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;
- prescribes requirements for an online course provider;
- 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 how to provide course selection advisement and a high school diploma to students who take a majority of courses.
through the Statewide Online Education Program; and
  makes technical amendments.

Money Appropriated in this Bill:

This bill appropriates:

  to the State Board of Education, as an ongoing appropriation:
  
  from the Education Fund, $250,000. $-

Other Special Clauses:

This bill takes effect on July 1, 2011.

Utah Code Sections Affected:

AMENDS:

53A-15-1002, as enacted by Laws of Utah 2006, Chapter 227
53A-15-1006, as enacted by Laws of Utah 2006, Chapter 227
63I-2-253, as last amended by Laws of Utah 2010, Chapter 11

ENACTS:

53A-15-1201, Utah Code Annotated 1953
53A-15-1202, Utah Code Annotated 1953
53A-15-1203, Utah Code Annotated 1953
53A-15-1204, Utah Code Annotated 1953
53A-15-1205, Utah Code Annotated 1953
53A-15-1206, Utah Code Annotated 1953
53A-15-1207, Utah Code Annotated 1953
53A-15-1208, Utah Code Annotated 1953
53A-15-1209, Utah Code Annotated 1953
53A-15-1210, Utah Code Annotated 1953
53A-15-1211, Utah Code Annotated 1953
53A-15-1212, Utah Code Annotated 1953
53A-15-1213, Utah Code Annotated 1953
53A-15-1214, Utah Code Annotated 1953
53A-15-1215, Utah Code Annotated 1953
53A-15-1216, Utah Code Annotated 1953
53A-15-1217, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:
Section 1. Section 53A-15-1002 is amended to read:

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

As used in this part:

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

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

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

(a) who attends a home school; 

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

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

(4) "Home-schooled student" means a student:

(a) who attends a home school;

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

(5) "Open-entry, open-exit" means:

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

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

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

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

Electronic High School courses are provided to students who are Utah residents, as defined in Section 53A-2-201, free of charge.

(1) (a) The Electronic High School shall receive payment for an eligible student's enrollment in an online course as provided by Sections 53A-15-1208 through 53A-15-1210.

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

(2) [Nonresident students] A student whose custodial parent or legal guardian is not a resident of Utah may enroll in an Electronic High School course for a fee set by the
board, provided that the course can accommodate additional students.

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

Part 12. Statewide Online Education Program Act


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

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


As used in this part:

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

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

(3) "Charter high school revenues" means an amount equal to:

(a) total general fund revenues of charter high schools statewide as reported in the most recently published financial report; minus

(b) total revenues distributed to charter high schools statewide for an allocation per student in the amount of statewide average debt service revenues under Section 53A-1a-513.

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

(5) "Eligible student" means:

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

(b) beginning on July 1, 2013, a student;

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

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

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

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

(8) "Primary LEA of enrollment" means the LEA in which an eligible student is
enrolled for courses other than online courses offered through the Statewide Online Education Program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(j) allow a student to have an individualized educational experience.
Section 6. Section 53A-15-1204 is enacted to read:

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

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

(a) the student meets the course prerequisites; and
(b) the course is open for enrollment.

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

(a) in the 2011-12 and 2012-13 school years, two credits;
(b) in the 2013-14 school year, three credits;
(c) in the 2014-15 school year, four credits;
(d) in the 2015-16 school year, five credits; and
(e) beginning with the 2016-17 school year, six credits.

(3) Notwithstanding Subsection (2), an eligible student may enroll in online courses for more than the number of credits specified in Subsection (2) if the student's primary LEA of enrollment agrees to pay for the additional online courses in accordance with Sections 53A-15-1208 through 53A-15-1210:

(a) a student's primary LEA of enrollment may allow an eligible student to enroll in online courses for more than the number of credits specified in Subsection (2); or
(b) upon the request of an eligible student, the State Board of Education may allow the student to enroll in online courses for more than the number of credits specified in Subsection (2), if the online courses better meet the academic goals of the student.

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

(a) in conjunction with the student and the student's parent or legal guardian, is responsible for preparing and implementing a student education/occupation plan (SEOP) for the eligible student, as provided in Section 53A-1a-106; and
(b) shall assist an eligible student in scheduling courses in accordance with the student's SEOP, graduation requirements, and the student's post-secondary plans.

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

(a) impose restrictions on a student's selection of an online course that fulfills graduation requirements and is consistent with the student's SEOP or post-secondary plans; or
(b) give preference to an online course or online course provider.

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

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

(1) The following entities may offer online courses to eligible students through the
Statewide Online Education Program:

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

(b) a charter school or district school created exclusively for the purpose of serving

   students online; and

(c) an LEA program, approved by the LEA’s governing board, that is created

   exclusively for the purpose of serving students online.

(2) In addition to the entities specified in Subsection (1), beginning with the 2012-13

   school year, a certified online course provider may offer an online course to an eligible student

   through the Statewide Online Education Program.

(3) A certified online course provider may include a public or private person.

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


(1) The State Board of Education shall issue a certification to an online course provider

   if the online course provider:

   (a) complies with the application procedures established by the State Board of

   Education in rule;

   (b) meets standards for certified online course providers established by the State Board

   of Education in rule; and

   (c) has prior experience offering online courses to secondary school students.

(2) (a) The State Board of Education may charge a fee to apply for or

   maintain an online course provider certification.

   (b) The State Board of Education shall impose a fee under Subsection (2)(a) in

   accordance with Section 63J-1-504.

   Fee revenues collected under this section shall be deposited into the Uniform School Fund as a dedicated credit; Costs of the State Board of Education to review an application for

   certification or monitor a certified online course provider’s compliance with State Board of Education

   standards shall be paid from fee revenues.

(3) The State Board of Education may revoke the certification of an online course

   provider who fails to comply with standards established by the State Board of Education in

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


(1) In adopting standards for a certified online course provider, the State Board of Education shall use as a guideline the standards recommended by the International Association for K-12 Online Learning.

(2) Standards established by the State Board of Education in rule for an online course provider:

(a) shall require an online course to be aligned with core curriculum standards established under Sections 53A-1-402 and 53A-1-402.6;

(b) shall prescribe qualifications for online course instructors;

(c) may not specify a minimum duration for an online course or a minimum amount of time a student must spend in an online course; and

(d) may not limit the class size of an online course.

(3) (a) An online course instructor who is an employee of the Utah Electronic High School or a Utah school district or charter school shall hold a teaching license issued by the State Board of Education.

(b) An online course instructor who is not an employee of the Utah Electronic High School or a Utah school district or charter school shall hold a teaching license issued by a state educator licensing agency.

(4) An online course may be offered in an open-entry, open-exit format.

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

53A-15-1208. Payment for an online course.

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

(a) average charter high school per pupil revenues; and

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

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

(a) for a one semester online course, 60% of the online course fee upon the student enrolling in the online course;

(b) for a full-year online course, 30% of the online course fee upon the student enrolling in the online course and 30% of the online course fee upon the beginning of the second semester; and
(c) if a student completes a full-year online course within 12 months or a one-semester course within nine weeks following the end of the semester, 40% of the online course fee.

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

(b) To encourage an online course provider to provide remediation to a student who remains enrolled in an online course pursuant to Subsection (3)(a) and avoid the need for credit recovery, an online course provider shall receive a payment equal to 20% of the online course fee if the student completes the online course before the student graduates from high school.

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

53A-15-1209. State Board of Education to deduct funds and make payments -- Remaining balance to lapse into Uniform School Fund -- Plan for the payment of online courses taken by private and home school students.

(1) Upon the receipt of a course credit acknowledgment described in Section 53A-15-1210, the State Board of Education shall deduct an amount equal to the online course fee described in Section 53A-15-1208 from funds allocated to the student's primary LEA of enrollment under Chapter 17a, Minimum School Program Act.

(2) From money deducted under Subsection (1), the State Board of Education shall make payments to the student's online course provider as provided in Section 53A-15-1210.

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

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

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


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

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

(a) the online course provider shall receive a payment in the amount provided under
(b) the online course provider shall refund a payment received for a student who
enrolls in an online course if the student withdraws from the online course within 10 days; and
(c) the student's primary LEA of enrollment acknowledges that the State Board of
Education will deduct an amount equal to the online course fee from funds allocated to the
LEA under Chapter 17a, Minimum School Program Act.

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

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

53A-15-1211. Online course credit hours included in daily membership --

Limitation.

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

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

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

53A-15-1212. Administration of statewide assessments to students enrolled in
online courses.

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

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

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

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

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

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

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

(2) A report on the performance of an online course provider shall include:
   (a) data on the performance of the online course provider's students on statewide assessments administered under Chapter 1, Part 6, Achievement Tests;
   (b) the percentage of the online course provider's students who complete online courses; and
   (c) the pupil-teacher ratio of the online course provider.

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

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


(1) The State Board of Education shall develop a website for the Statewide Online Education Program which shall include:
   (a) a description of the Statewide Online Education Program, including its purposes;
   (b) information on who is eligible to enroll, and how an eligible student may enroll, in an online course;
   (c) a directory of online course providers;
   (d) a link to a course catalog for each online course provider; and
   (e) a report on the performance of online course providers as required by Section 53A-15-1213.

(2) An online course provider shall provide the following information on the online course provider's website:
   (a) a description of the Statewide Online Education Program, including its purposes;
   (b) information on who is eligible to enroll, and how an eligible student may enroll, in an online course;
   (c) a course catalogue;
   (d) data on the performance of the online course provider's students on statewide assessments administered under Chapter 1, Part 6, Achievement Tests;
(e) the percentage of an online course provider’s students who complete online courses;

and

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

(3) An LEA shall provide information both written and online on the Statewide Online Education Program, including:

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

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

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

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

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


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

(1) establish applications procedures for an online course provider to obtain certification;

(2) prescribe standards for a certified online course provider;

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

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

Section 18. Section 53A-15-1216 is enacted to read:


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

Section 19. Section 53A-15-1217 is enacted to read:


The Education Interim Committee shall study and make recommendations for proposed legislation in the 2012 General Session on how to provide students who take a majority of their courses through the Statewide Online Education Program:
(1) assistance in selecting courses that fulfill high school graduation requirements and
prepare the student for postsecondary education and a career; and
(2) a high school diploma.

Section 20. Section 63I-2-253 is amended to read:

63I-2-253. Repeal dates -- Titles 53, 53A, and 53B.
(1) Section 53A-1-403.5 is repealed July 1, 2012.
(2) Subsection 53A-1-603(5) is repealed July 1, 2015.
(3) Title 53A, Chapter 1a, Part 10, UPSTART, is repealed July 1, 2014.
(4) Subsection 53A-13-110(4) is repealed July 1, 2013.
[(5) Section 53A-17a-152 is repealed July 1, 2010;]
(6) Section 53A-17a-162 is repealed July 1, 2012.

Section 21. Appropriation.
Under the terms and conditions of Title 63I, Chapter 1, Budgetary Procedures Act, the
following sums of money are appropriated from resources not otherwise appropriated out of
the funds or accounts indicated for the fiscal year beginning July 1, 2011 and ending June 30,
2012. These are additions to amounts previously appropriated for fiscal year 2011-12.

To State Board of Education
From Education Fund $250,000
Schedule of Programs:

Statewide Online Education Program $250,000

Section § [2±] 22 §. Effective date.
This bill takes effect on July 1, 2011.

Legislative Review Note
as of 2-1-11 6:32 PM

Office of Legislative Research and General Counsel