



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

33 **Other Special Clauses:**

34 This bill provides an effective date.

35 **Utah Code Sections Affected:**

36 AMENDS:

- 37 **53A-15-1002**, as enacted by Laws of Utah 2006, Chapter 227
- 38 **53A-15-1006**, as enacted by Laws of Utah 2006, Chapter 227
- 39 **63I-2-253**, as last amended by Laws of Utah 2010, Chapter 11

40 ENACTS:

- 41 **53A-15-1201**, Utah Code Annotated 1953
- 42 **53A-15-1202**, Utah Code Annotated 1953
- 43 **53A-15-1203**, Utah Code Annotated 1953
- 44 **53A-15-1204**, Utah Code Annotated 1953
- 45 **53A-15-1205**, Utah Code Annotated 1953
- 46 **53A-15-1206**, Utah Code Annotated 1953
- 47 **53A-15-1207**, Utah Code Annotated 1953
- 48 **53A-15-1208**, Utah Code Annotated 1953
- 49 **53A-15-1209**, Utah Code Annotated 1953
- 50 **53A-15-1210**, Utah Code Annotated 1953
- 51 **53A-15-1211**, Utah Code Annotated 1953
- 52 **53A-15-1212**, Utah Code Annotated 1953
- 53 **53A-15-1213**, Utah Code Annotated 1953
- 54 **53A-15-1214**, Utah Code Annotated 1953
- 55 **53A-15-1215**, Utah Code Annotated 1953



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

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

59 **53A-15-1002. Definitions.**

60 As used in this part:

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

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

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

66 ~~[(3)]~~ (4) "Home-schooled student" means a student:

67 (a) who attends a home school;

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

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

71 ~~[(4)]~~ (5) "Open-entry, open-exit" means:

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

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

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

79 **53A-15-1006. Payment for an Electronic High School course.**

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

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

84 (b) For fiscal year 2012-13, a private or home school student whose custodial parent or  
85 legal guardian is a resident of Utah may enroll in an Electronic High School course subject to

86 the availability of funds appropriated by the Legislature for that purpose.

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

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

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

92 **53A-15-1201. Title.**

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

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

95 **53A-15-1202. Definitions.**

96 As used in this part:

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

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

102 (3) "Charter high school" means a charter school in which only students in grades 9,  
103 10, 11, or 12 are enrolled.

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

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

110 (6) "Eligible student" means:

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

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

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

- 114 (ii) whose custodial parent or legal guardian is a resident of Utah.
- 115 (7) "LEA" means a local education agency in Utah that has administrative control and
- 116 direction for public education.
- 117 (8) "Online course" means a course of instruction offered by the Statewide Online
- 118 Education Program through the use of digital technology.
- 119 (9) "Primary LEA of enrollment" means the LEA in which an eligible student is
- 120 enrolled for courses other than online courses offered through the Statewide Online Education
- 121 Program.
- 122 Section 5. Section **53A-15-1203** is enacted to read:
- 123 **53A-15-1203. Statewide Online Education Program created -- Designated as**
- 124 **program of the public education system -- Purposes.**
- 125 (1) The Statewide Online Education Program is created to enable an eligible student to
- 126 earn high school graduation credit through the completion of publicly funded online courses.
- 127 (2) Pursuant to Utah Constitution, Article X, Section 2, the Statewide Online
- 128 Education Program is designated as a program of the public education system.
- 129 (3) The purposes of an online school are to:
- 130 (a) provide a student with access to online learning options regardless of where the
- 131 student attends school, whether a public, private, or home school;
- 132 (b) provide high quality learning options for a student regardless of language,
- 133 residence, family income, or special needs;
- 134 (c) provide online learning options to allow a student to acquire the knowledge and
- 135 technology skills necessary in a digital world;
- 136 (d) utilize the power and scalability of technology to customize education so that a
- 137 student may learn in the student's own style preference and at the student's own pace;
- 138 (e) utilize technology to remove the constraints of traditional classroom learning,
- 139 allowing a student to access learning virtually at any time and in any place and giving the
- 140 student the flexibility to take advantage of the student's peak learning time;
- 141 (f) provide personalized learning, where a student can spend as little or as much time

142 as the student needs to master the material;

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

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

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

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

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

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

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

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

157 (b) the course is open for enrollment.

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

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

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

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

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

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

165 (3) Notwithstanding Subsection (2):

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

168 (b) upon the request of an eligible student, the State Board of Education may allow the  
169 student to enroll in online courses for more than the number of credits specified in Subsection

170 (2), if the online courses better meet the academic goals of the student.

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

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

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

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

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

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

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

182 **53A-15-1205. Authorized online course providers.**

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

185 (1) beginning with the 2012-13 school year, the Electronic High School established in  
186 Part 10, Electronic High School Act;

187 (2) beginning with the 2011-12 school year, a charter school or district school created  
188 exclusively for the purpose of serving students online; and

189 (3) beginning with the 2011-12 school year, an LEA program, approved by the LEA's  
190 governing board, that is created exclusively for the purpose of serving students online.

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

192 **53A-15-1206. Payment for an online course.**

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

194 (a) adjusted per pupil revenues; and

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

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

197 (a) for a one semester online course, 50% of the online course fee upon the student

198 enrolling in the online course;

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

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

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

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

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

212 **53A-15-1207. State Board of Education to deduct funds and make payments --**  
213 **Remaining balance to lapse into Uniform School Fund -- Plan for the payment of online**  
214 **courses taken by private and home school students.**

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

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

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

223 (4) The Legislature shall establish a plan, which shall take effect beginning on July 1,  
224 2013, for the payment of online courses taken by a private school or home school student.

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



226 **53A-15-1208. Course credit acknowledgement.**

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

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

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

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

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

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

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

243 **53A-15-1209. Online course credit hours included in daily membership --**  
244 **Limitation.**

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

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

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

253 (4) A student enrolled in an online course may earn more credits in a semester than the

254 number of credits a student may earn by taking a full course load during the regular school day  
255 in a high school classroom if the student intends to complete high school graduation  
256 requirements, and exit high school, early, in accordance with the student's  
257 education/occupation plan (SEOP).

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

259 **53A-15-1210. Administration of statewide assessments to students enrolled in**  
260 **online courses.**

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

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

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

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

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

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

271 **53A-15-1211. Report on performance of online course providers.**

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

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

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

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

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

281 (3) The State Board of Education shall post a report on the performance of an online

282 course provider on the Statewide Online Education Program's website.

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

284 **53A-15-1212. Dissemination of information on the Statewide Online Education**  
285 **Program.**

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

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

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

291 (c) a directory of online course providers;

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

293 (e) a report on the performance of online course providers as required by Section  
294 53A-15-1211.

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

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

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

300 (c) a course catalogue;

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

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

304 and

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

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

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

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

310 an online course; and

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

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

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

315 **53A-15-1213. State Board of Education -- Rulemaking.**

316 The State Board of Education shall make rules in accordance with this part and Title  
317 63G, Chapter 3, Utah Administrative Rulemaking Act, that:

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

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

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

323 **53A-15-1214. Review by legislative auditor general.**

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

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

327 **53A-15-1215. Interim Study.**

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

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

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

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

336 (4) how to provide students who take a majority of their courses through the Statewide  
337 Online Education Program;

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

340 (b) a high school diploma; and

341 (5) the role and funding of the Electronic High School.

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

343 **63I-2-253. Repeal dates -- Titles 53, 53A, and 53B.**

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

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

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

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

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

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

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

351 Section 19. **Appropriation.**

352 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the  
353 following sums of money are appropriated from resources not otherwise appropriated out of the  
354 funds or accounts indicated for the fiscal year beginning July 1, 2011 and ending June 30,  
355 2012. These are additions to amounts previously appropriated for fiscal year 2011-12.

356 To State Board of Education

357 From Education Fund

\$250,000

358 Schedule of Programs:

359 Statewide Online Education Program

\$250,000

360 Section 20. **Effective date.**

361 This bill takes effect on July 1, 2011, except the amendments to Sections 53A-15-1002  
362 and 53A-15-1006 take effect on July 1, 2012.