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FISCAL IMPACT STATEMENT

LS 6385

BILL NUMBER: SB 179

NOTE PREPARED: Feb 16, 2012

BILL AMENDED: Feb 16, 2012

SUBJECT: Virtual Instruction Course Requirement.

FIRST AUTHOR: Sen. Banks

FIRST SPONSOR: Rep. Heuer

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill beginning with the class of students who enter grade 9 in 2013, requires a student pursuing a Core 40 high school diploma to complete at least one virtual instruction course. It specifies that if the virtual instruction course is provided by the school corporation, the school corporation must fund the virtual instruction course through the school corporation's resources, and the school corporation is not entitled to any additional funding because the school corporation provides the virtual instruction course. The bill also provides that if a state university provides a virtual instruction course that is a dual enrollment course or a dual credit course, that course may not be counted for purposes of any component of the higher education funding formula that is determined by or based on the increase in dual enrollment courses or dual credit courses. It inserts a cross-reference to federal educational privacy statutes.

The bill establishes the Education Issues Interim Study Committee to study the issues relating to the provision of virtual instruction.

Effective Date: July 1, 2012.

Explanation of State Expenditures: If a student takes a virtual instruction course that is either a dual enrollment or dual credit course at a state educational institution, the student cannot be counted for any component of the higher education funding formula.

If a school corporation offers a virtual instruction course, the course must be funded through the school corporation's resources and is not entitled to any additional funding because the school corporation provides the virtual instructional course.

The provisions should assure that the virtual instruction course requirement has no state fiscal impact.

(Revised) This bill establishes the Education Issues Interim Study Committee. The committee is to operate under the policies governing study committees adopted by the Legislative Council. Legislative Council resolutions in the past have established budgets for interim study committees in the amount of \$9,500 per interim for committees with fewer than 16 members. The committee is required to study:

1. The cost and savings to a school corporation or charter relating to the requirement that a student who enters the 9th grade in 2013 complete at least one virtual instruction course and that school corporations provide at least 3 virtual courses.
2. The issues relating to the accessibility and instruction of a virtual course.
3. How the school funding formula may be adjusted to recognize the achievement of implementing virtual courses.
4. Other topics.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill would require students who enter Grade 9 beginning with the 2013 school year to have at least one course or credit requirement towards a Core 40 diploma through a virtual instruction course. Schools would be required to offer at least three virtual instruction courses from which the student could choose to enroll.

The school would not be able to charge the student for the virtual instruction courses the school provides.

There were about 84,000 9th graders in the 2011 school year and about 83,700 in the 2010 school year. The 9th graders in the 2013 school year would have four years to take one virtual instruction course.

(Revised) The impact on the local school would be the difference between the cost of offering the course using teachers at the school and the cost of offering the course virtually. The cost of a virtual class could vary between \$500-\$800 per year, and the average tuition support per student per course is about \$923, assuming a six-period day and tuition support of \$5,541 per student.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources: Department of Education, Florida Virtual Schools, <http://www.flvs.net/areas/aboutus/Pages/default.aspx>, Indiana Virtual Academy, http://www.icn.org/admissions_and_registration/participating_institutions/ripley_county_learning_network.html

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