



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB3776

Introduced 2/5/2026, by Sen. Adriane Johnson

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Educational Choice for Children Act. Requires the State Board of Education to submit to the Secretary of the Treasury of the United States and publish on the website of the State Board a list of all scholarship granting organizations that meet the requirements of certain provisions of the Internal Revenue Code and that are located in the State. Provides that the State Board may establish rules governing the process and documentation necessary for an entity to demonstrate that it qualifies to be included as a scholarship granting organization on the list. Requires the State Board to comply with all federal regulations pertaining to the administration of the federal tax credit established under certain provisions of the Internal Revenue Code to ensure that the State is eligible to participate in taxable years beginning after December 31, 2026. Provides that qualifying scholarship granting organizations on the list may provide scholarships for any qualified elementary or secondary education expense, to the extent allowed under federal law. Provides that the General Assembly voluntarily elects the State to: (1) participate in the federal tax credit for individuals who make qualified contributions to scholarship granting organizations within the State; and (2) identify scholarship granting organizations located in the State. Effective immediately.

LRB104 20686 LNS 34185 b

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the  
5 Educational Choice for Children Act.

6 Section 5. Legislative intent.

7 (a) This Act is intended to avail elementary and secondary  
8 students in this State of the additional funding opportunities  
9 recently signed into law offering a federal tax credit of up to  
10 \$1,700 for individuals that donate to scholarship granting  
11 organizations, thereby increasing funding for these  
12 organizations to help families pay for their children to  
13 attend the elementary or secondary school of their choice.

14 (b) This Act is intended to help students attending public  
15 schools in this State, as well as nonpublic schools, to cover  
16 all categories of educational expenses under the federal  
17 Educational Choice for Children Act of 2025, including fees,  
18 tutoring, educational therapies, transportation, technology,  
19 and other expenses.

20 (c) This Act is intended to ensure that students in this  
21 State are put on the same footing as other states that have  
22 similar programs at the state level and with any state that  
23 opts into the federal Educational Choice for Children Act of

1 2025.

2 (d) This Act is intended to ensure that children in this  
3 State are not prohibited from benefiting from scholarship  
4 funds available to children in other states at no cost to State  
5 taxpayers.

6 Section 10. Definitions.

7 "Contribution" means a donation made by a taxpayer during  
8 the taxable year for providing scholarships as provided in  
9 this Act.

10 "Qualified contribution" means a charitable contribution  
11 of cash to a scholarship granting organization that uses the  
12 contribution to fund scholarships for eligible students, as  
13 defined in Section 25f of the Internal Revenue Code, and  
14 solely within the State pursuant to subsection (g) of Section  
15 25f of the Internal Revenue Code.

16 "Qualified elementary or secondary education expense"  
17 means any expense of an eligible student that is described in  
18 subparagraph (A) of paragraph (3) of subsection (b) of Section  
19 530 of the Internal Revenue Code.

20 "Scholarship granting organization" means an entity  
21 meeting the definition of and requirements for a scholarship  
22 granting organization under Section 25f of the Internal  
23 Revenue Code.

24 "State Board" means the State Board of Education.

1 Section 15. Powers and duties of the State Board.

2 (a) The State Board shall submit to the Secretary of the  
3 Treasury of the United States and publish on the website of the  
4 State Board a list of all scholarship granting organizations  
5 that meet the requirements of Section 25f of the Internal  
6 Revenue Code and that are located in this State. As part of the  
7 submission, the State Board shall certify its authority to  
8 submit the list on behalf of the State and comply with any  
9 other requirements of Section 25f of the Internal Revenue  
10 Code, its associated regulations, or other applicable guidance  
11 issued by the Secretary of the Treasury of the United States.

12 (b) The State Board may establish rules governing the  
13 process and documentation necessary for an entity to  
14 demonstrate that it qualifies to be included as a scholarship  
15 granting organization on the list submitted by the State Board  
16 pursuant to subsection (a) and in accordance with Section 25f  
17 of the Internal Revenue Code, its associated regulations, or  
18 other applicable guidance issued by the Secretary of the  
19 Treasury of the United States.

20 (c) The State Board may enter into an agreement with other  
21 State agencies, including the Department of Revenue, to meet  
22 the requirements of this Section.

23 Section 20. Compliance with federal regulations. The State  
24 Board shall comply with all federal regulations pertaining to  
25 the administration of the federal tax credit established under

1 Section 25f of the Internal Revenue Code to ensure that this  
2 State is eligible to participate in taxable years beginning  
3 after December 31, 2026.

4 Section 25. Scholarships provided. In accordance with  
5 Section 25f of the Internal Revenue Code and any applicable  
6 federal regulations and guidance, qualifying scholarship  
7 granting organizations on the list submitted pursuant to  
8 subsection (a) of Section 15 may provide scholarships for any  
9 qualified elementary or secondary education expense, including  
10 nonpublic school expenses, to the extent allowed under federal  
11 law.

12 Section 30. State election for federal tax credit.  
13 Pursuant to Section 1 of Article IX of the Illinois  
14 Constitution and in accordance with Section 25f of the  
15 Internal Revenue Code, the General Assembly voluntarily elects  
16 the State to do all of the following:

17 (1) Participate in the federal tax credit established  
18 under Section 25f of the Internal Revenue Code for  
19 individuals who make qualified contributions to  
20 scholarship granting organizations within this State.

21 (2) Identify scholarship granting organizations  
22 located in this State.

23 Section 99. Effective date. This Act takes effect upon  
24 becoming law.