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**FISCAL IMPACT STATEMENT**

**LS 6754**

**BILL NUMBER: SB 224**

**NOTE PREPARED: Jan 4, 2009**

**BILL AMENDED:**

**SUBJECT:** Virtual Education.

**FIRST AUTHOR:** Sen. Lubbers

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:  GENERAL  
 DEDICATED  
 FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that the State Board of Education may require each student to complete at least one course through virtual learning before graduating from high school.

The bill defines "virtual school". The bill also sets forth requirements for virtual schools established by school corporations or charter schools.

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:** The bill allows the State Board of Education to require each student to complete at least one course through virtual learning before graduating from high school. The provision of allowing the Board to promulgate a rule requiring students to complete at least one virtual class has no fiscal impact. Students taking virtual classes would be funded in the school formula the same as students enrolled in traditional classes.

The bill clarifies that virtual schools established by charter schools must meet instructional-day requirements of at least 180 days per year. (Current law does not allow virtual charter schools to be established during the 2007-2009 biennium.) The provision should have no fiscal impact.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The impact of requiring at least one course through virtual learning before graduating from high school would depend on if the State Board of Education promulgated a rule requiring the course and the cost difference between a virtual course and a traditional course. The state

currently provides tuition support funding of about \$5,752 per student. If the cost of a virtual course is about \$750 per year, similar to what Florida charges, then schools might have reduced costs if a traditional course is funded at \$960 per year. The impact would depend on if the virtual course was less expensive than a traditional class and if the school would have lower or higher costs from the course being offered virtually instead of in a traditional manner.

Background: The state of Florida offers virtual classes to students. The cost is free to in-state students and \$375 per semester per half-credit course for out-of-state students. Advance placement courses have an additional \$25 fee per semester. For the 2008 school year, Indiana's average expenditure per student, assuming a 6-hour course day, was about \$480 per hour each semester.

A virtual school is defined as a school that provides more than 50% of its instruction through virtual distance learning, online technology, or computer-based instruction.

**Explanation of Local Revenues:**

**State Agencies Affected:** State Board of Education.

**Local Agencies Affected:** Local schools.

**Information Sources:** Florida Virtual Schools, <http://www.flvsgs.net>

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