

## **BILL ANALYSIS**

Senate Research Center  
84R10823 JSL-F

S.B. 894  
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Education  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, the Texas Virtual School Network (TxVSN) permits students to take individual courses to supplement courses offered at their school or to enroll in a full-time online program. However, several policy barriers make TxVSN lag behind in comparison to other states' broader course access programs. Furthermore, a recent Harvard study of the Florida Virtual School (the nation's largest virtual school network) shows students in online courses perform at an level equal to or above their peers in traditional classrooms.

Texas should remove the existing limitations and provide greater opportunity for students to access digital educational content that may not be offered by their own school.

#### Key Points:

- S.B. 894 removes certain barriers for students to enroll in supplemental, part-time online courses through the Texas Virtual School Network (TxVSN), such as:
  - Repeals a provision that allows a school district or open-enrollment charter school to refuse to pay for the cost of a student to take more than three yearlong electronic courses.
  - Repeals districts' ability to deny a student the opportunity to enroll in an online course if a substantially similar classroom course is offered.
  - Eliminates the arbitrary \$400 cap per individual online course yet directs the Texas commissioner of education (commissioner) to regulate cost-structure agreements.
- Removes certain barriers for students to engage in full-time online learning through the TxVSN, such as:
  - Eliminates the prohibition of students in K-2 grades to enroll in a full-time online program.
  - Removes the rule stipulating that only a student enrolled the previous year in a Texas public school is eligible to enroll in a full-time online program.
  - Levels the playing field by permitting charter schools to serve online students outside of their attendance area (districts currently have this authority).
  - Reverses the moratorium on the establishment of new full-time online public schools (essentially prohibiting an innovative school district from operating such a program).

S.B. 894 clarifies the commissioner's authority to revoke authorization for poor-performing course providers.

As proposed, S.B. 894 amends current law relating to the state virtual school network.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 26.0031(c), Education Code, to delete existing text authorizing a school district or open-enrollment charter school to deny a request to enroll a student in an electronic course if the district or school offers a substantially similar course.

SECTION 2. Amends Sections 30A.002(a) and (c), Education Code, as follows:

(a) Provides that a student is eligible to enroll in one or more courses, rather than a course, provided through the state virtual school network or, except as provided by Section 30A.107(c) (authorizing a student who resides in this state but who is not enrolled in a school district or open-enrollment charter school in this state as a full-time student to, subject to Section 30A.155, enroll in electronic courses through the state virtual school network), enroll full-time in courses provided through the network only if the student meets certain requirements.

(c) Provides that, notwithstanding Subsection (a)(3), rather than Subsection (a)(3) or (b) (providing that a student is eligible to enroll full-time in courses provided through the state virtual school network only if the student meets certain criteria), a student is eligible to enroll in one or more courses provided through the state virtual school network or enroll full-time in courses provided through the network if the student was previously enrolled in public school, rather than in high school, in this state.

SECTION 3. Amends Section 30A.101, Education Code, by amending Subsections (a) and (c) and adding Subsection (e), as follows:

(a) Provides that a school district or open-enrollment charter school is eligible to act as a course provider under this chapter only if the district or school is not rated unacceptable, rather than is rated acceptable, under Section 39.054 (Methods and Standards for Evaluating Performance). Deletes existing text authorizing an open-enrollment charter school to serve as a course provider only to a student within its service area, or to another student in the state through an agreement with the school district in which the student resides, or if the student receives educational services under the supervision of a juvenile probation department, the Texas Juvenile Justice Department, or the Texas Department of Criminal Justice, through an agreement with the applicable agency.

(c) Provides that a nonprofit entity, private entity, or corporation is eligible to act as a course provider under this chapter only if the nonprofit entity, private entity, or corporation:

(1) complies with all applicable federal and state laws prohibiting discrimination;

(2) demonstrates financial solvency; and

(3) either:

(A) provides evidence of prior successful experience offering online courses to kindergarten or elementary, middle, or high school students, with demonstrated student success in course completion and performance, as determined by the commissioner of education (commissioner); or

(B) provides evidence that it is capable of carrying out the responsibilities of a course provider and is likely to provide high quality courses, as determined by the commissioner.

(e) Requires the commissioner to ensure that a course provider does not continue to offer electronic courses through the state virtual school network if:

(1) the course provider no longer satisfies eligibility requirements under Subsection (a) or (c); or

(2) the course provider consistently produces poor student performance outcomes, as determined by the commissioner.

SECTION 4. Amends Section 30A.104(a), Education Code, to require a course offered through the state virtual school network to be aligned with the essential knowledge and skills identified under Section 28.002(c) (requiring the State Board of Education, with the direct participation of educators, parents, business and industry representatives, and employers to by rule identify the essential knowledge and skills of each subject of the required curriculum that all students should be able to demonstrate and that will be used in evaluating instructional materials under Chapter 31 and addressed on the assessment instruments required under Subchapter B, Chapter 39) for a grade level at or above kindergarten, rather than at or above grade level three.

SECTION 5. Amends Section 30A.105(b), Education Code, as follows:

(b) Requires the administering authority to establish the cost of providing each electronic course approved under Subsection (a). Deletes existing text prohibiting the cost of providing an electronic course from exceeding \$400 per student per course or \$4,800 per full-time student.

SECTION 6. Amends Section 30A.151(f), Education Code, to provide that, for a full-time electronic course program offered through the state virtual school network for a grade level at or above kindergarten, rather than at or above grade level three, but not above grade level eight, a school district or open-enrollment charter school is entitled to receive federal, state, and local funding for a student enrolled in the program in an amount equal to the funding the district or school would otherwise receive for a student enrolled in the district or school.

SECTION 7. Amends Sections 30A.153(a) and (b), Education Code, as follows:

(a) Provides that a school district or open-enrollment charter school, rather than a school district or open-enrollment charter school subject to the limitation imposed under Subsection (a-1), in which a student is enrolled is entitled to funding under Chapter 42 or in accordance with the terms of a charter granted under Section 12.101 (Authorization) for the student's enrollment in an electronic course offered through the state virtual school network in the same manner that the district or school is entitled to funding for the student's enrollment in courses provided in a traditional classroom setting, provided that the student successfully completes the electronic course.

(b) Requires the commissioner, after considering comments from school district and open-enrollment charter school representatives, to adopt a standard agreement that governs the costs, payment of funds, and other matters relating to a student's enrollment in an electronic course offered through the state virtual school network. Prohibits the agreement from requiring a school district or open-enrollment charter school to pay the provider the full amount until the student has successfully completed the electronic course. Deletes existing text prohibiting the full amount from exceeding the limits specified by Section 30A.105(b).

SECTION 8. Amends Sections 30A.155(a) and (c), Education Code, as follows:

(a) Authorizes a school district or open-enrollment charter school to charge a fee for enrollment in an electronic course provided through the state virtual school network to a student who resides in this state and is enrolled in a school district or open-enrollment charter school as a full-time student with a course load greater than that normally taken by students in the equivalent grade level in other school districts or open-enrollment charter schools. Deletes existing text authorizing a school district or open-enrollment charter school to charge a fee for enrollment in an electronic course provided through the state virtual school network to a student who resides in this state and elects to enroll in an electronic course provided through the network for which the school district or open-enrollment charter school in which the student is enrolled as a full-time student declines to pay the cost, as authorized by Section 26.0031(c-1) (authorizing a school district or

open-enrollment charter school to decline to pay the cost for a student of more than three yearlong electronic courses, or the equivalent, during any school year).

(c) Prohibits the amount of a fee charged a student under Subsection (a), (a-1), or (b) for each electronic course in which the student enrolls through the state virtual school network from exceeding the cost of providing the course as established by the administering authority under Section 30A.105 (Approval of Electronic Courses), rather than from exceeding the lesser of the cost of providing the course or \$400. Makes nonsubstantive changes.

SECTION 9. Repealer: Section 26.0031(c-1) (authorizing a school district or open-enrollment charter school to decline to pay the cost for a student of more than three yearlong electronic courses, or the equivalent, during any school year), Education Code.

Repealer: Section 30A.002(b) (providing that a student is eligible to enroll full-time in courses provided through the state virtual school network only if the student meets certain criteria), Education Code.

Repealer: Section 30A.153(a-1) (providing that for purposes of Subsection (a), a school district or open-enrollment charter school is limited to the funding described by that subsection for a student's enrollment in not more than three electronic courses during any school year, unless the student is enrolled in a full-time online program that was operating on January 1, 2013), Education Code.

SECTION 10. Provides that this Act applies beginning with the 2015-2016 school year.

SECTION 11. Effective date: upon passage or September 1, 2015.