

- SUBJECT:** Creating a state virtual school network
- COMMITTEE:** Public Education — committee substitute recommended
- VOTE:** 7 ayes — Grusendorf, Oliveira, Branch, Eissler, Hochberg, B. Keffer, Mowery
- 0 nays
- 2 absent — Delisi, Dutton
- WITNESSES:** For — Debi Crawford, Rhonda Turner, SUPERNet Technology Consortium; Janelle Shepard, Texans for Texas Conservative Activists; Forrest Watson, Alliance for Sound Education Policy; Jon H. Fleming; Lynne B. Rhodes; Sandra W. Stevens; Jamie Story; Hope Strueby
- Against — Tim Bacon, Texas State Teachers Association; W. David Priddy, Kimberly Baxter, Texas Association of Secondary School Principals; Charlotte H. Coffelt, Americans United for Separation of Church and State; Lindsay Gustafson, Texas Classroom Teachers Association; Ted Melina Raab, Texas Federation of Teachers; Kathy Miller, Texas Freedom Network; David Watson, Pearland ISD; Jo-Hannah Whitsett, Association of Texas Professional Educators; Paul Colbert; Karen Miller
- BACKGROUND:** Education Code, sec. 29.909, requires TEA to implement a program under which a school district may offer electronic courses to a school district or to students enrolled in another district, as provided by an agreement between the districts. The district may offer the electronic courses through a designated campus or through a full-time program serving students throughout the district.
- TEA must select school districts to participate in the program based on applications submitted by the districts. The agency must maintain links on its website to district reports, including information about electronic courses offered by the district. The reports contain information about courses of instruction, required materials, the process used to ensure that each course meet state standards, the process used to place students in appropriate academic levels, the method used to report attendance and to

authenticate student coursework and attendance; the location and content of each scheduled meeting between parents and teachers; program policies related to computer security and privacy, truancy, discipline, and expulsion of students; extracurricular activities; teaching methods; and assessment instruments.

By December 1, 2006, TEA must report to the lieutenant governor and the speaker about the methods used to fund electronic courses, available methods of verifying student attendance, security or privacy issues, educational benefits of electronic courses, and waivers approved by TEA relating to electronic courses.

DIGEST:

CSHB 1445 would establish a state virtual school network to provide high-quality electronic courses or programs for Texas students. The network would be governed by the SBOE, which would establish criteria for course and program content. The criteria would include Texas essential knowledge and skills (TEKS) requirements and could not include requirements for or prohibitions against use of particular kinds of technology or requirements that were developmentally inappropriate. The criteria would have to be in place six months before SBOE used them to evaluate an electronic course or program.

Using these criteria, the SBOE would have to evaluate and approve electronic courses or programs, place courses or programs on an approved list, provide public access to the list of approved course or programs, and solicit new courses or programs in which there was a demonstrated interest. The network could not develop its own curriculum, courses or programs or provide educational services directly to a student.

Electronic courses or programs could be submitted to SBOE for approval by school districts rated academically acceptable or higher or charter schools rated recognized or higher. Charter schools could serve as provider schools only to students in the school district in which the charter school was located or within its service area, whichever was smaller, or to any other student in the state through an agreement with the enrolling school. Districts or charter schools that submit courses would have to pay a submission fee, unless they qualified for an exception outlined in the bill.

The SBOE would establish a schedule for an annual approval and submission process, evaluate submissions, and approve courses or

programs by August 1 of each year. The commissioner of education could overrule the board's refusal to approve an electronic course or program.

The SBOE would establish the cost of the course or program, which could not exceed \$400 per student per course or \$4,800 per full-time student. School districts or charter schools that submitted courses for approval would have to pay a fee sufficient to cover the cost of evaluating the electronic courses and programs. The board could waive the fee if the course was developed under the TEA electronic course pilot program or another pilot program or if it was developed independently by the district or school.

An electronic course offered through the state virtual school network would have to provide for at least the same number of instructional hours as required for a course offered in a program that met the state's required minimum number of instructional days and required length of school days. Electronic courses or programs, as defined by the bill, would include use of the Internet, computer software, online services, another electronic medium, or another means of conveying information in which a student and teacher were in different locations for most of the student's instructional period and the student was not required to be on the physical premises of the school.

Each provider school district that offered electronic courses would have to create and maintain on the district's or school's website a report containing a description of electronic courses or programs, required materials and other details about the course.

School districts or charter schools in which a student was enrolled in an electronic course would be entitled to state funding equal to the cost of providing the course, as established by the SBOE, plus 20 percent. Payments could be based on contact hours or on the student's successful completion of a course. Provider districts and districts in which a student was enrolled could enter into agreements on the payment for the student's enrollment in an electronic course. The SBOE would have to adopt rules governing these agreements.

School districts could apply for additional funding for accelerated students enrolled in more than the course load taken by equivalent students in the equivalent grade level.

TEA would have to adopt rules to allocate state funds for students not enrolled in school districts or charter schools. TEA could not fund more than 6,000 courses for these students in the 2006-07 school year and 15,000 courses in the 2007-08 school year.

The board would have to adopt rules for verifying the attendance of students enrolled in electronic courses or programs. School districts or charter schools would have to report results of assessment tests to TEA through the Public Education Information Management System (PEIMS). Teachers of electronic courses and programs would have to be certified by the state to teach that subject and grade level.

SBOE would have to submit budget requests to the Legislature for funding of the state virtual school network and submit annual fiscal reports to the governor, lieutenant governor and speaker that included an evaluation of the performance of provider school districts and schools under the state accountability system and assessment test results of students enrolled in electronic courses. To the extent permitted under federal privacy laws, TEA would have to make information about student performance available to school districts, charter schools and the public.

The bill would take effect September 1, 2005. The virtual charter school network would have to begin operations beginning with the 2006-07 school year.

**SUPPORTERS
SAY:**

CSHB 1445 would move education into the 21st century by expanding opportunities for students to use technology as an alternative method of gaining access to a high-quality education through a statewide virtual school network. The network would be firmly established in the state's existing educational framework, and would build on recent pilot projects that tested the use of electronic courses and programs at individual school districts. The bill is significantly different from the virtual charter school bill that the Legislature considered last session, which would have provided equipment directly to participating students, because the virtual school network would be operated through participating public school districts.

The bill would include safeguards to ensure that students enrolled in electronic courses or programs received an education that was equal to or better than traditional courses. The programs would be developed by school districts and charter schools and based on state content standards.

Students would be subject to testing and attendance requirements, and courses would be taught by certified teachers.

While a limited number of home-school students would be eligible to participate in the virtual school network, these programs would benefit many other kinds of students, including students in rural areas who may not have access to advanced courses, children with disabilities such as autism, gifted and talented students, and students from families who must travel a great deal. Home-school families actually might not wish to participate because of the assessment and attendance requirements.

CSHB 1554 simply would offer another educational option for Texas students and their families, in the same way that charter schools offer such alternatives. The bill would not divert a significant amount of funding from traditional programs but rather would provide public schools with an important supplement to their existing programs.

**OPPONENTS
SAY:**

CSHB 1554 would divert money from public schools at a time when the state is having trouble meeting basic educational needs for public school students. According to the bill's fiscal note, the cost of the program would increase from \$20.6 million in 2007 to \$52.6 million in 2010. In addition to paying for the creation of these courses, the state would have to cover the cost of reviewing and approving electronic courses and publicizing their content. While electronic courses may benefit many students, the cost of these courses should be borne by individual students, families, and, in many cases, individual school districts.

The program outlined in the bill would support home schools that are private schools and ought to be funded privately. This is a form of "virtual voucher" that would provide public funding for private schooling. While the bill emphasizes the participation of school districts and charter schools, nothing in the bill would prohibit charter schools from contracting with private companies to provide these services.

It would be premature to adopt CSHB 1554 before the state has had time to evaluate the results of studies of virtual school pilot programs. The initial findings about the benefits of these programs are inconclusive. While online education may offer promising opportunities, the state should not authorize resources to fund these programs until more information is available about their costs and benefits.

NOTES: The committee substitute made a variety of changes to the procedures involved in the operation of the state virtual school network.