

Representative Bradley G. Last proposes the following substitute bill:

STATEWIDE ONLINE EDUCATION PROGRAM

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Bradley M. Daw

LONG TITLE

General Description:

This bill creates the Statewide Online Education Program to enable a student to earn high school graduation credit through the completion of online courses.

Highlighted Provisions:

This bill:

- ▶ establishes the purposes of the Statewide Online Education Program;
- ▶ allows an eligible student to enroll in an online course offered through the Statewide Online Education Program;
- ▶ identifies entities that may offer online courses through the Statewide Online Education Program;
- ▶ provides for the payment of online courses;
- ▶ requires reporting on the performance of online course providers;
- ▶ requires the dissemination of information on the Statewide Online Education Program;
- ▶ requires the State Board of Education to make rules;
- ▶ requires the legislative auditor general to conduct a review and issue a report on the Statewide Online Education Program;
- ▶ directs the Education Interim Committee to study the funding, administration, and



26 other issues relating to the Statewide Online Education Program; and
27 ▶ makes technical amendments.

28 **Money Appropriated in this Bill:**

29 This bill appropriates:

- 30 ▶ to the State Board of Education, as an ongoing appropriation:
31 • from the Education Fund, \$250,000.

32 **Other Special Clauses:**

33 This bill takes effect on July 1, 2011.

34 **Utah Code Sections Affected:**

35 AMENDS:

36 **53A-15-1002**, as enacted by Laws of Utah 2006, Chapter 227

37 **53A-15-1006**, as enacted by Laws of Utah 2006, Chapter 227

38 **63I-2-253**, as last amended by Laws of Utah 2010, Chapter 11

39 ENACTS:

40 **53A-15-1201**, Utah Code Annotated 1953

41 **53A-15-1202**, Utah Code Annotated 1953

42 **53A-15-1203**, Utah Code Annotated 1953

43 **53A-15-1204**, Utah Code Annotated 1953

44 **53A-15-1205**, Utah Code Annotated 1953

45 **53A-15-1206**, Utah Code Annotated 1953

46 **53A-15-1207**, Utah Code Annotated 1953

47 **53A-15-1208**, Utah Code Annotated 1953

48 **53A-15-1209**, Utah Code Annotated 1953

49 **53A-15-1210**, Utah Code Annotated 1953

50 **53A-15-1211**, Utah Code Annotated 1953

51 **53A-15-1212**, Utah Code Annotated 1953

52 **53A-15-1213**, Utah Code Annotated 1953

53 **53A-15-1214**, Utah Code Annotated 1953

54 **53A-15-1215**, Utah Code Annotated 1953

56 *Be it enacted by the Legislature of the state of Utah:*

57 Section 1. Section **53A-15-1002** is amended to read:

58 **53A-15-1002. Definitions.**

59 As used in this part:

60 (1) "Board" means the State Board of Education.

61 (2) "Electronic High School" means a rigorous program offering grade 9 - 12 level
62 online courses [delivered over the Internet] through the Statewide Online Education Program
63 and coordinated by the board.

64 (3) "Eligible student" has the meaning defined in Section 53A-15-1202.

65 ~~[(3)]~~ (4) "Home-schooled student" means a student:

66 (a) who attends a home school;

67 (b) is exempt from school attendance pursuant to Section 53A-11-102; and

68 (c) attends no more than two regularly scheduled classes or courses in a public school
69 per semester.

70 ~~[(4)]~~ (5) "Open-entry, open-exit" means:

71 (a) a method of instructional delivery that allows for flexible scheduling in response to
72 individual student needs or requirements and demonstrated competency when knowledge and
73 skills have been mastered; and

74 (b) students have the flexibility to begin or end study at any time, progress through
75 course material at their own pace, and demonstrate competency when knowledge and skills
76 have been mastered.

77 Section 2. Section **53A-15-1006** is amended to read:

78 **53A-15-1006. Payment for an Electronic High School course.**

79 ~~[(1) Electronic High School courses are provided to students who are Utah residents, as~~
80 ~~defined in Section 53A-2-201, free of charge.]~~

81 (1) (a) The Electronic High School shall receive payment for an eligible student's
82 enrollment in an online course as provided by Sections 53A-15-1206 through 53A-15-1208.

83 (b) For fiscal years 2011-12 and 2012-13, a private or home school student whose
84 custodial parent or legal guardian is a resident of Utah may enroll in an Electronic High School
85 course subject to the availability of funds appropriated by the Legislature for that purpose.

86 (2) ~~[Nonresident students]~~ A student whose custodial parent or legal guardian is not a
87 resident of Utah may enroll in an Electronic High School [courses] course for a fee set by the

88 board, provided that the course can accommodate additional students.

89 Section 3. Section **53A-15-1201** is enacted to read:

90 **Part 12. Statewide Online Education Program Act**

91 **53A-15-1201. Title.**

92 This part is known as the "Statewide Online Education Program Act."

93 Section 4. Section **53A-15-1202** is enacted to read:

94 **53A-15-1202. Definitions.**

95 As used in this part:

96 (1) "Adjusted per pupil revenues" means an amount equal to average charter high
97 school per pupil revenues times 0.77.

98 (2) "Average charter high school per pupil revenues" means an amount equal to charter
99 high school revenues divided by the average daily membership of charter high schools
100 statewide.

101 (3) "Charter high school" means a charter school in which only students in grades 9,
102 10, 11, or 12 are enrolled.

103 (4) "Charter high school revenues" means an amount equal to total general fund
104 revenues of charter high schools statewide as reported in the most recently published annual
105 financial report.

106 (5) "District school" means a public school under the control of a local school board
107 elected pursuant to Title 20A, Chapter 14, Nomination and Election of State and Local School
108 Boards.

109 (6) "Eligible student" means:

110 (a) a student enrolled in a district school or charter school in Utah; or

111 (b) beginning on July 1, 2013, a student:

112 (i) who attends a private school or home school; and

113 (ii) whose custodial parent or legal guardian is a resident of Utah.

114 (7) "LEA" means a local education agency in Utah that has administrative control and
115 direction for public education.

116 (8) "Online course" means a course of instruction offered by the Statewide Online
117 Education Program through the use of digital technology.

118 (9) "Primary LEA of enrollment" means the LEA in which an eligible student is

119 enrolled for courses other than online courses offered through the Statewide Online Education
120 Program.

121 Section 5. Section **53A-15-1203** is enacted to read:

122 **53A-15-1203. Statewide Online Education Program created -- Designated as**
123 **program of the public education system -- Purposes.**

124 (1) The Statewide Online Education Program is created to enable an eligible student to
125 earn high school graduation credit through the completion of publicly funded online courses.

126 (2) Pursuant to Utah Constitution, Article X, Section 2, the Statewide Online
127 Education Program is designated as a program of the public education system.

128 (3) The purposes of an online school are to:

129 (a) provide a student with access to online learning options regardless of where the
130 student attends school, whether a public, private, or home school;

131 (b) provide high quality learning options for a student regardless of language,
132 residence, family income, or special needs;

133 (c) provide online learning options to allow a student to acquire the knowledge and
134 technology skills necessary in a digital world;

135 (d) utilize the power and scalability of technology to customize education so that a
136 student may learn in the student's own style preference and at the student's own pace;

137 (e) utilize technology to remove the constraints of traditional classroom learning,
138 allowing a student to access learning virtually at any time and in any place and giving the
139 student the flexibility to take advantage of the student's peak learning time;

140 (f) provide personalized learning, where a student can spend as little or as much time
141 as the student needs to master the material;

142 (g) provide greater access to self-paced programs enabling a high achieving student to
143 accelerate academically, while a struggling student may have additional time and help to gain
144 competency;

145 (h) allow a student to customize the student's schedule to better meet the student's
146 academic goals;

147 (i) provide quality learning options to better prepare a student for post-secondary
148 education and vocational or career opportunities; and

149 (j) allow a student to have an individualized educational experience.

150 Section 6. Section **53A-15-1204** is enacted to read:

151 **53A-15-1204. Option to enroll in online courses offered through the Statewide**
152 **Online Education Program.**

153 (1) Subject to the course limitations provided in Subsection (2), an eligible student may
154 enroll in an online course offered through the Statewide Online Education Program if:

155 (a) the student meets the course prerequisites; and

156 (b) the course is open for enrollment.

157 (2) An eligible student may enroll in online courses for no more than the following
158 number of credits:

159 (a) in the 2011-12 and 2012-13 school years, two credits;

160 (b) in the 2013-14 school year, three credits;

161 (c) in the 2014-15 school year, four credits;

162 (d) in the 2015-16 school year, five credits; and

163 (e) beginning with the 2016-17 school year, six credits.

164 (3) Notwithstanding Subsection (2):

165 (a) a student's primary LEA of enrollment may allow an eligible student to enroll in
166 online courses for more than the number of credits specified in Subsection (2); or

167 (b) upon the request of an eligible student, the State Board of Education may allow the
168 student to enroll in online courses for more than the number of credits specified in Subsection
169 (2), if the online courses better meet the academic goals of the student.

170 (4) An eligible student's primary LEA of enrollment:

171 (a) in conjunction with the student and the student's parent or legal guardian, is
172 responsible for preparing and implementing a student education/occupation plan (SEOP) for
173 the eligible student, as provided in Section 53A-1a-106; and

174 (b) shall assist an eligible student in scheduling courses in accordance with the
175 student's SEOP, graduation requirements, and the student's post-secondary plans.

176 (5) An eligible student's primary LEA of enrollment may not:

177 (a) impose restrictions on a student's selection of an online course that fulfills
178 graduation requirements and is consistent with the student's SEOP or post-secondary plans; or

179 (b) give preference to an online course or online course provider.

180 Section 7. Section **53A-15-1205** is enacted to read:

181 **53A-15-1205. Authorized online course providers.**

182 The following entities may offer online courses to eligible students through the
183 Statewide Online Education Program:

184 (1) the Electronic High School established in Part 10, Electronic High School Act;

185 (2) a charter school or district school created exclusively for the purpose of serving
186 students online; and

187 (3) an LEA program, approved by the LEA's governing board, that is created
188 exclusively for the purpose of serving students online.

189 Section 8. Section **53A-15-1206** is enacted to read:

190 **53A-15-1206. Payment for an online course.**

191 (1) The fee for an online course is an amount equal to the product of:

192 (a) adjusted per pupil revenues; and

193 (b) one-eighth the number of credits a student may earn for the online course.

194 (2) An online learning provider shall receive payment for an online course as follows:

195 (a) for a one semester online course, 50% of the online course fee upon the student
196 enrolling in the online course;

197 (b) for a full-year online course, 25% of the online course fee upon the student
198 enrolling in the online course and 25% of the online course fee upon the beginning of the
199 second semester; and

200 (c) if a student completes a full-year online course within 12 months or a one-semester
201 course within nine weeks following the end of the semester, 50% of the online course fee.

202 (3) (a) If a student fails to complete a one-year course within 12 months or a
203 one-semester course within nine weeks following the end of the semester, the student may
204 continue to be enrolled in the course until the student graduates from high school.

205 (b) To encourage an online course provider to provide remediation to a student who
206 remains enrolled in an online course pursuant to Subsection (3)(a) and avoid the need for credit
207 recovery, an online course provider shall receive a payment equal to 30% of the online course
208 fee if the student completes the online course before the student graduates from high school.

209 Section 9. Section **53A-15-1207** is enacted to read:

210 **53A-15-1207. State Board of Education to deduct funds and make payments --**

211 **Remaining balance to lapse into Uniform School Fund -- Plan for the payment of online**

212 **courses taken by private and home school students.**

213 (1) Upon the receipt of a course credit acknowledgment described in Section
214 53A-15-1208, the State Board of Education shall deduct an amount equal to the online course
215 fee described in Section 53A-15-1206 from funds allocated to the student's primary LEA of
216 enrollment under Chapter 17a, Minimum School Program Act.

217 (2) From money deducted under Subsection (1), the State Board of Education shall
218 make payments to the student's online course provider as provided in Section 53A-15-1208.

219 (3) A balance remaining at the time a student graduates shall lapse into the Uniform
220 School Fund.

221 (4) The Legislature shall establish a plan, which shall take effect beginning on July 1,
222 2013, for the payment of online courses taken by a private school or home school student.

223 Section 10. Section **53A-15-1208** is enacted to read:

224 **53A-15-1208. Course credit acknowledgement.**

225 (1) A student's primary LEA of enrollment and the student's online course provider
226 shall enter into a course credit acknowledgement in which the primary LEA of enrollment and
227 the online course provider acknowledge that the online course provider is responsible for the
228 instruction of the student in a specified online course.

229 (2) The terms of the course credit acknowledgement shall provide that:

230 (a) the online course provider shall receive a payment in the amount provided under
231 Section 53A-15-1207;

232 (b) the online course provider shall refund a payment received for a student who
233 enrolls in an online course if the student withdraws from the online course within 10 days; and

234 (c) the student's primary LEA of enrollment acknowledges that the State Board of
235 Education will deduct an amount equal to the online course fee from funds allocated to the
236 LEA under Chapter 17a, Minimum School Program Act.

237 (3) A primary LEA of enrollment and an online course provider shall submit a copy of
238 a course credit acknowledgement to the State Board of Education in accordance with
239 procedures established by the State Board of Education.

240 Section 11. Section **53A-15-1209** is enacted to read:

241 **53A-15-1209. Online course credit hours included in daily membership --**
242 **Limitation.**

243 (1) Subject to Subsection (2), a student's primary LEA of enrollment shall include
244 online course credit hours in calculating daily membership.

245 (2) A student may not count as more than one FTE, unless the student intends to
246 complete high school graduation requirements, and exit high school, early, in accordance with
247 the student's education/occupation plan (SEOP).

248 (3) Except as provided in Subsection (4), a student enrolled in an online course may
249 earn no more credits in a semester than the number of credits a student may earn by taking a
250 full course load during the regular school day in a high school classroom.

251 (4) A student enrolled in an online course may earn more credits in a semester than the
252 number of credits a student may earn by taking a full course load during the regular school day
253 in a high school classroom if the student intends to complete high school graduation
254 requirements, and exit high school, early, in accordance with the student's
255 education/occupation plan (SEOP).

256 Section 12. Section **53A-15-1210** is enacted to read:

257 **53A-15-1210. Administration of statewide assessments to students enrolled in**
258 **online courses.**

259 (1) A student enrolled in an online course that is a course for which a statewide
260 assessment is administered under Chapter 1, Part 6, Achievement Tests, shall take the
261 statewide assessment.

262 (2) (a) The State Board of Education shall make rules providing for the administration
263 of a statewide assessment to a student enrolled in an online course.

264 (b) Rules made under Subsection (2)(a) shall:

265 (i) provide for the administration of a statewide assessment upon a student completing
266 an online course; and

267 (ii) require an online course provider to proctor the statewide assessment.

268 Section 13. Section **53A-15-1211** is enacted to read:

269 **53A-15-1211. Report on performance of online course providers.**

270 (1) The State Board of Education, in collaboration with online course providers, shall
271 develop a report on the performance of online course providers, which may be used to evaluate
272 the Statewide Online Education Program and assess the quality of an online course provider.

273 (2) A report on the performance of an online course provider shall include:

274 (a) data on the performance of the online course provider's students on statewide
275 assessments administered under Chapter 1, Part 6, Achievement Tests;

276 (b) the percentage of the online course provider's students who complete online
277 courses; and

278 (c) the pupil-teacher ratio of the online course provider.

279 (3) The State Board of Education shall post a report on the performance of an online
280 course provider on the Statewide Online Education Program's website.

281 Section 14. Section **53A-15-1212** is enacted to read:

282 **53A-15-1212. Dissemination of information on the Statewide Online Education**
283 **Program.**

284 (1) The State Board of Education shall develop a website for the Statewide Online
285 Education Program which shall include:

286 (a) a description of the Statewide Online Education Program, including its purposes;

287 (b) information on who is eligible to enroll, and how an eligible student may enroll, in
288 an online course;

289 (c) a directory of online course providers;

290 (d) a link to a course catalog for each online course provider; and

291 (e) a report on the performance of online course providers as required by Section
292 53A-15-1211.

293 (2) An online course provider shall provide the following information on the online
294 course provider's website:

295 (a) a description of the Statewide Online Education Program, including its purposes;

296 (b) information on who is eligible to enroll, and how an eligible student may enroll, in
297 an online course;

298 (c) a course catalogue;

299 (d) data on the performance of the online course provider's students on statewide
300 assessments administered under Chapter 1, Part 6, Achievement Tests;

301 (e) the percentage of an online course provider's students who complete online courses;
302 and

303 (f) the online learning provider's pupil-teacher ratio.

304 (3) An LEA shall provide information both written and online on the Statewide Online

305 Education Program, including:

306 (a) a description of the Statewide Online Education Program, including its purposes;

307 (b) information on who is eligible to enroll, and how an eligible student may enroll, in
308 an online course; and

309 (c) information on how to access the Statewide Online Education Program website.

310 (4) An LEA shall include the written information described in Subsection (3) in high
311 school course registration materials.

312 Section 15. Section **53A-15-1213** is enacted to read:

313 **53A-15-1213. State Board of Education -- Rulemaking.**

314 The State Board of Education shall make rules in accordance with this part and Title
315 63G, Chapter 3, Utah Administrative Rulemaking Act, that:

316 (1) establish a course credit acknowledgement form and procedures for completing and
317 submitting to the State Board of Education a course credit acknowledgement; and

318 (2) establish procedures for the administration of a statewide assessment to a student
319 enrolled in an online course.

320 Section 16. Section **53A-15-1214** is enacted to read:

321 **53A-15-1214. Review by legislative auditor general.**

322 The legislative auditor general shall conduct a review and issue a report on the
323 Statewide Online Education Program after the conclusion of the 2013-14 school year.

324 Section 17. Section **53A-15-1215** is enacted to read:

325 **53A-15-1215. Interim Study.**

326 The Education Interim Committee shall study and make recommendations for proposed
327 legislation in the 2012 General Session on the Statewide Online Education Program, including:

328 (1) the appropriate course fee and whether course fees should be tiered based on
329 instructional requirements;

330 (2) administration of the program, including assuring that students and parents have
331 appropriate guidance in selecting and enrolling in online courses;

332 (3) the feasibility of allowing private online course providers to offer online courses
333 directly to students and the appropriate standards and oversight required; and

334 (4) how to provide students who take a majority of their courses through the Statewide
335 Online Education Program:

336 (a) assistance in selecting courses that fulfill high school graduation requirements and
337 prepare the student for postsecondary education and a career; and

338 (b) a high school diploma.

339 Section 18. Section **63I-2-253** is amended to read:

340 **63I-2-253. Repeal dates -- Titles 53, 53A, and 53B.**

341 (1) Section 53A-1-403.5 is repealed July 1, 2012.

342 (2) Subsection 53A-1-603(5) is repealed July 1, 2015.

343 (3) Title 53A, Chapter 1a, Part 10, UPSTART, is repealed July 1, 2014.

344 (4) Subsection 53A-13-110(4) is repealed July 1, 2013.

345 [~~(5) Section 53A-17a-152 is repealed July 1, 2010.~~]

346 (5) Section 53A-15-1215 is repealed July 1, 2012.

347 (6) Section 53A-17a-162 is repealed July 1, 2012.

348 Section 19. **Appropriation.**

349 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
350 following sums of money are appropriated from resources not otherwise appropriated out of the
351 funds or accounts indicated for the fiscal year beginning July 1, 2011 and ending June 30,
352 2012. These are additions to amounts previously appropriated for fiscal year 2011-12.

353 To State Board of Education

354 From Education Fund \$250,000

355 Schedule of Programs:

356 Statewide Online Education Program \$250,000

357 Section 20. **Effective date.**

358 This bill takes effect on July 1, 2011.