to establish the Vocational Education
2 Employer Partnership Program to provide enhanced educational
3 opportunities.

4 Section 3. Definitions.

5 The following words and phrases when used in this act shall
6 have the meanings given to them in this section unless the
7 context clearly indicates otherwise:

8 "Business entity." A corporation having capital stock,
9 joint-stock association or limited partnership, either organized
10 under the laws of the United States, this Commonwealth or any
11 other state, territory or foreign country or dependency and
12 doing business in this Commonwealth or having capital or
13 property employed or used in this Commonwealth by or in the name
14 of itself or any person, partnership, association, limited
15 partnership, joint-stock association or corporation and subject
16 to taxes under Article IV or VI of the act of March 4, 1971
17 (P.L.6, No.2), known as the Tax Reform Code of 1971. The term
18 shall also include businesses operating as Pennsylvania S
19 corporations, sole proprietorship or partnership that are
20 subject to taxes under Article III of the Tax Reform Code of
21 1971 and building and loan associations, bank and trust
22 companies and insurance and surety companies that are subject to
23 taxes under Article VI, VII, VII-A, VIII, VIII-A, IX, X or XV of
24 the Tax Reform Code of 1971.

25 "Comprehensive vocational education plan." A strategy
26 developed by a vocational school and a sponsoring business firm
27 or private company to provide hands-on training and real world
28 instruction.

29 "Comprehensive vocational education project." Any activity
30 conducted jointly by a vocational school and a sponsoring

1 business firm or private company which implements a
2 comprehensive vocational education plan.

3 "Department." The Department of Community and Economic
4 Development of the Commonwealth.

5 "Private company." Any agricultural, industrial,
6 manufacturing, research or development enterprise as defined in
7 section 3 of the act of May 17, 1956 (1955 P.L.1609, No.537),
8 known as the Pennsylvania Industrial Development Authority Act,
9 or any commercial enterprise as defined in section 3 of the act
10 of August 23, 1967 (P.L.251, No.102), known as the Economic
11 Development Financing Law.

12 "Program." The Vocational Education - Employer Partnership
13 Program created under this act.

14 "Qualified investments." Any investments made by a private
15 company which promote job training pursuant to a plan developed
16 in cooperation with and approved by a vocational school
17 operating pursuant to a plan for the administration of tax
18 credits approved by the Department of Community and Economic
19 Development.

20 "Secretary." The Secretary of Community and Economic
21 Development of the Commonwealth.

22 "Vocational industrial, vocational agricultural, vocational
23 distributive occupational or vocational homemaking school or
24 department" or "vocational school or department." A distinctive
25 organization of courses pupils and teachers approved by the
26 State Board of Vocational Education and designed to give either
27 vocational industrial or vocational agricultural homemaking
28 education as defined in the act of March 10, 1949 (P.L.30,
29 No.14), known as the Public School Code of 1949.

30 Section 4. Establishment of the Vocational Education - Employer

1 Partnership Program.

2 There is hereby established the Vocational Education -
3 Employer Partnership Program to augment and complement the
4 curriculum provided by the vocational schools throughout this
5 Commonwealth.

6 Section 5. Powers and duties of the Department of Community and
7 Economic Development.

8 The department has the power and its duty shall be to adopt
9 rules, regulations, procedures and forms that may be necessary
10 to implement the program established under this act.

11 Section 6. Tax credit.

12 (a) Proposal.--Any business firm which engages or
13 contributes to a vocational school which engages in the
14 activities of job training and education or a private company
15 which makes a qualified investment to rehabilitate, expand or
16 improve vocational school buildings shall receive a tax credit
17 as approved in section 7 if the secretary annually approves the
18 proposal of such business firm or private company. The proposal
19 shall set forth the job training program to be conducted or the
20 rehabilitation or expansion improvement to take place, the
21 estimated amount to be invested in the program and the plans for
22 implementing the proposal.

23 (b) Rules.--The secretary is authorized to promulgate rules
24 and regulations for the approval or disapproval of proposals by
25 business firms or private companies and provide a listing of all
26 applications received and the disposition in each fiscal year to
27 the General Assembly by October 1 of the following fiscal year.

28 (c) Total tax credit.--The total amount of the tax credit
29 granted for programs approved under this act shall not exceed
30 \$10,000,000 in any fiscal year.

1 Section 7. Grant of tax credit.

2 The Department of Revenue shall grant a tax credit against
3 any tax due under Article III, IV, VI, VII, VII-A, VIII, VIII-A,
4 IX, X or XV of the act of March 4, 1971 (P.L.6, No.2), known as
5 the Tax Reform Code of 1971, or any tax substituted in lieu
6 thereof in an amount which shall not exceed 50% of the total
7 amount invested during the taxable year by the business firm or
8 20% of qualified investments by a private company in programs
9 approved pursuant to section 9 provided such tax credit per
10 business firm or private company does not exceed \$250,000 per
11 year.

12 Section 8. Unused credit.

13 Any portion of a tax credit that is unused during a
14 vocational school's fiscal year may be applied against the tax
15 imposed under Article III, IV, VI, VII, VII-A, VIII, VIII-A, IX,
16 X or XV of the act of March 4, 1971 (P.L.6, No.2), known as the
17 Tax Reform Code of 1971, or any tax substituted in lieu thereof,
18 for the ensuing five fiscal years.

19 Section 9. Decision in writing.

20 The decision of the secretary to approve or disapprove a
21 proposal pursuant to section 6 shall be in writing, and, if the
22 secretary approves the proposal, the decision shall state the
23 maximum credit allowable to the business firm. A copy of the
24 decision of the secretary shall be transmitted to the Department
25 of Revenue.

26 Section 10. Powers and duties of Department of Revenue.

27 The Department of Revenue has the power and its duty shall be
28 to adopt rules, regulations, procedures and forms that may be
29 necessary to implement the business tax credit program
30 authorized under this act.

1 Section 11. Effective date.

2 This act shall take effect in 60 days.