

141.502 Definitions for KRS 141.500 to 141.528 (See LRC Note below)

As used in KRS 141.500 to 141.528:

- (1) "Account-granting organization" or "AGO" means a nonprofit organization that complies with the requirements of KRS 141.500 to 141.528 and:
 - (a) Receives contributions, allocates funds, and administers EOAs; or
 - (b) Is an intermediary organization;
- (2) "Contribution" means a donation in the form of cash or marketable securities that is eligible for the tax credit permitted by KRS 141.522;
- (3) "Curriculum" means a complete course of study for a particular content area or grade level;
- (4) "Education opportunity account" or "EOA" means the account to which funds are allocated by an AGO to the parent of an EOA student in order to pay for expenses to educate the EOA student pursuant to the requirements of KRS 141.500 to 141.528;
- (5) "Education service provider" means a person or organization that receives payments from an EOA to provide educational materials and services to EOA students;
- (6) "Eligible student" means a resident of Kentucky who:
 - (a) Is a member of a household with an annual household income at the time of initially applying for an EOA from an AGO under this section of not more than one hundred seventy-five percent (175%) of the amount of household income necessary to establish eligibility for reduced-price meals based on size of household as determined annually by the United States Department of Agriculture applicable to the Commonwealth, pursuant to 42 U.S.C. secs. 1751 to 1789;
 - (b) Has previously received an EOA from an AGO under this section; or
 - (c) Is a member of the household of an eligible student that currently has an EOA from an AGO under this section;
- (7) "Eligible taxpayer" means an individual or business, including but not limited to a corporation, S corporation, partnership, limited liability company, or sole proprietorship subject to tax imposed under KRS 141.020, 141.040, or 141.0401;
- (8) "EOA student" means an eligible student who is participating in the EOA program;
- (9) "Income" has the same meaning as in the United States Department of Agriculture, Food and Nutrition Service, Child Nutrition Programs, Income Eligibility Guidelines, Federal Register Vol. 83, No. 89, published May 8, 2018, and as updated annually as authorized by 42 U.S.C. sec. 1758(b)(1)(A);
- (10) "Intermediary organization" means a nonprofit organization that complies with the requirements of KRS 141.500 to 141.528 and receives contributions to fund AGOs; and
- (11) "Parent" means a biological or adoptive parent, legal guardian, custodian, or other person with legal authority to act on behalf of an EOA student.

Effective: June 29, 2021

History: Created 2021 Ky. Acts ch. 167, sec. 6, effective June 29, 2021.

Legislative Research Commission Note (12/15/2022). On December 15, 2022, the Kentucky Supreme Court ruled that the Education Opportunity Account Act, KRS 141.500 to 141.528, as enacted in 2021 HB 563 (2021 Ky. Acts ch. 167), "violates the proscription in Section 184 of the Kentucky Constitution on the raising or collecting of 'sums[s]' for 'education other than in common schools'." *Commonwealth ex rel. Cameron v. Johnson, et al.*, 2021-SC-0518-TG.