



2021 South Dakota Legislature  
**Senate Bill 175**  
**ENROLLED**

AN ACT

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

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

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

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

Terms, as used in this chapter, mean:

- (1) "Division," the Division of Insurance in the Department of Labor and Regulation;
- (2) "Educational scholarship," a grant to an eligible student to cover all or part of the tuition and fees at a qualifying school. The average value of all scholarships awarded by a scholarship granting organization may not exceed eighty-two and five-tenths percent of the state's share of the per student equivalent, as defined in § 13-13-10.1;
- (3) "Eligible student," any student entering kindergarten through twelfth grade who:
  - (a) Is a member of a household whose total annual income, the year before the student enters the program, did not exceed one hundred fifty percent of the income standard used to qualify for a free or reduced-price lunch under the national free or reduced-price lunch program. If sufficient funding is available, once a student meets the initial income eligibility requirement, the student remains income eligible for three years or if the student is entering high school, until the student graduates high school regardless of household income. After the initial period of income eligibility, a student remains eligible if the student is a member of a household whose total annual income in the prior year did not exceed two hundred percent of the income standard used to qualify for a free or reduced-price lunch; and
  - (b) Resides in South Dakota while receiving the educational scholarship;

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

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

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I certify that the attached Act originated in the:

Received at this Executive Office this \_\_\_\_ day of \_\_\_\_\_,

Senate as Bill No. 175

2021 at \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of the Senate

By \_\_\_\_\_  
for the Governor

\_\_\_\_\_  
President of the Senate

The attached Act is hereby approved this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2021

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Governor

**STATE OF SOUTH DAKOTA,**

ss.

Office of the Secretary of State

\_\_\_\_\_  
Speaker of the House

Attest:

Filed \_\_\_\_\_, 2021  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
Secretary of State

Senate Bill No. 175  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

By \_\_\_\_\_  
Asst. Secretary of State