

TO: Honorable Members of the PA House of Representatives  
FROM: Alex Halper, Manager - Government Affairs  
DATE: May 10, 2011  
RE: HB 1330 – Education Improvement Tax Credit Program

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On behalf of its thousands of statewide member businesses of all sizes and crossing all industry sectors, the Pennsylvania Chamber of Business and Industry is writing you to express our **support of HB 1330**. The bill is scheduled to be considered on third consideration today. This legislation expands and improves the Education Improvement Tax Credit (EITC) program.

The EITC program was established in 2001 and enables the business community to help families and organizations provide a better education for Pennsylvania's children. Businesses receive tax credits for donations made to organizations that help families offset the costs of enrolling their children in schools requiring tuition payments as well as to organizations that provide innovative educational programs to public schools.

Thousands of schools and low-income children have benefitted from EITC and the legislature has wisely and appropriately increased funding as interest and participation in the program has expanded. Yet current funding levels are insufficient to meet demand as more businesses look to support the public school system and a growing number of families seeking a better education for their children.

HB 1330 enhances the EITC program by increasing funding from \$75 million to \$100 million in 2011-12 and \$200 million in FY 2012-13. Additionally, HB 1330 gradually increases the income limits for families to qualify for a tax credit from \$50,000 to \$75,000 and ultimately to be based on the Consumer Price Index. This adjustment will better align the program with current economic realities and allow more families to pursue education opportunities for their children that they otherwise could not afford.

For the reasons stated above, the PA Chamber urges you to continue the strong support that the EITC program has consistently generated on both sides of the aisle by voting in favor of HB 1330 on final passage.

If you have any questions or concerns, please contact me at 717-720-5471 or [ahalper@pachamber.org](mailto:ahalper@pachamber.org).