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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2530 Session of  
2018

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INTRODUCED BY PHILLIPS-HILL, CORR, DeLUCA, GROVE, KAUFFMAN,  
W. KELLER, MILLARD, RYAN, TURZAI AND WARD, JUNE 26, 2018

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REFERRED TO COMMITTEE ON EDUCATION, JUNE 26, 2018

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

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

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

13 Section 2002-B. Definitions.

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

17 \* \* \*

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

19 (1) An applicant.

20 (2) A business firm.

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

11           \* \* \*

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

14          Section 2005-B. Tax credits.

15           \* \* \*

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

24          Section 3. Section 2006-B(a) of the act, amended November 6,  
25 2017 (P.L.1142, No.55), is amended to read:

26          Section 2006-B. Limitations.

27           (a) Amount.--

28           (1) [The] Subject to annual increase under paragraph  
29 (1.1), the total aggregate amount of all tax credits approved  
30 for contributions from business firms to scholarship

1 organizations, educational improvement organizations and pre-  
2 kindergarten scholarship organizations shall not exceed  
3 \$135,000,000 in a fiscal year[.], with each category as  
4 follows:

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

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

13 (iii) The total aggregate amount of all tax credits  
14 approved for contributions from business firms to pre-  
15 kindergarten scholarship organizations shall not exceed  
16 \$12,500,000 in a fiscal year.

17 (1.1) Beginning July 1, 2018, the department shall  
18 annually increase the dollar amounts under paragraph (1) if  
19 more than 90% of the total aggregate amount of tax credits  
20 under paragraph (1) was used by taxpayers during the prior  
21 fiscal year and the General Assembly has not otherwise  
22 enacted an increase to the dollar amounts. The amount of the  
23 increase required under this paragraph for the total  
24 aggregate amount under paragraph (1) shall be 25%. The  
25 increase shall be distributed as follows:

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

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

30 (iii) The category enumerated under paragraph (1)

1           (iii) shall receive 10% of the increase under this  
2           paragraph.

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

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

10          \* \* \*

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