
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 106 Session of
2015

INTRODUCED BY HUGHES, TEPLITZ, FARNESE, TARTAGLIONE, FONTANA,
BREWSTER, COSTA, SCHWANK, BOSCOLA, WILLIAMS AND BROWNE,
FEBRUARY 12, 2015

REFERRED TO EDUCATION, FEBRUARY 12, 2015

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," establishing the Health-Related
6 Industries Educational Scholarship Program and the Health-
7 Related Industries Educational Scholarship Program Fund.

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

10 Section 1. The act of March 10, 1949 (P.L.30, No.14), known
11 as the Public School Code of 1949, is amended by adding an
12 article to read:

13 ARTICLE XXVI-J.

14 HEALTH-RELATED INDUSTRIES EDUCATIONAL SCHOLARSHIP PROGRAM.

15 Section 2601-J. Definitions.

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

19 "Agency." The Pennsylvania Higher Education Assistance
20 Agency.

1 "Contribution." A donation of cash.

2 "Fund." The Health-Related Industries Educational
3 Scholarship Program Fund established under section 2603-J.

4 "Health-related industry." An industry specializing in
5 health-related services that is authorized to do business in
6 this Commonwealth and subject to taxes imposed under Article
7 III, IV, VI, VII, VIII, IX or XV of the Tax Reform Code of 1971
8 or a tax under Article XVI of the act of May 17, 1921 (P.L.682,
9 No.284), known as The Insurance Company Law of 1921. The term
10 includes a pass-through entity.

11 "Pass-through entity." Any of the following that specializes
12 in health-related services:

13 (1) A partnership as defined in section 301(n.0) of the
14 Tax Reform Code of 1971.

15 (2) A single-member limited liability company treated as
16 a disregarded entity for Federal income tax purposes.

17 (3) A Pennsylvania S corporation as defined in section
18 301(n.1) of the Tax Reform Code of 1971.

19 "Program." The Health-Related Industries Educational
20 Scholarship Program established under section 2602-J.

21 "Tax Reform Code of 1971." The act of March 4, 1971 (P.L.6,
22 No.2), known as the Tax Reform Code of 1971.

23 Section 2602-J. Health-Related Industries Educational
24 Scholarship Program.

25 (a) Establishment.--The Health-Related Industries
26 Educational Scholarship Program is established in the
27 Pennsylvania Higher Education Assistance Agency.

28 (b) Use of funds.--The agency may use moneys generated to
29 provide grants for defraying the necessary expense of residents
30 of this Commonwealth who are eligible students pursuing an

1 eligible course of study pertaining to health-related
2 industries.

3 (c) Eligibility.--The agency shall determine and approve
4 student eligibility and education provider eligibility
5 requirements for the program. In addition to any other
6 requirements of the agency, in order to be eligible for the
7 program, a student must:

8 (1) complete the Free Application for Federal Student
9 Aid (FAFSA);

10 (2) participate in an internship or other equivalent
11 program with a health-related industry;

12 (3) maintain satisfactory academic progress;

13 (4) attend a college or university completion
14 orientation or equivalent program; and

15 (5) perform no fewer than ten hours of community service
16 during a semester.

17 (d) Program identification.--The Department of Education
18 shall consult with the Department of Labor and Industry to
19 identify programs of study that train individuals for employment
20 in health-related industries and provide the agency with a list
21 of eligible programs of study.

22 (e) Grant awards.--Grant awards shall be established by the
23 agency based upon available resources, including moneys
24 deposited into the Health-Related Industries Educational
25 Scholarship Program Fund established under section 2603-J.
26 Section 2603-J. Health-Related Industries Educational
27 Scholarship Program Fund.

28 (a) Establishment.--There is established a special fund in
29 the State Treasury known as the Health-Related Industries
30 Educational Scholarship Program Fund.

1 (b) Deposits.--The agency shall deposit moneys contributed
2 to the program under section 2604-J into the fund.

3 (c) Use of moneys.--In addition to any other moneys
4 allocated for the program, the agency shall use the moneys
5 deposited into the fund under subsection (b) to award grants to
6 students in the program.

7 Section 2604-J. Tax credit.

8 (a) Participating industries.--

9 (1) The Department of Revenue shall grant a tax credit
10 against any tax due under Article III, IV, VI, VII, VIII, IX
11 or XV of the Tax Reform Code of 1971 to a health-related
12 industry if the health-related industry provides proof of a
13 contribution to the fund.

14 (2) The tax credit shall apply to the taxable year in
15 which the contribution is made which shall not exceed 75% of
16 the total amount contributed to the fund during the taxable
17 year by the health-related industry.

18 (b) Additional amount.--

19 (1) The Department of Revenue shall grant a tax credit
20 of up to 90% against any tax due under Article III, IV, VI,
21 VII, VIII, IX or XV of the Tax Reform Code of 1971 to a
22 health-related industry if the health-related industry
23 provides proof of all of the following:

24 (i) Making a contribution to the fund.

25 (ii) Hiring a resident of this Commonwealth who
26 received a grant under the program during the taxable
27 year in which the contribution was made to the fund.

28 (2) The tax credit shall apply to the taxable year in
29 which the contribution is made to the fund.

30 (c) Availability.--Tax credits granted under this section

1 shall be made available on a first-come, first-served basis.

2 Section 2605-J. Limitations.

3 (a) Amount.--A tax credit granted under section 2604-J shall
4 not exceed \$300,000 annually per health-related industry for
5 contributions made to the fund.

6 (b) Aggregate amount.--The total aggregate amount of all tax
7 credits granted under section 2604-J shall not exceed
8 \$200,000,000 in a fiscal year.

9 (c) Liability.--A tax credit granted under section 2604-J
10 for any one taxable year shall not exceed the tax liability of a
11 health-related industry.

12 (d) Applicability of credits.--A tax credit granted under
13 section 2604-J shall not be applied against any tax withheld by
14 an employer from an employee under Article III of the Tax Reform
15 Code of 1971.

16 Section 2606-J. Regulations.

17 The agency shall develop guidelines and may promulgate
18 regulations necessary to implement this article.

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