

HOUSE OF REPRESENTATIVES FINAL BILL ANALYSIS

BILL #:	CS/HB 7029	FINAL HOUSE FLOOR ACTION:	
SPONSOR(S):	Education Committee, Choice & Innovation Committee, Diaz, M. and others	90 Y's	25 N's
COMPANION BILLS:	(CS/CS/SB 904)	GOVERNOR'S ACTION:	Pending

SUMMARY ANALYSIS

CS/HB 7029 passed the Senate on May 2, 2013, and subsequently passed the House on May 3, 2013. The bill includes several provisions that increase access to digital and blended learning options by:

- Allowing students enrolled in one school district to enroll in an online course offered by any other district in the state, without limitations.
- Allowing the Florida Virtual School and the school district to mutually agree to an alternative testing site for statewide assessments.
- Prohibiting a school district from requiring a public school student to take a virtual course outside the school day or on the school grounds.
- Creating Florida Approved Courses and Tests (FACTs) that authorizes the department to approve courses, including massive open online courses (MOOCs), in algebra I, biology, geometry, and civics.
- Requiring the State Board of Education and the Board of Governors to adopt rules that enable students to earn credit from online courses, including MOOCs.

The bill increases accountability for digital learning options in the following way:

- Requiring the Department of Education to develop an online catalog of available digital learning courses that provides specific information for each course, including completion and passage rates and a method for student and teacher users to provide evaluative feedback.
- Requiring FLVS to provide information in their required report about operations occurring outside the state as Florida Virtual School Global, as well as operations within the state.
- Requiring the Auditor General to conduct an operational audit of the Florida Virtual School, including Florida Virtual School Global and to submit the final report to the President of the Senate and the Speaker of the House of Representatives no later than January 31, 2014.
- Requiring the department to develop identifiers for blended learning courses to facilitate the delivery and coding of such courses.
- Requiring the Department of Education to provide findings and recommendations for approving, increasing access to, and awarding credit for online courses.
- Allowing school districts to contract with qualified contractors to administer and proctor statewide assessments.

The bill has a fiscal impact on state government. See FISCAL ANALYSIS.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2013.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

The Florida Virtual School (FLVS) is established for the development and delivery of online and distance learning education.¹ The FLVS is a public online school that is fully accredited by the Southern Association of Colleges and Schools (SACS) and the Commission on International and Trans-Regional Accreditation (CITA).² The FLVS provides students full-time and part-time virtual education options; and offers more than 120 courses including core subjects, world languages, electives, honors, and 15 Advanced Placement courses.³

The FLVS offers individual course enrollments to all Florida students enrolled in grades 6 through 12, including public school, private school, and home school students.⁴ FLVS also offers middle school courses for advanced elementary students and is authorized to offer elementary courses for grades K-5 students. In addition, the FLVS has partnered with Connections Academy to provide a full-time virtual education program to students statewide enrolled in kindergarten through grade 12. The Florida Virtual School Full Time (FLVS FT) program is open to any public, private or home education student in kindergarten through grade 12. School districts and virtual charter schools may also contract with FLVS to offer the FLVS FT program for their students⁵ if the student meets certain eligibility criteria.⁶

The number of half-credit course completions at the FLVS has grown steadily from 77 during 1997-98 to 314,593 during 2011-12. The following table shows the number of course completions during the last five academic years.

Academic Year	Course Completions ⁷
2007-08	116,035
2008-09	154,125
2009-10	213,926
2010-11	259,928
2011-12	314,593

In 2012, the Legislature increased access to virtual education courses by allowing students in grades K-12 to receive part-time instruction through FLVS and district virtual instruction programs (VIP) under certain eligibility criteria. Previously, FLVS was limited to students in grades 4-12, and school districts were limited to students in grades 9-12.⁸ Virtual education options and eligibility requirements are still varied among FLVS, District VIP, and virtual charter schools as shown below:

¹ Section 1002.37(1)(a), F.S. FLVS began as two independent programs in Alachua and Orange Counties. The two counties partnered to establish the FLVS as a grant-based pilot project in the 1996-97 academic year. In 2000, the Legislature removed the program's pilot status and statutorily codified the school. Chapter 2000-224, L.O.F.; *see also* Florida Virtual School, *Quick Facts*, <http://www.flvs.net/areas/aboutus/Pages/QuickFactsaboutFLVS.aspx> (last visited Oct. 1, 2012).

² Florida Virtual School, *Accreditation*, <http://www.flvs.net/areas/aboutus/Pages/accreditation.aspx> (last visited Oct. 1, 2012); During 2008-09, AdvancED acquired The Commission on International and Trans-Regional Accreditation (CITA). AdvancED, *2008-09 Annual Report*, <http://www.advanc-ed.org/company-overview> (last visited Oct. 1, 2012).

³ Florida Virtual School, *Quick Facts*, <http://www.flvs.net/areas/aboutus/Pages/QuickFactsaboutFLVS.aspx> (last visited Oct. 1, 2012); *see also* Florida Virtual School, *Quick Facts*, <http://www.flvs.net/areas/aboutus/Pages/QuickFactsaboutFLVS.aspx> (last visited Sep. 10, 2012).

⁴ Florida Virtual School, *Courses - FAQs*, <http://www.flvs.net/areas/faqs/Pages/CourseFAQs.aspx> (last visited Oct. 1, 2012).

⁵ Section 1002.45, F.S.

⁶ Florida Virtual School, *Florida Virtual School Full Time*, <http://www.connectionsacademy.com/florida-virtual-school/home.aspx> (last visited Sep. 10, 2012); *see also* Florida Virtual School, *Florida Virtual School Full Time Frequently Asked Questions*, <http://www.connectionsacademy.com/florida-virtual-school/faq.aspx> (last visited Oct. 1, 2012).

⁷ Florida Virtual School, *FLVS Semester Completion History* (June 30, 2012), *available at* <http://www.flvs.net/areas/aboutus/Documents/FLVS%20Completions%20History%202011-2012.pdf>.

⁸ Sections 3&4, ch.2012-192, L.O.F.

K-12 Virtual Education Options

Delivery System	Student Grade Level												
	K	1	2	3	4	5	6	7	8	9	10	11	12

Florida Virtual School (FLVS) ¹	Full												
	Part ²												

¹ FLVS is a public school that serves “any student in the state”, including public, home, and private school students (s. 1002.37(1)(b), F.S.)

² FLVS can offer any course, not just those measured by a standardized assessment.

District Virtual Instruction Program (VIP) ³	Full												
	Part ⁴												

³ School Districts must provide “all enrolled public school students within its boundaries the option of participating in part-time and full-time virtual instruction programs” (s. 1002.45(1)(b), F.S.)


⁴ Part-time courses limited to those courses measured by a standardized assessment. [1002.45\(1\)\(b\)2](#).


Virtual Charter School	Full only												
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Authority to Deliver:

Enrollment: **Full** = Full-time enrollment

Part = Part-time enrollment

Legend:  = Authorized to deliver

 = Student must meet eligibility requirements of s. [1002.455\(2\)](#)

 **Black Border =**
Limited to 1.0 FTE

A student is eligible to participate in virtual instruction if:

- The student spent the prior school year in attendance at a public school in the state and was enrolled and reported by the school district for funding during October and February for purposes of the Florida Education Finance Program surveys;
- The student is a dependent child of a member of the United States Armed Forces who was transferred within the last 12 months to this state from another state or from a foreign country pursuant to a permanent change of station order;
- The student was enrolled during the prior school year in a virtual instruction program under s. [1002.45](#), the K-8 Virtual School Program under s. [1002.415](#), or a full-time Florida Virtual School program under s. [1002.37\(8\)\(a\)](#);
- The student has a sibling who is currently enrolled in a virtual instruction program and the sibling was enrolled in that program at the end of the prior school year;
- The student is eligible to enter kindergarten or first grade; or
- The student is eligible to enter grades 2 through 5 and is enrolled full-time in a school district virtual instruction program, virtual charter school, or the Florida Virtual School.

School districts are required to provide students with access to courses available through FLVS and award credit for successful completion of such courses.⁹

Florida Virtual School Global

⁹ Section 1001.42(23), F.S.

Florida Virtual School Global Services (FLVS Global) operates as a separate division within Florida Virtual School (FLVS) to serve students outside of Florida. As a not-for-profit, the revenues are reinvested in FLVS and earmarked for research and development to maintain the highest quality courses and products available to benefit students everywhere.

FLVS Global has provided courseware, training, and expertise to a variety of online programs at the school, district, and state level. They have assisted in the design and implementation of some of the most successful online programs today, including state programs in North Carolina, Alabama, Virginia, Mississippi, Kentucky, New Hampshire, Wisconsin, New Jersey, South Carolina, and Michigan. Additionally, current FLVS Global students reside in all 50 states and in 57 other countries worldwide.¹⁰

The FLVS is authorized to generate supplemental revenue from a variety of sources, including alumni associations, foundations, parent-teacher associations, and booster associations.¹¹ In addition, FLVS may also receive funds from grants and donations.¹² The Florida Virtual School must submit to the Governor, the Legislature, the Commissioner of Education, and the State Board of Education a complete and detailed report, which includes:

- The operations and accomplishments of the Florida Virtual School.
- The marketing and operational plan for the Florida Virtual School, including recommendations regarding methods for improving the delivery of education through the Internet and other distance learning technology.
- The assets and liabilities of the Florida Virtual School at the end of the fiscal year.
- A copy of an annual financial audit of the accounts and records of the Florida Virtual School, conducted by an independent certified public accountant and performed in accordance with rules adopted by the Auditor General.
- Recommendations regarding the unit cost of providing services to students. In order to most effectively develop public policy regarding any future funding of the Florida Virtual School, it is imperative that the cost of the program is accurately identified. The identified cost of the program must be based on reliable data.
- Recommendations regarding an accountability mechanism to assess the effectiveness of the services provided by the Florida Virtual School.¹³

Effect of Proposed Changes

The bill requires Florida Virtual School to include in the detailed report to the Governor, the Legislature, the Commissioner of Education, and the State Board of Education, the same information for Florida Virtual School Global.

The bill requires the Auditor General to conduct an operational audit of the Florida Virtual School, including Florida Virtual School Global and submit the final report to the President of the Senate and the Speaker of the House of Representatives no later than January 31, 2014. The scope of the audit shall include, but is not limited to, the administration of responsibilities relating to personnel; procurement and contracting; revenue production; school funds, including internal funds; student enrollment records; franchise agreements; information technology utilization, assets, and security; performance measures and standards; and accountability.

The bill provides flexibility to the Florida Virtual School and school districts in determining the testing site for students enrolled in the Florida Virtual School that must take statewide assessments.

¹⁰ Florida Virtual School Global, <https://www.flvs.net/global/Pages/about.aspx>.

¹¹ Florida Department of Education – Office of Funding and Financial Reporting, *Florida Education Finance Program 2010-2011 Final Calculation* (Oct. 28, 2011), available at <http://www.fldoe.org/fefp/pdf/10-11-final-part1.pdf>.

¹² Florida Department of Education – Office of Funding and Financial Reporting, *Florida education Finance Program 2011-2012 Fourth Quarter Calculation* (May 7, 2012) available at <http://www.fldoe.org/fefp/pdf/11-12-fourth-part1.pdf>.

¹³ Section 1002.37(6), F.S.

Course Offerings

The bill creates the Florida Approved Courses and Tests Initiative to expand student choices in selecting high-quality online courses, including massive open online courses. Beginning with the 2015-16 school year, Florida Approved Courses are courses provided by individuals, including, but not limited to, massive open online courses or remedial education associated with the courses that are measured pursuant to 1008.22. Massive open online courses may be authorized in algebra I, geometry, biology, and civics. Providers of such courses must be nonsectarian, comply with the antidiscrimination provisions of s. 1000.05, require all instructional staff to be Florida-certified teachers or certified as adjunct educators and conduct background screenings for all employees or contracted personnel, provide parents and students specified information, possess prior, successful experience offering online courses, ensure instructional and curricular quality through a detailed curriculum and student performance accountability plan, and publish specified information on its website.

Beginning in the 2015-16 school year, the State Board of Education and the Board of Governors must adopt rules that enable students to earn academic credit for online courses, including MOOCs, prior to enrollment at a postsecondary institution. The rules must include procedures for credential evaluation and the award of credit, including but not limited to, recommendations for credit by the American Council on Education; equivalency and alignment of coursework with appropriate courses; course descriptions; type and amount of credit that may be awarded; and transfer of credit.

Accountability and Accessibility

The bill provides additional accountability and accessibility by:

- requiring the Department of Education to develop an online catalog of available digital learning courses that provides for each course, access to the course description, completion and passage rates and a method for student and teacher users to provide evaluative feedback.¹⁴
- removing blended learning courses taught in a charter school, traditional public school, or district innovation schools from the definition of core-curricula courses.
- allowing students enrolled in one school district to enroll in an online course offered by any other district in the state, without exceptions.
- prohibiting a school district from requiring a public school student to take a virtual course outside the school day or on the school grounds.
- allowing a school district to contract with qualified contractors to administer and proctor statewide assessments.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

¹⁴See e.g., Washington Digital Learning Department Catalog at:
http://digitalllearning.k12.wa.us/online_courses/courseDetails.php?courseID=1116&selections%5bgradeID%5d=5

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill requires the department to develop and maintain an online catalog of available digital courses. This cost of one staff and expenses is \$113,210.