

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: SB738S1

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Newman

3. Committee: Education

4. Title: Establishment of virtual school programs

5. Summary: Encourages the development of virtual school programs around the Commonwealth. Virtual schools will use online providers that enter into a contract with a local school division. Students will utilize technology to learn full-time through a distance learning environment. Virtual schools must use the services of teachers licensed by the Board of Education (BOE) and subject to the requirements of §§ 22.1-296.1 and 22.1-296.2 applicable to teachers employed by a local school board. Also, the Department of Education (DOE) must maintain a page on its Website that provides information for online learning options for parents across the state. By July 1, 2011 local school divisions required to post information on their Websites regarding online courses and programs.

6. Fiscal Impact Estimates: Preliminary. See item 8.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: This legislation requires the Superintendent of Public Instruction to develop and the BOE to approve (i) the criteria and application process for approving multi-division online providers; (ii) a process for monitoring approved multi-division online providers; (iii) a process for revocation of the approval of a previously approved multi-division online provider; and (iv) an appeals process for a multi-division online provider whose approval was revoked or whose application was denied.

The bill specifies that a parent or guardian shall give written permission prior to the enrollment of the student in any full-time virtual program offered by a local school division. Students enrolled in an online course or virtual program are to be enrolled in a public school. School divisions are given the permission to charge a tuition to students who do not reside within the boundaries of the school division offering such course or program pursuant to § 22.1-5; however, students who reside within the school division may not be charged tuition.

The bill also clarifies that school divisions can only receive state funds based on the jurisdiction of residence of each student. No state funds shall be provided to a school division for students who are not residents of that jurisdiction and who are enrolled in one or more online courses but not in a full-time virtual program.

DOE anticipates this legislation will result in additional costs associated with the implementation of this bill. However, it is assumed such costs can be absorbed within current resources by realigning current DOE staff responsibilities and reprioritizing the expenses of DOE as well as the BOE.

9. Specific Agency or Political Subdivisions Affected: Board of Education, Department of Education and local school divisions.

10. Technical Amendment Necessary: No.

11. Other Comments: Similar to HB1388.

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