

AN ACT concerning revenue.

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

Section 5. The Invest in Kids Act is amended by changing
Section 40 as follows:

(35 ILCS 40/40)

(Section scheduled to be repealed on January 1, 2025)

Sec. 40. Scholarship granting organization
responsibilities.

(a) Before granting a scholarship for an academic year,
all scholarship granting organizations shall assess and
document each student's eligibility for the academic year.

(b) A scholarship granting organization shall grant
scholarships only to eligible students.

(c) A scholarship granting organization shall allow an
eligible student to attend any qualified school of the
student's choosing, subject to the availability of funds.

(d) In granting scholarships, beginning in the 2022-2023
school year and for each school year thereafter, a scholarship
granting organization shall give priority to eligible students
who received a scholarship from a scholarship granting
organization during the previous school year. Second priority
shall be given to the following priority groups:

(1) (blank); ~~eligible students who received a scholarship from a scholarship granting organization during the previous school year;~~

(2) eligible students who are members of a household whose previous year's total annual income does not exceed 185% of the federal poverty level;

(3) eligible students who reside within a focus district; and

(4) eligible students who are siblings of students currently receiving a scholarship.

(d-5) A scholarship granting organization shall begin granting scholarships no later than February 1 preceding the school year for which the scholarship is sought. Each ~~The~~ priority group ~~groups~~ identified in subsection (d) of this Section shall be eligible to receive scholarships on a first-come, first-served basis until ~~the~~ April 1 immediately preceding the school year for which the scholarship is sought starting with the first priority group identified in subsection (d) of this Section. Applications for scholarships for eligible students meeting the qualifications of one or more priority groups that are received before April 1 must be either approved or denied within 10 business days after receipt. Beginning April 1, all eligible students shall be eligible to receive scholarships without regard to the priority groups identified in subsection (d) of this Section.

(e) Except as provided in subsection (e-5) of this

Section, scholarships shall not exceed the lesser of (i) the statewide average operational expense per student among public schools or (ii) the necessary costs and fees for attendance at the qualified school. A qualified school may set a lower maximum scholarship amount for eligible students whose family income falls within paragraphs (2) and (3) of this subsection (e); that amount may not exceed the necessary costs and fees for attendance at the qualified school and is subject to the limitations on average scholarship amounts set forth in paragraphs (2) and (3) of this subsection, as applicable. The qualified school shall notify the scholarship granting organization of its necessary costs and fees as well as any maximum scholarship amount set by the school. Scholarships shall be prorated as follows:

(1) for eligible students whose household income is less than 185% of the federal poverty level, the scholarship shall be 100% of the amount determined pursuant to this subsection (e) and subsection (e-5) of this Section;

(2) for eligible students whose household income is 185% or more of the federal poverty level but less than 250% of the federal poverty level, the average of scholarships shall be 75% of the amount determined pursuant to this subsection (e) and subsection (e-5) of this Section; and

(3) for eligible students whose household income is

250% or more of the federal poverty level, the average of scholarships shall be 50% of the amount determined pursuant to this subsection (e) and subsection (e-5) of this Section.

(e-5) The statewide average operational expense per student among public schools shall be multiplied by the following factors:

(1) for students determined eligible to receive services under the federal Individuals with Disabilities Education Act, 2;

(2) for students who are English learners, as defined in subsection (d) of Section 14C-2 of the School Code, 1.2; and

(3) for students who are gifted and talented children, as defined in Section 14A-20 of the School Code, 1.1.

(f) A scholarship granting organization shall distribute scholarship payments to the participating school where the student is enrolled.

(g) For the 2018-2019 school year through the 2021-2022 school year, each scholarship granting organization shall expend no less than 75% of the qualified contributions received during the calendar year in which the qualified contributions were received. No more than 25% of the qualified contributions may be carried forward to the following calendar year.

(h) For the 2022-2023 school year, each scholarship

granting organization shall expend all qualified contributions received during the calendar year in which the qualified contributions were received. No qualified contributions may be carried forward to the following calendar year.

(i) A scholarship granting organization shall allow an eligible student to transfer a scholarship during a school year to any other participating school of the custodian's choice. Such scholarships shall be prorated.

(j) With the prior approval of the Department, a scholarship granting organization may transfer funds to another scholarship granting organization if additional funds are required to meet scholarship demands at the receiving scholarship granting organization. All transferred funds must be deposited by the receiving scholarship granting organization into its scholarship accounts. All transferred amounts received by any scholarship granting organization must be separately disclosed to the Department.

(k) If the approval of a scholarship granting organization is revoked as provided in Section 20 of this Act or the scholarship granting organization is dissolved, all remaining qualified contributions of the scholarship granting organization shall be transferred to another scholarship granting organization. All transferred funds must be deposited by the receiving scholarship granting organization into its scholarship accounts.

(l) Scholarship granting organizations shall make

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reasonable efforts to advertise the availability of
scholarships to eligible students.

(Source: P.A. 100-465, eff. 8-31-17.)

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