Removal of Sunset for Invest in Kids

Illinois enacted the Invest in Kids Scholarship Tax Credit Program in 2017. This program offers a 75 percent income tax credit to individuals and businesses that contribute to qualified Scholarship Granting Organizations (SGOs). The SGOs then provide scholarships for students whose families meet the income requirements to attend qualified, non-public schools and technical academies in Illinois.

Furthermore, the program is not truly serving the communities it was intended to serve. Of the 9,348 scholarships received, 1365 went to African American students, 2280 to Hispanic or Latino students, while 4,392 went to Caucasian students.

The cost to the State of Illinois in tax credits is $75,000,000.

Illinois should end the tax credit scholarship program for the following reasons.

1. As of today, there has been no meaningful data collected for this program. That includes new students attending, retention of students, learning outcomes, impact on enrollment in neighborhood schools, etc.

2. Illinois is not fully funding the Evidenced Based School Funding Formula. Until we fully fund Illinois public schools providing for every public-school student, Illinois should not provide tax credits for individuals to fund private educational institutions.

3. The U.S. Supreme Court is making the prohibition on state funding for religious education more tenuous. Currently, the Supreme Court doctrine states that once a State chooses to fund private education, then it cannot disqualify religious institutions from receiving that funding.
   a. The U.S. Supreme Court in Trinity Lutheran v. Comer (2017) held that Missouri could not “expressly discriminate against otherwise eligible recipients by disqualifying them from a public benefit solely because of their religious nature.”
   b. The U.S. Supreme Court in Espinoza v. Montana (2020) held that Montana could not enforce a state constitutional provision against aiding religious schools to exclude religious schools from a voucher program. The U.S. Supreme Court states in Espinoza that “A State need not subsidize private education, but once a State decides to do so, it cannot disqualify some private schools solely because they are religious.”
   c. The U.S. Supreme Court in Carson v. Makin (2022) held that Maine could not limit tuition reimbursements for “non-sectarian schools” and exclude religious schools. The Court record in Carson was clear that the religious schools the parents sought to send their children to do discriminate against LGBTQ students and would not participate in the program if they had to cease such discrimination.
   d. Illinois is currently using the state tax code to fund private educational schools. The qualified, non-public schools eligible to receive the Invest in Kids tax credit scholarships are over 91% religious schools.

4. If Illinois continues to fund tuition payments at private, religious institutions through the tax code; the State is vulnerable to religious schools becoming eligible for General State Aid for Education. How can Illinois continue to deny religious schools a public benefit?

Ending Invest in Kids is the only way to protect the historic achievements Illinois has made in funding public education.