

HOUSE COMMITTEE ROLL CALL VOTES

2023 - 2024 REGULAR SESSION

RULES

Date	October 4, 2023		
Bill/Resolution	HB1300 PN1943 A02050	Type of Motion	Adopt Amendment
Maker of Motion	Rep. Bradford	Seconded by	Rep. Cutler
Brief Description	Creates the Pennsylvania Award for Student Success Scholarship Program in the State Treasury to provide scholarships to eligible students for school related fees for attendance at a participating public school.		

MAJORITY MEMBERS

Bradford, Matthew D. - Chair	NAY
Bizzarro, Ryan A.	NAY
Daley, Mary Jo	NAY
Davis, Tina M.	NAY
Fiedler, Elizabeth	NAY
Frankel, Dan	NAY
Harkins, Patrick J.	NAY
Harris, Jordan A.	NAY
Kinsey, Stephen	NAY
Kosierowski, Bridget M.	NAY
Krueger, Leanne	NAY
McClinton, Joanna E.	NAY
McNeill, Jeanne	NAY
Miller, Dan L.	NAY
Parker, Darisha K.	NAY
Sanchez, Benjamin V.	NAY
Schlossberg, Michael H.	NAY
Shusterman, Melissa L.	NAY

MINORITY MEMBERS

Cutler, Bryan - Chair	YEA
Delozier, Sheryl M.	YEA
Dunbar, George	YEA
Fee, Mindy	YEA
Fritz, Jonathan	YEA
Grove, Seth M.	YEA
Kail, Joshua D.	YEA
Kauffman, Rob W.	YEA
Klunk, Kate A.	YEA
Lawrence, John A.	YEA
O'Neal, Timothy J.	YEA
Oberlander, Donna	YEA
Pickett, Tina	YEA
Topper, Jesse	YEA
White, Martina A.	YEA

Vote Summary

YEAS:	15
NAYS:	18
NV:	0
Result:	Failed

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2023-2024 Regular Session ▼

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October 2023

2023 OCT -3 AM 9:50

LEGISLATIVE REFERENCE BUREAU

AMENDMENTS TO HOUSE BILL NO. 1300

Sponsor: *Cutter - (C)*
White

Printer's No. 1943

1 Amend Bill, page 2, line 9, by inserting after

2 "COMMONWEALTH,""

3 in Treasury Department, establishing the Pennsylvania Award for
4 Student Success Scholarship Program and the Pennsylvania
5 Award for Student Success Scholarship Fund;

6 Amend Bill, page 4, lines 27 and 28, by striking out all of
7 said lines and inserting

8 Section 1. Article III of the act of April 9, 1929 (P.L.343,
9 No.176), known as The Fiscal Code, is amended by adding a
10 subarticle heading immediately after the article heading to
11 read:

12 . SUBARTICLE A
13 GENERAL PROVISIONS

14 Section 2. Article III of the act is amended by adding a
15 subarticle to read:

16 SUBARTICLE B
17 PENNSYLVANIA AWARD FOR STUDENT
18 SUCCESS SCHOLARSHIP PROGRAM

19 Section 321. Scope of subarticle.

20 This subarticle relates to the Pennsylvania Award for Student
21 Success Scholarship Program.

22 Section 322. Definitions.

23 The following words and phrases when used in this subarticle
24 shall have the meanings given to them in this section unless the
25 context clearly indicates otherwise:

26 "Applicant." A parent who applies for participation in the
27 program under section 324 on behalf of an eligible student.

28 "Attendance boundary." As defined in section 2002-B of the
29 act of March 10, 1949 (P.L.30, No.14), known as the Public
30 School Code of 1949.

31 "Department." The Department of Education of the
32 Commonwealth.

33 "Eligible student." A school-age child who:

34 (1) Is a resident of this Commonwealth.

35 (2) Has not received a high school diploma.

36 (3) Resides, as determined under section 1302 of the

1 Public School Code of 1949, within the attendance boundary of
2 a low-achieving school or resided, as determined under
3 section 1302 of the Public School Code of 1949, within the
4 attendance boundary of a low-achieving school at the time the
5 State Treasury received written confirmation that the child
6 accepted an offer of enrollment under section 324.

7 (4) Lives in a household with a household income below
8 250% of the Federal poverty guidelines or lived in a
9 household with a household income below 250% of the Federal
10 poverty guidelines at the time the State Treasury received
11 written confirmation that the child accepted an offer of
12 enrollment under section 324.

13 (5) Satisfies one of the following:

14 (i) Attended a public school in this Commonwealth in
15 the preceding school year.

16 (ii) Received a scholarship from the program in the
17 preceding school year.

18 (iii) Will attend kindergarten for the first time in
19 the next school year.

20 "Fund." The Pennsylvania Award for Student Success
21 Scholarship Fund established in section 328.

22 "Kindergarten." A one-year formal educational program,
23 whether part time or full time, that occurs during the school
24 year immediately prior to first grade.

25 "Low-achieving school." As defined in section 2002-B of the
26 Public School Code of 1949.

27 "Nonpublic school." A nonprofit school, other than a public
28 school, located in this Commonwealth where a resident of this
29 Commonwealth may legally fulfill the compulsory attendance
30 requirements of the Public School Code of 1949.

31 "Parent." An individual who is a resident of this
32 Commonwealth and:

33 (1) has legal custody or guardianship of an eligible
34 student; or

35 (2) keeps in the individual's home an eligible student
36 and supports the student gratis as if the student were a
37 lineal descendant of the individual.

38 "Participating nonpublic school." A nonpublic school
39 offering a program of instruction for kindergarten through grade
40 twelve, or a combination of grades, that notifies the State
41 Treasury of the nonpublic school's desire to participate in the
42 program and provides certification to the State Treasury that
43 the nonpublic school meets the criteria under section 331.

44 "PASS scholarship account." A spending account established
45 and administered by the State Treasury, and directed by a parent
46 for a scholarship recipient, that may be used for tuition,
47 school-related fees and special education services fees to
48 attend a participating nonpublic school.

49 "Program." The Pennsylvania Award for Student Success
50 Scholarship Program established under section 323(a).

51 "Public school." A school operated by a school district, an

1 intermediate unit, area career and technical school, a charter
2 school, regional charter school or cyber charter school.

3 "Resident school district." The school district in which an
4 eligible student resides.

5 "Scholarship." A scholarship that is awarded to an eligible
6 student under the program.

7 "Scholarship recipient." An eligible student that is awarded
8 a scholarship under the program.

9 "School-age child." A child enrolling in kindergarten or in
10 grade one through grade twelve.

11 "School-related fee." A fee charged by a participating
12 nonpublic school to all students for books, instructional
13 materials, technology equipment and services, uniforms,
14 activities and concurrent enrollment programs under Article XVI-
15 B of the Public School Code of 1949.

16 "School year." A school term as defined in section 102 of
17 the Public School Code of 1949.

18 "Special education services fee." A fee charged by a
19 participating nonpublic school for special education services
20 for a student with special needs as agreed to by the parent and
21 the participating nonpublic school.

22 "State Treasury." The Treasury Department of the
23 Commonwealth.

24 "Student with special needs." A child who is subject to an
25 individualized education program under 20 U.S.C. Ch. 33
26 (relating to education of individuals with disabilities) and 22
27 Pa. Code Ch. 14 (relating to special education services and
28 programs).

29 Section 323. Pennsylvania Award for Student Success Scholarship
30 Program.

31 (a) Establishment.--Beginning with the 2024-2025 school
32 year, the Pennsylvania Award for Student Success Scholarship
33 Program is established as a program in the State Treasury to
34 provide scholarships to help eligible students pay tuition,
35 school-related fees and special education services fees for
36 attendance at a participating nonpublic school. The program may
37 be referred to as the PASS Scholarship Program.

38 (b) Notice to parents.--

39 (1) Within 15 days of receipt of a notice under section
40 2010-B of the act of March 10, 1949 (P.L.30, No.14), known as
41 the Public School Code of 1949, a school district with at
42 least one school designated as a low-achieving school shall
43 notify the parent of a student who is attending or residing
44 within the attendance boundary of a low-achieving school
45 during the school year of the school's designation.

46 (2) The notice shall be in a form provided by the State
47 Treasury, in consultation with the department, and shall
48 provide the following information regarding the program:

49 (i) A description of the program.

50 (ii) Instructions for obtaining information about
51 applying for a scholarship under the program.

1 (iii) A list of schools in the school district that
2 have been designated as low-achieving schools.

3 (iv) Notice of the parent's responsibilities
4 regarding application to a participating nonpublic school
5 if the parent seeks to enroll an eligible student in a
6 participating nonpublic school.

7 (3) The notice shall be posted on the school district's
8 publicly accessible Internet website.

9 (c) Notice to State Treasury.--A school district required to
10 submit a notice to parents under subsection (b) shall provide
11 the State Treasury with a list of students whose parents were
12 provided the notice. The notification shall be made in a manner
13 and form established by the State Treasury.

14 Section 324. Application.

15 (a) Application form.--By March 1, 2024, the State Treasury
16 shall develop an application form that can be accessed from and
17 submitted electronically on the State Treasury's publicly
18 accessible Internet website.

19 (b) Application and approval process.--

20 (1) By April 1, 2024, and by April 1 of each year
21 thereafter, the applicant may apply to the State Treasury for
22 a scholarship for the following school year according to
23 guidelines developed by the State Treasury under section 329.
24 An application shall be approved by the State Treasury if the
25 student meets the eligibility requirements of this
26 subarticle.

27 (1.1) A renewal application shall be approved by the
28 State Treasury if the student meets the eligibility
29 requirements of this subarticle, notwithstanding the
30 residence and income criteria specified in paragraphs (3) and
31 (4) of the definition of "eligible student" in section 322.

32 (2) By May 1, 2024, and by May 1 of each year
33 thereafter, the State Treasury shall notify the applicant
34 whether a scholarship will be awarded for the following
35 school year.

36 (3) For the 2024-2025 school year, scholarships shall be
37 awarded on a first-come, first-served basis considering money
38 available in the fund.

39 (4) For the 2025-2026 school year and each school year
40 thereafter, priority for scholarships shall be given to prior
41 year scholarship recipients. New applicants shall be awarded
42 a scholarship on a first-come, first-served basis considering
43 money available in the fund.

44 (5) Upon notification by the State Treasury that a
45 scholarship has been awarded, the applicant shall apply for
46 enrollment of the scholarship recipient directly to the
47 participating nonpublic school under an application procedure
48 developed by the participating nonpublic school.

49 (6) By June 1, 2024, and by June 1 each year thereafter,
50 a participating nonpublic school shall provide written
51 confirmation to the State Treasury of scholarship recipients

1 who have accepted an offer of enrollment for the following
2 school year and provide the State Treasury with the amounts
3 to be charged to the scholarship recipient for tuition,
4 school-related fees and special education services fees. The
5 notification shall be made in a manner and form established
6 by the State Treasury.

7 (7) The State Treasury may establish a waiting list for
8 eligible students with approved applications and who did not
9 receive awards due to availability of money in the fund and,
10 if, after July 1, 2024, and by July 1 each year thereafter,
11 additional money is available in the fund for scholarships,
12 may award scholarships to the eligible students on a first-
13 come, first-served basis.

14 Section 325. Agreement.

15 (a) Authorization.--Upon receipt of written confirmation
16 that the scholarship recipient has accepted an offer of
17 enrollment under section 324, the State Treasury shall enter
18 into or renew an agreement with the applicant. The agreement
19 shall provide the following:

20 (1) The scholarship recipient shall enroll in a
21 participating nonpublic school for the school year for which
22 the agreement applies.

23 (2) A certain sum of money shall be deposited into a
24 PASS scholarship account under section 326 on behalf of the
25 scholarship recipient.

26 (3) The money in the PASS scholarship account may be
27 expended only as authorized under this subarticle.

28 (4) The parent shall notify the State Treasury if the
29 scholarship recipient no longer resides in this Commonwealth
30 or withdraws or is forced to withdraw from the participating
31 nonpublic school within 15 days of the change of residency or
32 withdrawal.

33 (b) Term of agreement.--Except as otherwise provided under
34 this subarticle, an agreement entered into under subsection (a)
35 shall be valid for one school year.

36 (c) Termination.--

37 (1) An agreement entered into under subsection (a) may
38 be terminated early by the parent for any reason.

39 (2) An agreement entered into under subsection (a) shall
40 be terminated by the State Treasury for the following
41 reasons:

42 (i) The parent is found to have engaged in
43 fraudulent misuse of the PASS scholarship account. In
44 such case, the scholarship recipient shall be ineligible
45 for future participation in the program. The parent may
46 appeal the State Treasury's decision regarding
47 termination and student eligibility within 30 days of
48 issuance of the decision. The appeal shall be governed by
49 2 Pa.C.S. Chs. 1 (relating to general provisions), 5
50 (relating to practice and procedure) and 7 (relating to
51 judicial review).

1 (ii) The scholarship recipient no longer resides in
2 this Commonwealth.

3 (iii) The scholarship recipient withdraws or is
4 forced to withdraw from a participating nonpublic school
5 prior to the completion of the school year.

6 (3) If an agreement is terminated early under this
7 subsection, the following shall apply:

8 (i) All available money in the PASS scholarship
9 account shall revert to the fund.

10 (ii) The participating nonpublic school shall repay
11 to the State Treasury for deposit into the fund the full
12 amount of the scholarship payment, reduced on a pro rata
13 basis by the tuition, school related fees and special
14 education services fees owed for the portion of the
15 school year in which the scholarship recipient was
16 enrolled.

17 (iii) The participating nonpublic school may not
18 require a parent to reimburse the participating nonpublic
19 school for the amount of the scholarship returned to the
20 State Treasury.

21 (d) Renewal.--An agreement entered into under subsection (a)
22 may be renewed for each school year for the same student.

23 (e) Multiple agreements.--A parent may enter into separate
24 agreements under subsection (a) for each child of the parent who
25 is a scholarship recipient.

26 (f) Explanation.--Upon entering into an agreement under
27 subsection (a) or renewing an agreement under subsection (d),
28 the State Treasury shall provide the parent with a written
29 explanation of the authorized uses of the money in the PASS
30 scholarship account and, a notice that students with
31 disabilities who participate in the program are "parentally
32 placed private school children with disabilities" under 20
33 U.S.C. § 1412 (relating to state eligibility) and an explanation
34 of the rights of parentally placed private school children under
35 20 U.S.C. Ch. 33 (relating to Education of Individuals with
36 Disabilities) ("Individuals with Disabilities Education Act")
37 and any applicable State law and regulation.
38 Section 326. Pennsylvania Award for Student Success Scholarship

39 Account.

40 (a) Establishment.--If an agreement is entered into under
41 section 325(a), the State Treasury shall establish a
42 Pennsylvania Award for Student Success Scholarship Account for
43 the scholarship recipient. The PASS scholarship account shall be
44 administered by the State Treasury in accordance with this
45 subarticle.

46 (b) Deposit.--

47 (1) Upon establishment of a PASS scholarship account,
48 the State Treasury shall deposit a sum of money for the
49 applicable school year in the PASS scholarship account for
50 the scholarship recipient in accordance with this section.

51 (2) For the 2024-2025 school year, the sum shall be as

1 follows:

2 (i) for a student in half-day kindergarten, \$2,500;
3 (ii) for a student in full-day kindergarten through
4 grade eight, \$5,000;

5 (iii) for a student in grade nine through grade
6 twelve, \$10,000; or

7 (iv) for a student with special needs regardless of
8 grade level, \$15,000.

9 (3) Beginning with the 2025-2026 school year, and each
10 school year thereafter, the amounts in paragraph (2) shall be
11 increased by the greater of the average percentage increase
12 in the index as defined in section 302 of the act of June 27,
13 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer
14 Relief Act, for all school districts for the prior school
15 year and the percentage increase in the appropriation for
16 basic education for the prior fiscal year. The State Treasury
17 shall calculate the increases on an annual basis and shall
18 submit a notice of the increases to the Legislative Reference
19 Bureau for publication in the next available issue of the
20 Pennsylvania Bulletin.

21 (c) Installments.--The State Treasury shall deposit the
22 money for each scholarship into a PASS scholarship account on a
23 schedule determined by the State Treasury in consultation with
24 the department.

25 (d) Payments to participating nonpublic schools.--A parent
26 may direct payments from the PASS scholarship account to a
27 participating nonpublic school on behalf of the scholarship
28 recipient via an electronic money transfer system or other
29 method approved by the State Treasury under section 329.
30 Section 327. Qualified education expenses.

31 (a) General rule.--Money deposited into a PASS scholarship
32 account may be used only to pay for the following qualified
33 expenses incurred by or associated with the scholarship
34 recipient:

35 (1) Tuition required by a participating nonpublic
36 school.

37 (2) School-related fees.

38 (3) Special education services fees.

39 (b) Prohibition.--A participating nonpublic school that
40 receives a payment for qualified education expenses authorized
41 under subsection (a) may not refund, rebate or otherwise
42 directly share any portion of the payment with the parent who
43 made the payment.

44 (c) Tax consequences and status of awards.--

45 (1) The money in a PASS scholarship account is not
46 taxable income to the parent or scholarship recipient under
47 State law.

48 (2) An award made to, or payment from, a PASS
49 scholarship account may not be construed to be an
50 appropriation or financial assistance to a participating
51 nonpublic school.

1 Section 328. Pennsylvania Award for Student Success Scholarship
2 Fund.

3 (a) Establishment.--The Pennsylvania Award for Student
4 Success Scholarship Fund is established in the State Treasury.
5 All interest and earnings received from investment or deposit of
6 the money in the fund shall be paid into the fund and used for
7 scholarships. Any unexpended money and interest or earnings on
8 the money in the fund may not be transferred or revert to the
9 General Fund but shall remain in the fund.

10 (b) Deposits.--Deposits in the fund shall consist of the
11 following:

12 (1) Money that is appropriated, given, granted or
13 donated by the Commonwealth or any other government or
14 private agency or person for the purpose established under
15 this subarticle.

16 (2) \$100,000,000 transferred from funds received under
17 the authority of Article III of the act of March 4, 1971
18 (P.L.6, No.2), known as the Tax Reform Code of 1971. This
19 transfer shall occur no later than 15 days after the
20 effective date of this section and each August 1 thereafter.

21 (c) Continuing appropriation.--The money in the fund is
22 appropriated on a continuing basis to the State Treasury for
23 scholarships.

24 Section 329. Duties of State Treasury.

25 (a) General rule.--The State Treasury shall:

26 (1) Develop guidelines, in consultation with the
27 department, as necessary for the administration of this
28 subarticle.

29 (2) Make payments to PASS scholarship accounts as
30 provided in this subarticle.

31 (3) Develop a system that enables a parent to direct
32 payment to a participating nonpublic school in accordance
33 with this subarticle.

34 (4) Develop a process by which a nonpublic school may
35 inform the State Treasury of the nonpublic school's interest
36 to participate in the program and demonstrate compliance with
37 the requirements of this subarticle.

38 (5) Ensure that eligible students and their parents are
39 informed annually of the participating nonpublic schools in
40 the program by posting a list of participating nonpublic
41 schools on the State Treasury's publicly accessible Internet
42 website by April 1, 2024, and by April 1 of each year
43 thereafter.

44 (6) At such time and in such form and manner as may be
45 directed by the State Treasury, request and receive
46 information and data from a public school, resident school
47 district, participating nonpublic school or applicant
48 determined to be necessary by the State Treasury to
49 administer this subarticle.

50 (b) Third-party administration.--The State Treasury may
51 contract with a third party to administer the program.

1 (c) Contracting.--

2 (1) Notwithstanding any provision of 62 Pa.C.S. Pt. I
3 (relating to Commonwealth Procurement Code), to the contrary
4 and in order to facilitate the prompt implementation of this
5 subarticle, a contract may be awarded for a supply or service
6 without competition if the State Treasury determines in
7 writing that the contract is necessary for the implementation
8 of any provision of this subarticle and is in the best
9 interest of the Commonwealth. The State Treasury shall
10 provide and make publicly available a written justification
11 of any procurement under this section.

12 (2) Paragraph (1) shall expire no later than two years
13 following the issuance of the procurement under paragraph
14 (1). Procurements issued after this period shall be issued as
15 provided by law.

16 (d) Regulations.--

17 (1) In order to facilitate the prompt implementation of
18 this chapter, regulations determined to be necessary and
19 promulgated by the State Treasury shall be deemed temporary
20 regulations and shall expire no later than two years
21 following the publication of temporary regulations. The State
22 Treasury may promulgate temporary regulations not subject to:

23 (i) Section 612 of the act of April 9, 1929
24 (P.L.177, No.175), known as The Administrative Code of
25 1929.

26 (ii) Sections 201, 202, 203, 204 and 205 of the act
27 of July 31, 1968 (P.L.769, No.240), referred to as the
28 Commonwealth Documents Law.

29 (iii) Section 204(b) of the act of October 15, 1980
30 (P.L.950, No.164), known as the Commonwealth Attorneys
31 Act.

32 (iv) The act of June 25, 1982 (P.L.633, No.181),
33 known as the Regulatory Review Act.

34 (2) The authority provided to the State Treasury to
35 adopt temporary regulations in this subsection shall expire
36 no later than two years following the publication of the
37 temporary regulations. Regulations adopted after this period
38 shall be promulgated as provided by law.

39 Section 330. Duties of Auditor General.

40 The Auditor General may:

41 (1) Conduct a random audit of PASS scholarship accounts.

42 (2) Refer cases of suspected fraudulent misuse of PASS
43 scholarship accounts to the Inspector General for
44 investigation. If the investigation results in a finding that
45 risks to the level of criminal activity, the Inspector
46 General shall refer the matter to the appropriate law
47 enforcement agency for prosecution.

48 (3) Notify the State Treasury of cases of suspected
49 fraudulent misuse that are referred to the Inspector General.

50 Section 331. Duties of participating nonpublic schools.

51 (a) Notification requirement.--A nonpublic school that

1 desires to participate in the program shall notify the State
2 Treasury by a date and in a manner and form established by the
3 State Treasury. The notification shall include certification by
4 the nonpublic school that:

5 (1) The nonpublic school is a nonprofit entity exempt
6 from Federal taxation under 26 U.S.C. § 501(c)(3) (relating
7 to exemption from tax on corporations, certain trusts, etc.).

8 (2) The nonpublic school complies with the
9 nondiscrimination policies specified in 42 U.S.C. § 1981
10 (relating to equal rights under the law).

11 (3) The nonpublic school complies with the provisions of
12 sections 111 and 111.1 of the act of March 10, 1949 (P.L.30,
13 No.14), known as the Public School Code of 1949.

14 (b) Prohibition.--A participating nonpublic school may not
15 charge a Pennsylvania award for student success scholarship
16 recipient a tuition rate, student-related fees or special
17 education services fees that are higher than the rates the
18 participating nonpublic school would have charged to a student
19 who had not received a Pennsylvania award for student success
20 scholarship.

21 (c) Reporting requirements.--

22 (1) Each participating nonpublic school shall report in
23 a manner and form determined by the State Treasury, in
24 consultation with the department, information regarding
25 scholarship recipients enrolled in the participating
26 nonpublic school as follows:

27 (i) Enrollment and disenrollment.

28 (ii) Regular attendance.

29 (iii) Chronic absenteeism.

30 (iv) Academic progress as measured by advancement to
31 the next grade level.

32 (v) Indication of graduation.

33 (vi) Concurrent or dual enrollment course credits.

34 (2) The State Treasury shall report the information
35 regularly to the department on a schedule agreed to by the
36 State Treasury and the department.

37 (d) Construction.--

38 (1) For purposes of this subarticle, a participating
39 nonpublic school shall be autonomous and is not an agent of
40 the State Treasury, the department or the Commonwealth.

41 (2) Neither the State Treasury, the department nor other
42 State agency may regulate the educational program of a
43 participating nonpublic school that accepts money from a
44 scholarship recipient beyond what is necessary to administer
45 the program.

46 Section 332. Bar of certain participating nonpublic schools.

47 (a) General rule.--The State Treasury may bar a nonpublic
48 school from participation in the program if State Treasury
49 establishes that the nonpublic school has:

50 (1) routinely failed to comply with the requirements
51 established in section 331; or

1 (2) failed to provide a scholarship recipient with the
2 educational services funded by the recipient's PASS
3 scholarship account.

4 (b) Notice.--If the State Treasury bars a nonpublic school
5 from participation in the program, the State Treasury shall,
6 after any appeal is concluded and the State Treasury's decision
7 is upheld under subsection (c), post the decision on the State
8 Treasury's publicly accessible Internet website.

9 (c) Appeal.--A nonpublic school may appeal the State
10 Treasury's decision to bar its participation in the program
11 within 30 days of issuance of the decision. The appeal shall be
12 governed by 2 Pa.C.S. Chs. 1 (relating to general provisions), 5
13 (relating to practice and procedure) and 7 (relating to judicial
14 review).

15 Section 333. Duties of resident school districts.

16 A resident school district shall provide a participating
17 nonpublic school that has admitted a scholarship recipient with
18 a complete copy of the scholarship recipient's school record
19 within 10 days of the receipt of notice from the participating
20 nonpublic school of the scholarship recipient's enrollment.

21 Section 334. Report.

22 (a) Duty to prepare and submit.--Beginning January 31, 2025,
23 and each January 31 thereafter, the State Treasury, in
24 consultation with the department, shall prepare and submit to
25 the General Assembly an annual report on the program.

26 (b) Contents.--The report shall include the following:

27 (1) The total number of applications received for the
28 program.

29 (2) The total number of applications received for the
30 program, by resident school district.

31 (3) The total number of applications approved for the
32 program.

33 (4) The total number of applications approved for the
34 program, by resident school district.

35 (5) The total number of PASS scholarship accounts
36 terminated early.

37 (6) The total number of PASS scholarship accounts
38 investigated for fraud by the Inspector General.

39 (7) The total number of scholarships awarded to students
40 attending half-day kindergarten.

41 (8) The total number of scholarships awarded to students
42 attending full-day kindergarten through grade eight.

43 (9) The total number of scholarships awarded to students
44 attending grade nine through grade twelve.

45 (10) The total dollar amount of scholarships awarded.

46 (11) The total number of applications not approved due
47 to lack of funding.

48 (12) The cost of administration of the program.

49 (13) Other information the State Treasury deems helpful
50 to the General Assembly.

51 Section 2.1. Section 1301.19 of the act is amended to read:

1 Amend Bill, page 5, line 12, by striking out "2" and
2 inserting
3 2.2

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House Committee Roll Call Votes

Committee	APPROPRIATIONS	Date	July 6, 2023
Bill/Resolution	HB1422 PN1820 A01787	Type of Motion	Adopt Amendment
Maker of Motion	Rep. Ecker	Seconded by	Rep. Warner
Brief Description	A01787 to HB1422		

Majority Members

Harris, Jordan A. - <i>Chair</i>	NAY
Abney, Aerion	NAY
Brennan, Tim	NAY
Cephas, Morgan	NAY
Curry, Gina H.	NAY
Fiedler, Elizabeth	NAY
Fleming, Justin C.	NAY
Gallagher, Pat	NAY
Guzman, Manuel	NAY
Kinkead, Emily	NAY
Kosierowski, Bridget M.	NAY
Madsen, Dave	NAY
Malagari, Steven R.	NAY
Mayes, La'Tasha D.	NAY
Mullins, Kyle J.	NAY
Nelson, Napoleon J.	NAY
Salisbury, Abigail	NAY
Sanchez, Benjamin V.	NAY
Siegel, Joshua	NAY
Waxman, Ben	NAY
Webster, Joe	NAY
Young, Regina G.	NAY

Minority Members

Grove, Seth M. - <i>Chair</i>	YEA
Cabell, Mike	YEA
Ecker, Torren C.	YEA
Flood, Ann	YEA
Kutz, Thomas H.	YEA
Lawrence, John A.	YEA
Mako, Zachary	YEA
Marcell, Kristin	YEA
Mihalek, Natalie	YEA
Mustello, Marci	YEA
Nelson, Eric R.	YEA
Owlett, Clint	YEA
Schmitt, Louis C.	YEA
Struzzi, James B.	YEA
Warner, Ryan	YEA

Vote Summary

YEAS:	15
NAYS:	22
NV:	0
Result:	Failed

LEGISLATIVE REFERENCE BUREAU

AMENDMENTS TO HOUSE BILL NO. 1422

Sponsor:

Printer's No. 1820

1 Amend Bill, page 1, line 6, by inserting after
2 "sponsorships;"
3 providing for Pennsylvania Award for Student Success
4 Scholarship Program;

5 Amend Bill, page 3, by inserting between lines 6 and 7
6 Section 1.1. The act is amended by adding an article to
7 read:

ARTICLE XIV-CPENNSYLVANIA AWARD FOR STUDENTSUCCESS SCHOLARSHIP PROGRAMSection 1401-C. Scope of article.

12 This article relates to the Pennsylvania Award for Student
13 Success Scholarship Program.

Section 1402-C. Definitions.

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

18 "Applicant." A parent who applies for participation in the
19 program under section 1404-C on behalf of an eligible student.

20 "Attendance boundary." As defined in section 2002-B.

21 "Department." The Department of Education of the
22 Commonwealth.

23 "Eligible student." A school-age child who:

24 (1) Is a resident of this Commonwealth.

25 (2) Has not received a high school diploma.

26 (3) Resides, as determined under section 1302, within
27 the attendance boundary of a low-achieving school or resided,
28 as determined under section 1302, within the attendance
29 boundary of a low-achieving school at the time the State
30 Treasury received written confirmation that the child
31 accepted an offer of enrollment under section 1404-C.

32 (4) Lives in a household with a household income below
33 250% of the Federal poverty guidelines or lived in a
34 household with a household income below 250% of the Federal
35 poverty guidelines at the time the State Treasury received
36 written confirmation that the child accepted an offer of
37 enrollment under section 1404-C.

1 activities and concurrent enrollment programs under Article XVI-
2 B.

3 "School year." A school term as defined in section 102.

4 "Special education services fee." A fee charged by a
5 participating nonpublic school for special education services
6 for a student with special needs as agreed to by the parent and
7 the participating nonpublic school.

8 "State Treasury." The Treasury Department of the
9 Commonwealth.

10 "Student with special needs." A child who is subject to an
11 individualized education program under 20 U.S.C. Ch. 33
12 (relating to education of individuals with disabilities) and 22
13 Pa. Code Ch. 14 (relating to special education services and
14 programs).

15 Section 1403-C. Pennsylvania Award for Student Success
16 Scholarship Program.

17 (a) Establishment.--Beginning with the 2024-2025 school
18 year, the Pennsylvania Award for Student Success Scholarship
19 Program is established as a program in the State Treasury to
20 provide scholarships to help eligible students pay tuition,
21 school-related fees and special education services fees for
22 attendance at a participating nonpublic school. The program may
23 be referred to as the PASS Scholarship Program.

24 (b) Notice to parents.--

25 (1) Within 15 days of receipt of a notice under section
26 2010-B, each year thereafter, a school district with at least
27 one school designated as a low-achieving school shall notify
28 the parent of a student who is attending or residing within
29 the attendance boundary of a low-achieving school during the
30 school year of the school's designation.

31 (2) The notice shall be in a form provided by the State
32 Treasury, in consultation with the department, and shall
33 provide the following information regarding the program:

34 (i) A description of the program.

35 (ii) Instructions for obtaining information about
36 applying for a scholarship under the program.

37 (iii) A list of schools in the school district that
38 have been designated as low-achieving schools.

39 (iv) Notice of the parent's responsibilities
40 regarding application to a participating nonpublic school
41 if the parent seeks to enroll an eligible student in a
42 participating nonpublic school.

43 (3) The notice shall be posted on the school district's
44 publicly accessible Internet website.

45 (c) Notice to State Treasury.--A school district required to
46 submit a notice to parents under subsection (b) shall provide
47 the State Treasury with a list of students whose parents were
48 provided the notice. The notification shall be made in a manner
49 and form established by the State Treasury.

50 Section 1404-C. Application.

51 (a) Application form.--By March 1, 2024, the State Treasury

1 that the scholarship recipient has accepted an offer of
2 enrollment under section 1404-C, the State Treasury shall enter
3 into or renew an agreement with the applicant. The agreement
4 shall provide the following:

5 (1) The scholarship recipient shall enroll in a
6 participating nonpublic school for the school year for which
7 the agreement applies.

8 (2) A certain sum of money shall be deposited into a
9 PASS scholarship account under section 1406-C on behalf of
10 the scholarship recipient.

11 (3) The money in the PASS scholarship account may be
12 expended only as authorized under this article.

13 (4) The parent shall notify the State Treasury if the
14 scholarship recipient no longer resides in this Commonwealth
15 or withdraws or is forced to withdraw from the participating
16 nonpublic school within 15 days of the change of residency or
17 withdrawal.

18 (b) Term of agreement.--Except as otherwise provided under
19 this article, an agreement entered into under subsection (a)
20 shall be valid for one school year.

21 (c) Termination.--

22 (1) An agreement entered into under subsection (a) may
23 be terminated early by the parent for any reason.

24 (2) An agreement entered into under subsection (a) shall
25 be terminated by the State Treasury for the following
26 reasons:

27 (i) The parent is found to have engaged in
28 fraudulent misuse of the PASS scholarship account. In
29 such case, the scholarship recipient shall be ineligible
30 for future participation in the program. The parent may
31 appeal the State Treasury's decision regarding
32 termination and student eligibility within 30 days of
33 issuance of the decision. The appeal shall be governed by
34 2 Pa.C.S. Chs. 1 (relating to general provisions), 5
35 (relating to practice and procedure) and 7 (relating to
36 judicial review).

37 (ii) The scholarship recipient no longer resides in
38 this Commonwealth.

39 (iii) The scholarship recipient withdraws or is
40 forced to withdraw from a participating nonpublic school
41 prior to the completion of the school year.

42 (3) If an agreement is terminated early under this
43 subsection, the following shall apply:

44 (i) All available money in the PASS scholarship
45 account shall revert to the fund.

46 (ii) The participating nonpublic school shall repay
47 to the State Treasury for deposit into the fund the full
48 amount of the scholarship payment, reduced on a pro rata
49 basis by the tuition, school related fees and special
50 education services fees owed for the portion of the
51 school year in which the scholarship recipient was

1 basic education for the prior fiscal year. The State Treasury
2 shall calculate the increases on an annual basis and shall
3 submit a notice of the increases to the Legislative Reference
4 Bureau for publication in the next available issue of the
5 Pennsylvania Bulletin.

6 (c) Installments.--The State Treasury shall deposit the
7 money for each scholarship into a PASS scholarship account on a
8 schedule determined by the State Treasury in consultation with
9 the department.

10 (d) Payments to participating nonpublic schools.--A parent
11 may direct payments from the PASS scholarship account to a
12 participating nonpublic school on behalf of the scholarship
13 recipient via an electronic money transfer system or other
14 method approved by the State Treasury under section 1409-C.
15 Section 1407-C. Qualified education expenses.

16 (a) General rule.--Money deposited into a PASS scholarship
17 account may be used only to pay for the following qualified
18 expenses incurred by or associated with the scholarship
19 recipient:

20 (1) Tuition required by a participating nonpublic
21 school.

22 (2) School-related fees.

23 (3) Special education services fees.

24 (b) Prohibition.--A participating nonpublic school that
25 receives a payment for qualified education expenses authorized
26 under subsection (a) may not refund, rebate or otherwise
27 directly share any portion of the payment with the parent who
28 made the payment.

29 (c) Tax consequences and status of awards.--

30 (1) The money in a PASS scholarship account is not
31 taxable income to the parent or scholarship recipient under
32 State law.

33 (2) An award made to, or payment from, a PASS
34 scholarship account may not be construed to be an
35 appropriation or financial assistance to a participating
36 nonpublic school.

37 Section 1408-C. Pennsylvania Award for Student Success
38 Scholarship Fund.

39 (a) Establishment.--The Pennsylvania Award for Student
40 Success Scholarship Fund is established in the State Treasury.
41 All interest and earnings received from investment or deposit of
42 the money in the fund shall be paid into the fund and used for
43 scholarships. Any unexpended money and interest or earnings on
44 the money in the fund may not be transferred or revert to the
45 General Fund but shall remain in the fund.

46 (b) Deposits.--Deposits in the fund shall consist of the
47 following:

48 (1) Money that is appropriated, given, granted or
49 donated by the Commonwealth or any other government or
50 private agency or person for the purpose established under
51 this article.

1 (d) Regulations.--

2 (1) In order to facilitate the prompt implementation of
3 this chapter, regulations determined to be necessary and
4 promulgated by the State Treasury shall be deemed temporary
5 regulations and shall expire no later than two years
6 following the publication of temporary regulations. The State
7 Treasury may promulgate temporary regulations not subject to:

8 (i) Section 612 of the act of April 9, 1929
9 (P.L.177, No.175), known as The Administrative Code of
10 1929.

11 (ii) Sections 201, 202, 203, 204 and 205 of the act
12 of July 31, 1968 (P.L.769, No.240), referred to as the
13 Commonwealth Documents Law.

14 (iii) Section 204(b) of the act of October 15, 1980
15 (P.L.950, No.164), known as the Commonwealth Attorneys
16 Act.

17 (iv) The act of June 25, 1982 (P.L.633, No.181),
18 known as the Regulatory Review Act.

19 (2) The authority provided to the State Treasury to
20 adopt temporary regulations in this subsection shall expire
21 no later than two years following the publication of the
22 temporary regulations. Regulations adopted after this period
23 shall be promulgated as provided by law.

24 Section 1410-C. Duties of Auditor General.

25 The Auditor General may:

26 (1) Conduct a random audit of PASS scholarship accounts.

27 (2) Refer cases of suspected fraudulent misuse of PASS
28 scholarship accounts to the Inspector General for
29 investigation. If the investigation results in a finding that
30 risks to the level of criminal activity, the Inspector
31 General shall refer the matter to the appropriate law
32 enforcement agency for prosecution.

33 (3) Notify the State Treasury of cases of suspected
34 fraudulent misuse that are referred to the Inspector General.

35 Section 1411-C. Duties of participating nonpublic schools.

36 (a) Notification requirement.--A nonpublic school that
37 desires to participate in the program shall notify the State
38 Treasury by a date and in a manner and form established by the
39 State Treasury. The notification shall include certification by
40 the nonpublic school that:

41 (1) The nonpublic school is a nonprofit entity exempt
42 from Federal taxation under 26 U.S.C. § 501(c)(3) (relating
43 to exemption from tax on corporations, certain trusts, etc.).

44 (2) The nonpublic school complies with the
45 nondiscrimination policies specified in 42 U.S.C. § 1981
46 (relating to equal rights under the law).

47 (3) The nonpublic school complies with the provisions of
48 sections 111 and 111.1.

49 (b) Prohibition.--A participating nonpublic school may not
50 charge a Pennsylvania award for student success scholarship
51 recipient a tuition rate, student-related fees or special

1 nonpublic school that has admitted a scholarship recipient with
2 a complete copy of the scholarship recipient's school record
3 within 10 days of the receipt of notice from the participating
4 nonpublic school of the scholarship recipient's enrollment.
5 Section 1414-C. Report.

6 (a) Duty to prepare and submit.--Beginning January 31, 2025,
7 and each January 31 thereafter, the State Treasury, in
8 consultation with the department, shall prepare and submit to
9 the General Assembly an annual report on the program.

10 (b) Contents.--The report shall include the following:

11 (1) The total number of applications received for the
12 program.

13 (2) The total number of applications received for the
14 program, by resident school district.

15 (3) The total number of applications approved for the
16 program.

17 (4) The total number of applications approved for the
18 program, by resident school district.

19 (5) The total number of PASS scholarship accounts
20 terminated early.

21 (6) The total number of PASS scholarship accounts
22 investigated for fraud by the Inspector General.

23 (7) The total number of scholarships awarded to students
24 attending half-day kindergarten.

25 (8) The total number of scholarships awarded to students
26 attending full-day kindergarten through grade eight.

27 (9) The total number of scholarships awarded to students
28 attending grade nine through grade twelve.

29 (10) The total dollar amount of scholarships awarded.

30 (11) The total number of applications not approved due
31 to lack of funding.

32 (12) The cost of administration of the program.

33 (13) Other information the State Treasury deems helpful
34 to the General Assembly.

Details for 2023-2024 House RCS No. 443

Wednesday Jul. 5, 2023

8:49PM

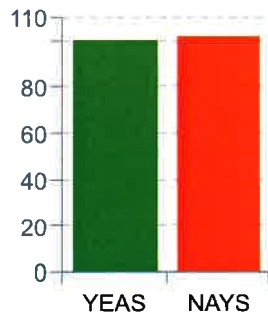
House Bill 1422 PN 1704

A1697 MOTION TO
SUSPEND RULES

Summary

Y YEAS	101
N NAYS	102
E LVE	0
X N/V	0

TOTAL	203
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Prime Sponsor

CIRESI

Short Title

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, in preliminary provisions, providing for advertis...

Y ADAMS	Y LAWRENCE	N BELLMON	N KINSEY
Y ARMANINI	Y LEADBETER	N BENHAM	N KOSIEROWSKI
Y BANTA	Y MACKENZIE, M.	N BIZZARRO	N KRAJEWSKI
Y BARTON	Y MACKENZIE, R.	N BOROWSKI	N KRUEGER
Y BENNINGHOFF	Y MAJOR	N BOYD	N KULIK
Y BERNSTINE	Y MAKO	N BOYLE	N MADDEN
Y BONNER	Y MALONEY	N BRADFORD	N MADSEN
Y BOROWICZ	Y MARCELL	N BRENNAN	N MALAGARI
Y BROWN, M.	Y MARSHALL	N BRIGGS	N MARKOSEK
Y CABELL	Y MEHAFFIE	N BROWN, A.	N MATZIE
Y CAUSER	Y MENTZER	N BULLOCK	N MAYES
Y COOK	Y MERCURI	N BURGOS	N MCANDREW
Y COOPER	Y METZGAR	N BURNS	N MCNEILL
Y CUTLER	Y MIHALEK	N C FREYTIZ	N MERSKI
Y D'ORSIE	Y MILLER, B.	N CEPHAS	N MILLER, D.
Y DAVANZO	Y MOUL	N CERRATO	N MULLINS
Y DELOZIER	Y MUSTELLO	N CIRESI	N MUNROE
Y DIAMOND	Y NELSON, E.	N CONKLIN	N NEILSON
Y DUNBAR	Y O'NEAL	N CURRY	N NELSON, N.
Y ECKER	Y OBERLANDER	N DALEY	N O'MARA
Y EMRICK	Y ORTITAY	N DAVIS	N OTTEN
Y FEE	Y OWLETT	N DAWKINS	N PARKER
Y FINK	Y PICKETT	N DEASY	N PASHINSKI
Y FLICK	Y RADER	N DELLOSO	N PIELLI
Y FLOOD	Y RAPP	N DONAHUE	N PISCIOTTANO
Y FRITZ	Y RIGBY	N EVANS	N PROBST
Y GAYDOS	Y ROAE	N FIEDLER	N RABB
Y GILLEN	Y ROSSI	N FLEMING	N ROZZI
Y GLEIM	Y ROWE	N FRANKEL	N SALISBURY
Y GREGORY	Y RYNCAVAGE	N FREEMAN	N SAMUELSON
Y GREINER	Y SCHEMEL	N FRIEL	N SANCHEZ
Y GROVE	Y SCHEUREN	N GALLAGHER	N SAPPEY
Y HAMM	Y SCHLEGEL	N GALLOWAY	N SCHLOSSBERG
Y HEFFLEY	Y SCHMITT	N GERGELY	N SCHWEYER
Y HOGAN	Y SCIALABBA	N GIRAL	N SCOTT
Y IRVIN	Y SMITH	N GREEN	N SHUSTERMAN
Y JAMES	Y STAATS	N GUENST	N SIEGEL
Y JONES, M.	Y STAMBAUGH	N GUZMAN	N SMITH-WADE-EL
Y JONES, T.	Y STEHR	N HADDOCK	N SOLOMON
Y JOZWIAK	Y STENDER	N HANBIDGE	N STEELE
Y KAIL	Y STRUZZI	N HARKINS	N STURLA
Y KAUFER	Y TOMLINSON	N HARRIS	N TAKAC
Y KAUFFMAN	Y TOPPER	N HOHENSTEIN	N VENKAT
Y KEEFER	Y TWARDZIK	N HOWARD	N VITALI
Y KEPHART	Y WARNER	N INNAMORATO	N WARREN
Y KERWIN	Y WATRO	N ISAACSON	N WAXMAN
Y KLUNK	Y WENTLING	N KAZEEM	N WEBSTER
Y KRUPA	Y WHITE	N KENYATTA	N WILLIAMS, D.
Y KUTZ	Y WILLIAMS, C.	N KHAN	N YOUNG
Y KUZMA	Y ZIMMERMAN	N KIM	
Y LABS	N ABNEY	N KINKEAD	N MCCLINTON

AMENDMENTS TO HOUSE BILL NO. 1422

Sponsor: REPRESENTATIVE CUTLER

Printer's No. 1704

1 Amend Bill, page 1, line 6, by inserting after

2 "sponsorships;"

3 providing for Pennsylvania Award for Student Success
4 Scholarship Program;

5 Amend Bill, page 3, by inserting between lines 4 and 5

6 Section 1.1. The act is amended by adding an article to
7 read:

8 ARTICLE XIV-C

9 PENNSYLVANIA AWARD FOR STUDENT

10 SUCCESS SCHOLARSHIP PROGRAM

11 Section 1401-C. Scope of article.

12 This article relates to the Pennsylvania Award for Student
13 Success Scholarship Program.

14 Section 1402-C. Definitions.

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

18 "Applicant." A parent who applies for participation in the
19 program under section 1404-C on behalf of an eligible student.

20 "Attendance boundary." As defined in section 2002-B.

21 "Department." The Department of Education of the
22 Commonwealth.

23 "Eligible student." A school-age child who:

24 (1) Is a resident of this Commonwealth.

25 (2) Has not received a high school diploma.

26 (3) Resides, as determined under section 1302, within
27 the attendance boundary of a low-achieving school or resided,
28 as determined under section 1302, within the attendance
29 boundary of a low-achieving school at the time the State
30 Treasury received written confirmation that the child
31 accepted an offer of enrollment under section 1404-C.

32 (4) Lives in a household with a household income below
33 250% of the Federal poverty guidelines or lived in a
34 household with a household income below 250% of the Federal
35 poverty guidelines at the time the State Treasury received
36 written confirmation that the child accepted an offer of
37 enrollment under section 1404-C.

1 (5) Satisfies one of the following:
2 (i) Attended a public school in this Commonwealth in
3 the preceding school year.
4 (ii) Received a scholarship from the program in the
5 preceding school year.
6 (iii) Will attend kindergarten for the first time in
7 the next school year.
8 "Fund." The Pennsylvania Award for Student Success
9 Scholarship Fund established in section 1408-C.
10 "Kindergarten." A one-year formal educational program,
11 whether part time or full time, that occurs during the school
12 year immediately prior to first grade.
13 "Low-achieving school." As defined in section 2002-B.
14 "Nonpublic school." A nonprofit school, other than a public
15 school, located in this Commonwealth where a resident of this
16 Commonwealth may legally fulfill the compulsory attendance
17 requirements of this article.
18 "Parent." An individual who is a resident of this
19 Commonwealth and:
20 (1) has legal custody or guardianship of an eligible
21 student; or
22 (2) keeps in the individual's home an eligible student
23 and supports the student gratis as if the student were a
24 lineal descendant of the individual.
25 "Participating nonpublic school." A nonpublic school
26 offering a program of instruction for kindergarten through grade
27 twelve, or a combination of grades, that notifies the State
28 Treasury of the nonpublic school's desire to participate in the
29 program and provides certification to the State Treasury that
30 the nonpublic school meets the criteria under section 331.
31 "PASS scholarship account." A spending account established
32 and administered by the State Treasury, and directed by a parent
33 for a scholarship recipient, that may be used for tuition,
34 school-related fees and special education services fees to
35 attend a participating nonpublic school.
36 "Program." The Pennsylvania Award for Student Success
37 Scholarship Program established under section 1403-C(a).
38 "Public school." A school operated by a school district, an
39 intermediate unit, area career and technical school, a charter
40 school, regional charter school or cyber charter school.
41 "Resident school district." The school district in which an
42 eligible student resides.
43 "Scholarship." A scholarship that is awarded to an eligible
44 student under the program.
45 "Scholarship recipient." An eligible student that is awarded
46 a scholarship under the program.
47 "School-age child." A child enrolling in kindergarten or in
48 grade one through grade twelve.
49 "School-related fee." A fee charged by a participating
50 nonpublic school to all students for books, instructional
51 materials, technology equipment and services, uniforms,

1 activities and concurrent enrollment programs under Article XVI-
2 B.

3 "School year." A school term as defined in section 102.

4 "Special education services fee." A fee charged by a
5 participating nonpublic school for special education services
6 for a student with special needs as agreed to by the parent and
7 the participating nonpublic school.

8 "State Treasury." The Treasury Department of the
9 Commonwealth.

10 "Student with special needs." A child who is subject to an
11 individualized education program under 20 U.S.C. Ch. 33
12 (relating to education of individuals with disabilities) and 22
13 Pa. Code Ch. 14 (relating to special education services and
14 programs).

15 Section 1403-C. Pennsylvania Award for Student Success
16 Scholarship Program.

17 (a) Establishment.--Beginning with the 2024-2025 school
18 year, the Pennsylvania Award for Student Success Scholarship
19 Program is established as a program in the State Treasury to
20 provide scholarships to help eligible students pay tuition,
21 school-related fees and special education services fees for
22 attendance at a participating nonpublic school. The program may
23 be referred to as the PASS Scholarship Program.

24 (b) Notice to parents.--

25 (1) Within 15 days of receipt of a notice under section
26 2010-B, each year thereafter, a school district with at least
27 one school designated as a low-achieving school shall notify
28 the parent of a student who is attending or residing within
29 the attendance boundary of a low-achieving school during the
30 school year of the school's designation.

31 (2) The notice shall be in a form provided by the State
32 Treasury, in consultation with the department, and shall
33 provide the following information regarding the program:

34 (i) A description of the program.

35 (ii) Instructions for obtaining information about
36 applying for a scholarship under the program.

37 (iii) A list of schools in the school district that
38 have been designated as low-achieving schools.

39 (iv) Notice of the parent's responsibilities
40 regarding application to a participating nonpublic school
41 if the parent seeks to enroll an eligible student in a
42 participating nonpublic school.

43 (3) The notice shall be posted on the school district's
44 publicly accessible Internet website.

45 (c) Notice to State Treasury.--A school district required to
46 submit a notice to parents under subsection (b) shall provide
47 the State Treasury with a list of students whose parents were
48 provided the notice. The notification shall be made in a manner
49 and form established by the State Treasury.

50 Section 1404-C. Application.

51 (a) Application form.--By March 1, 2024, the State Treasury

1 shall develop an application form that can be accessed from and
2 submitted electronically on the State Treasury's publicly
3 accessible Internet website.

4 (b) Application and approval process.--

5 (1) By April 1, 2024, and by April 1 of each year
6 thereafter, the applicant may apply to the State Treasury for
7 a scholarship for the following school year according to
8 guidelines developed by the State Treasury under section
9 1409-C. An application shall be approved by the State
10 Treasury if the student meets the eligibility requirements of
11 this article.

12 (1.1) A renewal application shall be approved by the
13 State Treasury if the student meets the eligibility
14 requirements of this article, notwithstanding the residence
15 and income criteria specified in paragraphs (3) and (4) of
16 the definition of "eligible student" in section 1402-C.

17 (2) By May 1, 2024, and by May 1 of each year
18 thereafter, the State Treasury shall notify the applicant
19 whether a scholarship will be awarded for the following
20 school year.

21 (3) For the 2024-2025 school year, scholarships shall be
22 awarded on a first-come, first-served basis considering money
23 available in the fund.

24 (4) For the 2025-2026 school year and each school year
25 thereafter, priority for scholarships shall be given to prior
26 year scholarship recipients. New applicants shall be awarded
27 a scholarship on a first-come, first-served basis considering
28 money available in the fund.

29 (5) Upon notification by the State Treasury that a
30 scholarship has been awarded, the applicant shall apply for
31 enrollment of the scholarship recipient directly to the
32 participating nonpublic school under an application procedure
33 developed by the participating nonpublic school.

34 (6) By June 1, 2024, and by June 1 each year thereafter,
35 a participating nonpublic school shall provide written
36 confirmation to the State Treasury of scholarship recipients
37 who have accepted an offer of enrollment for the following
38 school year and provide the State Treasury with the amounts
39 to be charged to the scholarship recipient for tuition,
40 school-related fees and special education services fees. The
41 notification shall be made in a manner and form established
42 by the State Treasury.

43 (7) The State Treasury may establish a waiting list for
44 eligible students with approved applications and who did not
45 receive awards due to availability of money in the fund and,
46 if, after July 1, 2024, and by July 1 each year thereafter,
47 additional money is available in the fund for scholarships,
48 may award scholarships to the eligible students on a first-
49 come, first-served basis.

50 Section 1405-C. Agreement.

51 (a) Authorization.--Upon receipt of written confirmation

1 that the scholarship recipient has accepted an offer of
2 enrollment under section 1404-C, the State Treasury shall enter
3 into or renew an agreement with the applicant. The agreement
4 shall provide the following:

5 (1) The scholarship recipient shall enroll in a
6 participating nonpublic school for the school year for which
7 the agreement applies.

8 (2) A certain sum of money shall be deposited into a
9 PASS scholarship account under section 1406-C on behalf of
10 the scholarship recipient.

11 (3) The money in the PASS scholarship account may be
12 expended only as authorized under this article.

13 (4) The parent shall notify the State Treasury if the
14 scholarship recipient no longer resides in this Commonwealth
15 or withdraws or is forced to withdraw from the participating
16 nonpublic school within 15 days of the change of residency or
17 withdrawal.

18 (b) Term of agreement.--Except as otherwise provided under
19 this article, an agreement entered into under subsection (a)
20 shall be valid for one school year.

21 (c) Termination.--

22 (1) An agreement entered into under subsection (a) may
23 be terminated early by the parent for any reason.

24 (2) An agreement entered into under subsection (a) shall
25 be terminated by the State Treasury for the following
26 reasons:

27 (i) The parent is found to have engaged in
28 fraudulent misuse of the PASS scholarship account. In
29 such case, the scholarship recipient shall be ineligible
30 for future participation in the program. The parent may
31 appeal the State Treasury's decision regarding
32 termination and student eligibility within 30 days of
33 issuance of the decision. The appeal shall be governed by
34 2 Pa.C.S. Chs. 1 (relating to general provisions), 5
35 (relating to practice and procedure) and 7 (relating to
36 judicial review).

37 (ii) The scholarship recipient no longer resides in
38 this Commonwealth.

39 (iii) The scholarship recipient withdraws or is
40 forced to withdraw from a participating nonpublic school
41 prior to the completion of the school year.

42 (3) If an agreement is terminated early under this
43 subsection, the following shall apply:

44 (i) All available money in the PASS scholarship
45 account shall revert to the fund.

46 (ii) The participating nonpublic school shall repay
47 to the State Treasury for deposit into the fund the full
48 amount of the scholarship payment, reduced on a pro rata
49 basis by the tuition, school related fees and special
50 education services fees owed for the portion of the
51 school year in which the scholarship recipient was

1 enrolled.

2 (iii) The participating nonpublic school may not
3 require a parent to reimburse the participating nonpublic
4 school for the amount of the scholarship returned to the
5 State Treasury.

6 (d) Renewal.--An agreement entered into under subsection (a)
7 may be renewed for each school year for the same student.

8 (e) Multiple agreements.--A parent may enter into separate
9 agreements under subsection (a) for each child of the parent who
10 is a scholarship recipient.

11 (f) Explanation.--Upon entering into an agreement under
12 subsection (a) or renewing an agreement under subsection (d),
13 the State Treasury shall provide the parent with a written
14 explanation of the authorized uses of the money in the PASS
15 scholarship account and, a notice that students with
16 disabilities who participate in the program are "parentally
17 placed private school children with disabilities" under 20
18 U.S.C. § 1412 (relating to state eligibility) and an explanation
19 of the rights of parentally placed private school children under
20 20 U.S.C. Ch. 33 (relating to Education of Individuals with
21 Disabilities) ("Individuals with Disabilities Education Act")
22 and any applicable State law and regulation.

23 Section 1406-C. Pennsylvania Award for Student Success
24 Scholarship Account.

25 (a) Establishment.--If an agreement is entered into under
26 section 1405-C(a), the State Treasury shall establish a
27 Pennsylvania Award for Student Success Scholarship Account for
28 the scholarship recipient. The PASS scholarship account shall be
29 administered by the State Treasury in accordance with this
30 article.

31 (b) Deposit.--

32 (1) Upon establishment of a PASS scholarship account,
33 the State Treasury shall deposit a sum of money for the
34 applicable school year in the PASS scholarship account for
35 the scholarship recipient in accordance with this section.

36 (2) For the 2024-2025 school year, the sum shall be as
37 follows:

38 (i) for a student in half-day kindergarten, \$2,500;

39 (ii) for a student in full-day kindergarten through
40 grade eight, \$5,000;

41 (iii) for a student in grade nine through grade
42 twelve, \$10,000; or

43 (iv) for a student with special needs regardless of
44 grade level, \$15,000.

45 (3) Beginning with the 2025-2026 school year, and each
46 school year thereafter, the amounts in paragraph (2) shall be
47 increased by the greater of the average percentage increase
48 in the index as defined in section 302 of the act of June 27,
49 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer
50 Relief Act, for all school districts for the prior school
51 year and the percentage increase in the appropriation for

1 basic education for the prior fiscal year. The State Treasury
2 shall calculate the increases on an annual basis and shall
3 submit a notice of the increases to the Legislative Reference
4 Bureau for publication in the next available issue of the
5 Pennsylvania Bulletin.

6 (c) Installments.--The State Treasury shall deposit the
7 money for each scholarship into a PASS scholarship account on a
8 schedule determined by the State Treasury in consultation with
9 the department.

10 (d) Payments to participating nonpublic schools.--A parent
11 may direct payments from the PASS scholarship account to a
12 participating nonpublic school on behalf of the scholarship
13 recipient via an electronic money transfer system or other
14 method approved by the State Treasury under section 1409-C.
15 Section 1407-C. Qualified education expenses.

16 (a) General rule.--Money deposited into a PASS scholarship
17 account may be used only to pay for the following qualified
18 expenses incurred by or associated with the scholarship
19 recipient:

20 (1) Tuition required by a participating nonpublic
21 school.

22 (2) School-related fees.

23 (3) Special education services fees.

24 (b) Prohibition.--A participating nonpublic school that
25 receives a payment for qualified education expenses authorized
26 under subsection (a) may not refund, rebate or otherwise
27 directly share any portion of the payment with the parent who
28 made the payment.

29 (c) Tax consequences and status of awards.--

30 (1) The money in a PASS scholarship account is not
31 taxable income to the parent or scholarship recipient under
32 State law.

33 (2) An award made to, or payment from, a PASS
34 scholarship account may not be construed to be an
35 appropriation or financial assistance to a participating
36 nonpublic school.

37 Section 1408-C. Pennsylvania Award for Student Success
38 Scholarship Fund.

39 (a) Establishment.--The Pennsylvania Award for Student
40 Success Scholarship Fund is established in the State Treasury.
41 All interest and earnings received from investment or deposit of
42 the money in the fund shall be paid into the fund and used for
43 scholarships. Any unexpended money and interest or earnings on
44 the money in the fund may not be transferred or revert to the
45 General Fund but shall remain in the fund.

46 (b) Deposits.--Deposits in the fund shall consist of the
47 following:

48 (1) Money that is appropriated, given, granted or
49 donated by the Commonwealth or any other government or
50 private agency or person for the purpose established under
51 this article.

1 (2) \$100,000,000 transferred from funds received under
2 the authority of Article III of the act of March 4, 1971
3 (P.L.6, No.2), known as the Tax Reform Code of 1971. This
4 transfer shall occur no later than August 1, 2023, and each
5 August 1 thereafter.

6 (c) Continuing appropriation.--The money in the fund is
7 appropriated on a continuing basis to the State Treasury for
8 scholarships.

9 Section 1409-C. Duties of State Treasury.

10 (a) General rule.--The State Treasury shall:

11 (1) Develop guidelines, in consultation with the
12 department, as necessary for the administration of this
13 article.

14 (2) Make payments to PASS scholarship accounts as
15 provided in this article.

16 (3) Develop a system that enables a parent to direct
17 payment to a participating nonpublic school in accordance
18 with this article.

19 (4) Develop a process by which a nonpublic school may
20 inform the State Treasury of the nonpublic school's interest
21 to participate in the program and demonstrate compliance with
22 the requirements of this article.

23 (5) Ensure that eligible students and their parents are
24 informed annually of the participating nonpublic schools in
25 the program by posting a list of participating nonpublic
26 schools on the State Treasury's publicly accessible Internet
27 website by April 1, 2024, and by April 1 of each year
28 thereafter.

29 (6) At such time and in such form and manner as may be
30 directed by the State Treasury, request and receive
31 information and data from a public school, resident school
32 district, participating nonpublic school or applicant
33 determined to be necessary by the State Treasury to
34 administer this article.

35 (b) Third-party administration.--The State Treasury may
36 contract with a third party to administer the program.

37 (c) Contracting.--

38 (1) Notwithstanding any provision of 62 Pa.C.S. Pt. I
39 (relating to Commonwealth Procurement Code), to the contrary
40 and in order to facilitate the prompt implementation of this
41 article, a contract may be awarded for a supply or service
42 without competition if the State Treasury determines in
43 writing that the contract is necessary for the implementation
44 of any provision of this article and is in the best interest
45 of the Commonwealth. The State Treasury shall provide and
46 make publicly available a written justification of any
47 procurement under this section.

48 (2) Paragraph (1) shall expire no later than two years
49 following the issuance of the procurement under paragraph
50 (1). Procurements issued after this period shall be issued as
51 provided by law.

1 (d) Regulations.--

2 (1) In order to facilitate the prompt implementation of
3 this chapter, regulations determined to be necessary and
4 promulgated by the State Treasury shall be deemed temporary
5 regulations and shall expire no later than two years
6 following the publication of temporary regulations. The State
7 Treasury may promulgate temporary regulations not subject to:

8 (i) Section 612 of the act of April 9, 1929
9 (P.L.177, No.175), known as The Administrative Code of
10 1929.

11 (ii) Sections 201, 202, 203, 204 and 205 of the act
12 of July 31, 1968 (P.L.769, No.240), referred to as the
13 Commonwealth Documents Law.

14 (iii) Section 204(b) of the act of October 15, 1980
15 (P.L.950, No.164), known as the Commonwealth Attorneys
16 Act.

17 (iv) The act of June 25, 1982 (P.L.633, No.181),
18 known as the Regulatory Review Act.

19 (2) The authority provided to the State Treasury to
20 adopt temporary regulations in this subsection shall expire
21 no later than two years following the publication of the
22 temporary regulations. Regulations adopted after this period
23 shall be promulgated as provided by law.

24 Section 1410-C. Duties of Auditor General.

25 The Auditor General may:

26 (1) Conduct a random audit of PASS scholarship accounts.

27 (2) Refer cases of suspected fraudulent misuse of PASS
28 scholarship accounts to the Inspector General for
29 investigation. If the investigation results in a finding that
30 risks to the level of criminal activity, the Inspector
31 General shall refer the matter to the appropriate law
32 enforcement agency for prosecution.

33 (3) Notify the State Treasury of cases of suspected
34 fraudulent misuse that are referred to the Inspector General.
35 Section 1411-C. Duties of participating nonpublic schools.

36 (a) Notification requirement.--A nonpublic school that
37 desires to participate in the program shall notify the State
38 Treasury by a date and in a manner and form established by the
39 State Treasury. The notification shall include certification by
40 the nonpublic school that:

41 (1) The nonpublic school is a nonprofit entity exempt
42 from Federal taxation under 26 U.S.C. § 501(c)(3) (relating
43 to exemption from tax on corporations, certain trusts, etc.).

44 (2) The nonpublic school complies with the
45 nondiscrimination policies specified in 42 U.S.C. § 1981
46 (relating to equal rights under the law).

47 (3) The nonpublic school complies with the provisions of
48 sections 111 and 111.1.

49 (b) Prohibition.--A participating nonpublic school may not
50 charge a Pennsylvania award for student success scholarship
51 recipient a tuition rate, student-related fees or special

1 education services fees that are higher than the rates the
2 participating nonpublic school would have charged to a student
3 who had not received a Pennsylvania award for student success
4 scholarship.

5 (c) Reporting requirements.--

6 (1) Each participating nonpublic school shall report in
7 a manner and form determined by the State Treasury, in
8 consultation with the department, information regarding
9 scholarship recipients enrolled in the participating
10 nonpublic school as follows:

11 (i) Enrollment and disenrollment.

12 (ii) Regular attendance.

13 (iii) Chronic absenteeism.

14 (iv) Academic progress as measured by advancement to
15 the next grade level.

16 (v) Indication of graduation.

17 (vi) Concurrent or dual enrollment course credits.

18 (2) The State Treasury shall report the information
19 regularly to the department on a schedule agreed to by the
20 State Treasury and the department.

21 (d) Construction.--

22 (1) For purposes of this article, a participating
23 nonpublic school shall be autonomous and is not an agent of
24 the State Treasury, the department or the Commonwealth.

25 (2) Neither the State Treasury, the department nor other
26 State agency may regulate the educational program of a
27 participating nonpublic school that accepts money from a
28 scholarship recipient beyond what is necessary to administer
29 the program.

30 Section 1412-C. Bar of certain participating nonpublic schools.

31 (a) General rule.--The State Treasury may bar a nonpublic
32 school from participation in the program if State Treasury
33 establishes that the nonpublic school has:

34 (1) routinely failed to comply with the requirements
35 established in section 1411-C; or

36 (2) failed to provide a scholarship recipient with the
37 educational services funded by the recipient's PASS
38 scholarship account.

39 (b) Notice.--If the State Treasury bars a nonpublic school
40 from participation in the program, the State Treasury shall,
41 after any appeal is concluded and the State Treasury's decision
42 is upheld under subsection (c), post the decision on the State
43 Treasury's publicly accessible Internet website.

44 (c) Appeal.--A nonpublic school may appeal the State
45 Treasury's decision to bar its participation in the program
46 within 30 days of issuance of the decision. The appeal shall be
47 governed by 2 Pa.C.S. Chs. 1 (relating to general provisions), 5
48 (relating to practice and procedure) and 7 (relating to judicial
49 review).

50 Section 1413-C. Duties of resident school districts.

51 A resident school district shall provide a participating

1 nonpublic school that has admitted a scholarship recipient with
2 a complete copy of the scholarship recipient's school record
3 within 10 days of the receipt of notice from the participating
4 nonpublic school of the scholarship recipient's enrollment.
5 Section 1414-C. Report.

6 (a) Duty to prepare and submit.--Beginning January 31, 2025,
7 and each January 31 thereafter, the State Treasury, in
8 consultation with the department, shall prepare and submit to
9 the General Assembly an annual report on the program.

10 (b) Contents.--The report shall include the following:

11 (1) The total number of applications received for the
12 program.

13 (2) The total number of applications received for the
14 program, by resident school district.

15 (3) The total number of applications approved for the
16 program.

17 (4) The total number of applications approved for the
18 program, by resident school district.

19 (5) The total number of PASS scholarship accounts
20 terminated early.

21 (6) The total number of PASS scholarship accounts
22 investigated for fraud by the Inspector General.

23 (7) The total number of scholarships awarded to students
24 attending half-day kindergarten.

25 (8) The total number of scholarships awarded to students
26 attending full-day kindergarten through grade eight.

27 (9) The total number of scholarships awarded to students
28 attending grade nine through grade twelve.

29 (10) The total dollar amount of scholarships awarded.

30 (11) The total number of applications not approved due
31 to lack of funding.

32 (12) The cost of administration of the program.

33 (13) Other information the State Treasury deems helpful
34 to the General Assembly.