



2026 South Dakota Legislature

Senate Bill 84

SENATE ENGROSSED

Introduced by: **Senator Peterson (Sue)**

- 1 **An Act to increase thresholds for the value of and eligibility for the partners in**
 2 **education scholarship.**

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.** Terms, as used in this chapter, mean:

- 6 (1) "Certified enrollment," the K-12 enrollment data required to be submitted to the
 7 Department of Education by an accredited school by October fifteenth of each year
 8 and published by the department on the department's website;
 9 (2) "Division," the Division of Insurance in the Department of Labor and Regulation;
 10 (3) "Educational scholarship," a grant to an eligible student to cover all or part of the
 11 tuition and fees at a qualifying school. The average value of all scholarships
 12 awarded by a scholarship granting organization may not exceed ~~eighty-two and~~
 13 ~~five-tenths percent of the state's share of the per student equivalent, as defined in~~
 14 § 13-13-10.1;
 15 (4) "Eligible student," any student entering kindergarten through twelfth grade who
 16 resides in South Dakota while receiving the educational scholarship and:
 17 (a) Is a member of a household whose total annual income, the year before the
 18 student enters the program, did not exceed ~~one hundred fifty~~ two hundred
 19 percent of the income standard used to qualify for a free or reduced-price
 20 lunch under the national free or reduced-price lunch program. If sufficient
 21 funding is available, once a student meets the initial income eligibility
 22 requirement, the student remains income eligible for three years or if the
 23 student is entering high school, until the student graduates high school
 24 regardless of household income. After the initial period of income eligibility,
 25 a student remains eligible if the student is a member of a household whose
 26 total annual income in the prior year did not exceed two hundred fifty

- 1 percent of the income standard used to qualify for a free or reduced-price
2 lunch; or
3 (b) Is in foster care;
- 4 (5) "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
6 exceed one hundred percent of the income standard used to qualify for a free or
7 reduced-price lunch under the national free or reduced-price lunch program;
- 8 (6) "Parent," any guardian, custodian, or other person with authority to act in place of
9 a parent for the child;
- 10 (7) "Program," the partners in education tax credit program established pursuant to
11 this chapter;
- 12 (8) "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; and
- 19 (9) "Scholarship granting organization," a nonprofit organization that complies with
20 the requirements of the program and provides educational scholarships to
21 students.