

1 AN ACT concerning revenue.

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

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

6 (35 ILCS 40/40)

7 (Section scheduled to be repealed on January 1, 2025)

8 Sec. 40. Scholarship granting organization
9 responsibilities.

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

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

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

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

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

4 (2) eligible students who are members of a household
5 whose previous year's total annual income does not exceed
6 185% of the federal poverty level;

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

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

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

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

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

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

20 (2) for eligible students whose household income is
21 185% or more of the federal poverty level but less than
22 250% of the federal poverty level, the average of
23 scholarships shall be 75% of the amount determined
24 pursuant to this subsection (e) and subsection (e-5) of
25 this Section; and

26 (3) for eligible students whose household income is

1 250% or more of the federal poverty level, the average of
2 scholarships shall be 50% of the amount determined
3 pursuant to this subsection (e) and subsection (e-5) of
4 this Section.

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

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

11 (2) for students who are English learners, as defined
12 in subsection (d) of Section 14C-2 of the School Code,
13 1.2; and

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

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

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

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

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

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

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

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

26 (l) Scholarship granting organizations shall make

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

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

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