



2021 South Dakota Legislature

Senate Bill 175

Introduced by: **Senator Stalzer**

1 **An Act to remove certain eligibility requirements for the partners in education tax**
 2 **credit program.**

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 **Section 1.** That § 13-65-1 be AMENDED.

5 **13-65-1. Definitions.**

6 Terms, as used in this chapter, mean:

- 7 (1) "Division," the Division of Insurance in the Department of Labor and Regulation;
- 8 (2) "Educational scholarship," a grant to an eligible student to cover all or part of the
 9 tuition and fees at a qualifying school. The average value of all scholarships awarded
 10 by a scholarship granting organization may not exceed eighty-two and five-tenths
 11 percent of the state's share of the per student equivalent, as defined in § 13-13-
 12 10.1;
- 13 (3) "Eligible student," any student who:
- 14 (a) Is a member of a household whose total annual income, the year before the
 15 student enters the program, did not exceed one hundred fifty percent of the
 16 income standard used to qualify for a free or reduced-price lunch under the
 17 national free or reduced-price lunch program. If sufficient funding is available,
 18 once a student meets the initial income eligibility requirement, the student
 19 remains income eligible for three years or if the student is entering high
 20 school, until the student graduates high school regardless of household
 21 income. After the initial period of income eligibility, a student remains eligible
 22 if the student is a member of a household whose total annual income in the
 23 prior year did not exceed two hundred percent of the income standard used
 24 to qualify for a free or reduced-price lunch; and
- 25 (b) ~~Received an educational scholarship under this program the preceding~~
 26 ~~semester, attended a public school the preceding semester, is starting at a~~

- 1 ~~K-12 school in South Dakota for the first time, or is entering kindergarten,~~
2 ~~first grade, or ninth grade; and~~
3 ~~(c)~~—Resides in South Dakota while receiving the educational scholarship;
- 4 (4) "Low-income eligible student," any student who is a member of a household whose
5 total annual income, the year before the student enters the program, did not exceed
6 one hundred percent of the income standard used to qualify for a free or reduced-
7 price lunch under the national free or reduced-price lunch program;
- 8 (5) "Parent," any guardian, custodian, or other person with authority to act in place of
9 a parent for the child;
- 10 (6) "Program," the partners in education tax credit program established pursuant to
11 this chapter;
- 12 (7) "Qualifying school," any nonpublic school that operates within the boundaries of
13 South Dakota or any tribally controlled school on a federally recognized Indian
14 reservation that operates within the boundaries of South Dakota, is accredited by
15 the Department of Education, provides education to elementary or secondary
16 students, and has notified a scholarship granting organization of its intention to
17 participate in the program and comply with the program requirements. This term
18 excludes any school that receives a majority of its revenues from public funds;
- 19 (8) "Scholarship granting organization," a nonprofit organization that complies with the
20 requirements of the program and provides educational scholarships to students.