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FISCAL IMPACT REPORT

SPONSOR Balderas **DATE TYPED** 03/16/05 **HB** 633/aHAFC

SHORT TITLE Cimarron Online School Pilot Program **SB** _____

ANALYST Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 190, SB 485

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

SUMMARY

Synopsis of HAFC amendment

The House Appropriation and Finance Committee amendment to House Bill 633 deletes the appropriation. Senate Bill 190 has a \$236 thousand appropriation contingent upon passage of House Bill 633.

Synopsis of Original Bill

House Bill 633 appropriates \$236.3 thousand from the general fund to PED for the Cimarron Municipal School District to establish and operate an online school.

Significant Issues

The Cimarron Online School pilot project is to provide school district approved curriculum and developed course work online for grades kindergarten through twelve for home-schooled and nontraditional students. Non-traditional students include school-age parents, working students, students under expulsion or suspension or those with a medical condition preventing attendance

at regular schools.

Teachers will have established class times and students will be subject to the state-mandated accountability tests. The Cimarron Municipal School District shall establish reporting and evaluation requirements for students in the pilot program.

PED states the “pilot project is designed to assist districts in meeting the growing and changing needs of home-schooled and nontraditional students in the 21st Century. The project will enrich student credit opportunities by providing courses that might not be available in their local schools.”

PED identifies several considerations before implementing the project:

1. High quality, online teaching is time and labor intensive resulting in higher costs than envisioned (University of Illinois 1999 study).
2. Research indicates professional development is critical for successful e-learner environments. Learners have to be actively engaged and courses adjusted as needed for individual student needs (Gagnon and Collay, 2001).
3. Capacity building for the e-learner is crucial and is important when putting content online (Owston, 1997).
4. Students are required to be supported by highly qualified teachers and two part-time teachers may not be sufficient.
5. Rural internet access is limited, may not have the capacity to deliver interactive robust courseware and may require a partnership with an internet provider to establish the needed capacity.

PERFORMANCE IMPLICATIONS

PED core performance measures will be impacted in the following areas:

1. Implementation of Education Reform Initiatives including Drop Out Prevention Program, Information Technology Reform Support, Information Technology Infrastructure Upgrade and Network, Professional Development and Rural Education, and Rural School Advanced Placement Acceleration Program.
2. Parent Involvement.

FISCAL IMPLICATIONS

The appropriation of \$236.3 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2006 shall revert to the general fund.

The LFC FY06 appropriation recommendation is balanced between revenues and expenditures and any increase in recurring funding must be offset by reductions in other areas of the recommendation. The Legislature must consider all priorities and funding requirements to find revenue to support this legislation.

PED estimates expenses to oversee the pilot project at almost \$5 thousand and is unsure whether the appropriation is sufficient to purchase test materials and scoring for the students.

ADMINISTRATIVE IMPLICATIONS

PED will need to administer the appropriation and provide technical assistance to the Cimarron Municipal Schools.

OTHER SUBSTANTIVE ISSUES

PED points out the bill does not have language indicating how the district will report these students in the Accountability Data System and whether enrollment will generate units under the public school funding formula.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

A pilot project will not be demonstrated.

POSSIBLE QUESTIONS

1. How many students have expressed interest in participating in the pilot project?
2. How will student's performance be assessed?
3. What courses are envisioned?
4. Will all students be allowed to participate or will it be limited to nontraditional students?
5. What can be learned from other districts using online courses?

GAC/yr/njw:lg