

1-1 By: Shapiro S.B. No. 1483
1-2 (In the Senate - Filed March 10, 2011; March 22, 2011, read
1-3 first time and referred to Committee on Education; April 26, 2011,
1-4 reported adversely, with favorable Committee Substitute by the
1-5 following vote: Yeas 5, Nays 4; April 26, 2011, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 1483 By: Shapiro

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to the state virtual school network and virtual high
1-10 schools.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subchapter A, Chapter 30A, Education Code, is
1-13 amended by adding Section 30A.007 to read as follows:

1-14 Sec. 30A.007. LOCAL POLICY ON ELECTRONIC COURSES. A school
1-15 district or open-enrollment charter school shall adopt a policy
1-16 that provides district or school students with the opportunity to
1-17 enroll in electronic courses provided through the state virtual
1-18 school network. The policy must be consistent with the
1-19 requirements imposed by Section 26.0031.

1-20 SECTION 2. Subchapter C, Chapter 30A, Education Code, is
1-21 amended by adding Section 30A.1021 to read as follows:

1-22 Sec. 30A.1021. PUBLIC ACCESS TO USER COMMENTS REGARDING
1-23 ELECTRONIC COURSES. (a) The administering authority shall
1-24 provide students who have completed or withdrawn from electronic
1-25 courses offered through the virtual school network and their
1-26 parents with a mechanism for providing comments regarding the
1-27 courses.

1-28 (b) The mechanism required by Subsection (a) must include a
1-29 quantitative rating system and a list of verbal descriptors that a
1-30 student or parent may select as appropriate.

1-31 (c) The administering authority shall provide public access
1-32 to the comments submitted by students and parents under this
1-33 section. The comments must be in a format that permits a person to
1-34 sort the comments by teacher, electronic course, and provider
1-35 school district or school.

1-36 SECTION 3. Section 30A.104, Education Code, is amended to
1-37 read as follows:

1-38 Sec. 30A.104. COURSE ELIGIBILITY IN GENERAL. (a) A course
1-39 offered through the state virtual school network must:

1-40 (1) be in a specific subject that is part of the
1-41 required curriculum under Section 28.002(a);

1-42 (2) be aligned with the essential knowledge and skills
1-43 identified under Section 28.002(c) for a grade level at or above
1-44 grade level three; and

1-45 (3) be the equivalent in instructional rigor and scope
1-46 to a course that is provided in a traditional classroom setting
1-47 during:

1-48 (A) a semester of 90 instructional days; and

1-49 (B) a school day that meets the minimum length of
1-50 a school day required under Section 25.082.

1-51 (b) For purposes of Subsection (a)(2), a course is
1-52 considered in compliance with the requirement imposed under that
1-53 subdivision if:

1-54 (1) the course contains at least 80 percent of the
1-55 applicable essential knowledge and skills; and

1-56 (2) the provider school district or school provides
1-57 written documentation that the remaining 20 percent of the
1-58 applicable essential knowledge and skills will be provided by the
1-59 teacher of the course.

1-60 (c) If the essential knowledge and skills with which an
1-61 approved course is aligned in accordance with Subsection (a)(2) are
1-62 modified, the provider school district or school must be provided
1-63 the same time period to revise the course to achieve alignment with

2-1 the modified essential knowledge and skills as is provided for the
2-2 modification of a course provided in a traditional classroom
2-3 setting.

2-4 SECTION 4. Section 30A.105, Education Code, is amended by
2-5 adding Subsections (a-1) and (a-2) and amending Subsection (d) to
2-6 read as follows:

2-7 (a-1) The administering authority shall publish the
2-8 schedule established under Subsection (a)(1), including any
2-9 deadlines specified in that schedule, and any guidelines applicable
2-10 to the submission and approval process for electronic courses.

2-11 (a-2) The evaluation required by Subsection (a)(2) must
2-12 include review of each electronic course component, including
2-13 off-line material proposed to be used in the course.

2-14 (d) If the agency determines that the costs of evaluating
2-15 and approving a submitted electronic course will not be paid by the
2-16 agency due to a shortage of funds available for that purpose, the
2-17 school district, open-enrollment charter school, or public or
2-18 private institution of higher education that submitted the course
2-19 for evaluation and approval may pay a fee equal to the amount of the
2-20 costs in order to ensure that evaluation of the course occurs. The
2-21 agency shall establish and publish a fee schedule for purposes of
2-22 this subsection.

2-23 SECTION 5. Subchapter D, Chapter 30A, Education Code, is
2-24 amended by adding Section 30A.153 to read as follows:

2-25 Sec. 30A.153. FOUNDATION SCHOOL PROGRAM FUNDING. (a) A
2-26 school district or open-enrollment charter school in which a
2-27 student is enrolled is entitled to funding under Chapter 42 for the
2-28 student's enrollment in an electronic course offered through the
2-29 state virtual school network in the same manner that the district or
2-30 school is entitled to funding for the student's enrollment in
2-31 courses provided in a traditional classroom setting, provided that
2-32 the student successfully completes the electronic course.

2-33 (b) The commissioner, after considering comments from
2-34 school district and open-enrollment charter school
2-35 representatives, shall adopt a standard agreement that governs
2-36 payment of funds and other matters relating to a student's
2-37 enrollment in an electronic course offered through the state
2-38 virtual school network. The agreement may not require a school
2-39 district or open-enrollment charter school to pay the provider the
2-40 full amount until the student has successfully completed the
2-41 electronic course.

2-42 (c) A school district or open-enrollment charter school
2-43 shall use the standard agreement adopted under Subsection (b)
2-44 unless:

- 2-45 (1) the district or school requests from the
2-46 commissioner permission to modify the standard agreement; and
- 2-47 (2) the commissioner authorizes the modification.

2-48 (d) The commissioner shall adopt rules necessary to
2-49 implement this section, including rules regarding attendance
2-50 accounting.

2-51 SECTION 6. Subtitle F, Title 2, Education Code, is amended
2-52 by adding Chapter 30B to read as follows:

2-53 CHAPTER 30B. VIRTUAL HIGH SCHOOLS

2-54 Sec. 30B.001. CREATION OF VIRTUAL HIGH SCHOOLS. (a) The
2-55 commissioner by rule shall establish a process under which an
2-56 eligible entity that seeks to operate a virtual high school must
2-57 submit an application to the commissioner for authorization.

2-58 (b) The commissioner may authorize not more than 10 virtual
2-59 high schools.

2-60 (c) A virtual high school must be accredited in a manner
2-61 comparable to the manner in which a school district is accredited
2-62 under Subchapter C, Chapter 39.

2-63 (d) A virtual high school authorized by the commissioner and
2-64 accredited as required by Subsection (c) may:

- 2-65 (1) grant high school diplomas to students who meet
2-66 the requirements for a diploma imposed under this title, including
2-67 requirements imposed by rules adopted under this title; and

2-68 (2) act as a provider school district or school under
2-69 Chapter 30A, notwithstanding Section 30A.001(7).

3-1 (e) If the commissioner determines that the costs of
 3-2 evaluating an application for authorization to operate a virtual
 3-3 high school cannot be paid by the agency due to a shortage of funds
 3-4 available for that purpose, the eligible entity that submitted the
 3-5 application may pay a fee equal to the amount of the costs in order
 3-6 to ensure that evaluation of the application occurs. The agency
 3-7 shall establish and publish a fee schedule for purposes of this
 3-8 subsection.

3-9 Sec. 30B.002. ELIGIBLE ENTITIES. The following entities
 3-10 are eligible to apply for authorization to operate a virtual high
 3-11 school:

- 3-12 (1) a school district;
 3-13 (2) an open-enrollment charter school;
 3-14 (3) a public junior college, as defined by Section
 3-15 61.003; and
 3-16 (4) a public senior college or university, as defined
 3-17 by Section 61.003.

3-18 Sec. 30B.003. ELIGIBLE STUDENTS. (a) Subject to
 3-19 Subsection (b), a student may enroll in a virtual high school if the
 3-20 student resides in this state, is under 26 years of age, and is not
 3-21 enrolled in another public school.

3-22 (b) At the time of initial enrollment in a virtual high
 3-23 school, a student described by Subsection (a) is eligible to enroll
 3-24 only if the student was enrolled in a public school in this state in
 3-25 the preceding school year.

3-26 (c) A virtual high school may also elect to admit a student
 3-27 who resides in this state and is 26 years of age or older.

3-28 Sec. 30B.004. CURRICULUM. (a) A virtual high school shall
 3-29 permit students to enroll in courses provided through the state
 3-30 virtual school network under Chapter 30A in addition to courses
 3-31 offered directly by the virtual high school.

3-32 (b) A course or program offered by a virtual high school
 3-33 must include the essential knowledge and skills and any other
 3-34 content required under Subchapter A, Chapter 28. If the
 3-35 commissioner finds that a course or program does not comply with
 3-36 this subsection, the commissioner may prohibit the virtual high
 3-37 school from offering the course or program.

3-38 (c) A virtual high school may develop a community-based
 3-39 course in physical education or fine arts. A course developed under
 3-40 this subsection must be approved by the agency before the virtual
 3-41 high school may offer the class to a student for academic credit.

3-42 Sec. 30B.005. ACCOUNTABILITY. (a) A virtual high school
 3-43 is subject to Subchapter B, Chapter 39, and the eligible entity
 3-44 authorized to operate the virtual high school shall comply with the
 3-45 procedures established under Section 39.0301 in addition to all
 3-46 other applicable requirements. For purposes of assessment
 3-47 instruments administered by a virtual high school, the commissioner
 3-48 may modify the procedures established under Section 39.0301 if
 3-49 necessary.

3-50 (b) The commissioner shall assign a virtual high school a
 3-51 performance rating under Section 39.054 on the basis of the
 3-52 performance of students enrolled in the virtual high school under
 3-53 Section 30B.003(a). The commissioner may not use the alternative
 3-54 performance criteria under Section 39.054(d-1) for purposes of this
 3-55 subsection.

3-56 Sec. 30B.006. SANCTIONS. (a) If a virtual high school
 3-57 fails to satisfy accreditation criteria under Section 39.052,
 3-58 academic performance standards under Section 39.053 or 39.054, or
 3-59 any financial accountability standard, as determined by the
 3-60 commissioner, the commissioner shall take any of the following
 3-61 actions to the extent the commissioner determines necessary:

3-62 (1) order the virtual high school to issue public
 3-63 notice of the deficiency to a parent of or person standing in
 3-64 parental relationship to each student enrolled in the virtual high
 3-65 school;

3-66 (2) order the preparation of a student achievement
 3-67 improvement plan that addresses each student achievement indicator
 3-68 under Section 39.053(c) for which the virtual high school's
 3-69 performance is insufficient, the submission of the plan to the

4-1 commissioner for approval, and implementation of the plan;
4-2 (3) order a hearing to be held before the commissioner
4-3 or the commissioner's designee at which the chief executive officer
4-4 of the eligible entity authorized to operate the virtual high
4-5 school, or that officer's designee, shall appear and explain the
4-6 virtual high school's low performance, lack of improvement, and
4-7 plans for improvement; or

4-8 (4) appoint an agency monitor to participate in and
4-9 report to the agency on the activities of the eligible entity
4-10 authorized to operate the virtual high school.

4-11 (b) If the virtual high school fails for three consecutive
4-12 years to satisfy accreditation criteria under Section 39.052,
4-13 academic performance standards under Section 39.053 or 39.054, or
4-14 any financial accountability standard, as determined by the
4-15 commissioner, the commissioner shall revoke the authorization to
4-16 operate the virtual high school.

4-17 Sec. 30B.007. FUNDING. (a) Subject to Subsection (c), a
4-18 virtual high school is entitled to funding under Chapter 42 for each
4-19 student in weighted average daily attendance, excluding enrichment
4-20 funding under Section 42.302, as if the school were a school
4-21 district without a tier one local share for purposes of Section
4-22 42.253 and without any local revenue for purposes of Section
4-23 42.2516. In determining funding under this subsection, adjustments
4-24 under Sections 42.102, 42.103, 42.104, and 42.105 are based on the
4-25 average adjustment for the state.

4-26 (b) Subject to Subsection (c), in addition to the funding
4-27 provided under Subsection (a), a virtual high school is entitled to
4-28 receive enrichment funding under Section 42.302 based on the state
4-29 average tax effort.

4-30 (c) A virtual high school may not receive funding under this
4-31 section:

4-32 (1) for students described by Section 30B.003(c); or
4-33 (2) on the basis of a student's enrollment in a course
4-34 that the student does not successfully complete.

4-35 (d) A virtual high school may:

4-36 (1) charge a fee for enrollment to students described
4-37 by Section 30B.003(c); or
4-38 (2) use adult basic education funds to pay the costs of
4-39 enrollment of students described by Section 30B.003(c), if those
4-40 funds are available for that purpose.

4-41 (e) If the commissioner revokes a virtual high school's
4-42 authorization under Section 30B.006(b), the commissioner shall
4-43 immediately discontinue funding to the virtual high school under
4-44 this section.

4-45 Sec. 30B.008. RULES. The commissioner may adopt rules
4-46 necessary to implement this chapter, including rules governing
4-47 student admission, verification of the participation of a student
4-48 enrolled in a course or program of a virtual high school, course
4-49 completion criteria, assessment administration, attendance
4-50 accounting, funding, financial accountability, and intervention
4-51 and sanctions for virtual high schools.

4-52 SECTION 7. Subsection (a), Section 42.003, Education Code,
4-53 is amended to read as follows:

4-54 (a) A student is entitled to the benefits of the Foundation
4-55 School Program if, on September 1 of the school year, the student is
4-56 5 years of age or older and under 21 years of age and has not
4-57 graduated from high school, or is at least 21 years of age and under
4-58 26 years of age and has been admitted by a virtual high school under
4-59 Chapter 30B or a school district to complete the requirements for a
4-60 high school diploma.

4-61 SECTION 8. Subsection (a), Section 42.302, Education Code,
4-62 is amended to read as follows:

4-63 (a) Each school district is guaranteed a specified amount
4-64 per weighted student in state and local funds for each cent of tax
4-65 effort over that required for the district's local fund assignment
4-66 up to the maximum level specified in this subchapter. The amount
4-67 of state support, subject only to the maximum amount under Section
4-68 42.303, is determined by the formula:

4-69
$$\text{GYA} = (\text{GL} \times \text{WADA} \times \text{DTR} \times 100) - \text{LR}$$

5-1 where:
5-2 "GYA" is the guaranteed yield amount of state funds to be
5-3 allocated to the district;
5-4 "GL" is the dollar amount guaranteed level of state and local
5-5 funds per weighted student per cent of tax effort, which is an
5-6 amount described by Subsection (a-1) or a greater amount for any
5-7 year provided by appropriation;
5-8 "WADA" is the number of students in weighted average daily
5-9 attendance, which is calculated by dividing the sum of the school
5-10 district's allotments under Subchapters B and C, less any allotment
5-11 to the district for transportation, any allotment under Section
5-12 42.158[~~42.159~~] or 42.160, and 50 percent of the adjustment under
5-13 Section 42.102, by the basic allotment for the applicable year;
5-14 "DTR" is the district enrichment tax rate of the school
5-15 district, which is determined by subtracting the amounts specified
5-16 by Subsection (b) from the total amount of maintenance and
5-17 operations taxes collected by the school district for the
5-18 applicable school year and dividing the difference by the quotient
5-19 of the district's taxable value of property as determined under
5-20 Subchapter M, Chapter 403, Government Code, or, if applicable,
5-21 under Section 42.2521, divided by 100; and
5-22 "LR" is the local revenue, which is determined by multiplying
5-23 "DTR" by the quotient of the district's taxable value of property as
5-24 determined under Subchapter M, Chapter 403, Government Code, or, if
5-25 applicable, under Section 42.2521, divided by 100.
5-26 SECTION 9. Section 42.159, Education Code, is repealed.
5-27 SECTION 10. This Act takes effect September 1, 2011.

5-28

* * * * *