



2026 South Dakota Legislature

Senate Bill 84

SENATE ENGRAVED

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 forty

percent of the income standard used to qualify for a free or reduced-price lunch; or

(b) Is in foster care;

(5) "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;

(6) "Parent," any guardian, custodian, or other person with authority to act in place of a parent for the child;

(7) "Program," the partners in education tax credit program established pursuant to this chapter;

(8) "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; and

(9) "Scholarship granting organization," a nonprofit organization that complies with the requirements of the program and provides educational scholarships to students.