

Chapter 182

S.B. No. 587

AN ACT

relating to the state virtual school network, including the ability of certain dependents of members of the United States military to enroll full-time in courses provided through the network.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 30A.002(b), Education Code, is amended to read as follows:

(b) A student is eligible to enroll full-time in courses provided through the state virtual school network only if the student:

(1) was enrolled in a public school in this state in the preceding school year; ~~[or]~~

(2) is a dependent of a member of the United States military who has been deployed or transferred to this state and was enrolled in a publicly funded school outside of this state in the preceding school year; or

(3) has been placed in substitute care in this state, regardless of whether the student was enrolled in a public school in this state in the preceding school year.

SECTION 2. Section 30A.052(c), Education Code, is amended to read as follows:

(c) The commissioner shall~~+~~

~~[(1)]~~ employ a limited number of administrative employees in connection with the network~~[-and~~

S.B. No. 587

1 ~~[(2) contract with a regional education service center~~
2 ~~for the service center to operate the network].~~

3 SECTION 3. This Act applies beginning with the 2017-2018
4 school year.

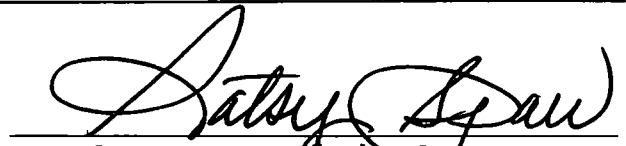
5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2017.

S.B. No. 587


President of the Senate


Speaker of the House

I hereby certify that S.B. No. 587 passed the Senate on April 19, 2017, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendments on May 17, 2017, by the following vote: Yeas 29, Nays 1.

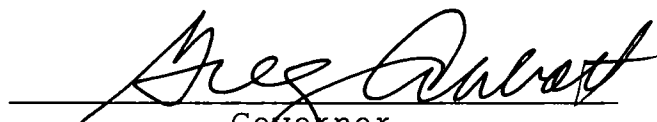

Secretary of the Senate

I hereby certify that S.B. No. 587 passed the House, with amendments, on May 12, 2017, by the following vote: Yeas 142, Nays 0, one present not voting.


Chief Clerk of the House

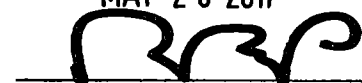
Approved:

5-25-2017
Date


Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
12M 10'CLOCK

MAY 26 2017


Secretary of State

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 8, 2017

TO: Honorable Dan Huberty, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB587 by Campbell (Relating to the ability of certain dependents of members of the United States military to enroll full-time in courses provided through the state virtual school network.), Committee Report 2nd House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for SB587, Committee Report 2nd House, Substituted: a negative impact of (\$665,463) through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	(\$329,927)
2019	(\$335,536)
2020	(\$341,240)
2021	(\$347,041)
2022	(\$352,941)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Foundation School Fund 193
2018	(\$329,927)
2019	(\$335,536)
2020	(\$341,240)
2021	(\$347,041)
2022	(\$352,941)

Fiscal Analysis

The bill would modify the eligibility of students to enroll full-time in courses provided by the state virtual school network (TxVSN) by expanding eligibility to certain students. The bill would

allow students who are dependents of members of the United States military residing in Texas and who were enrolled in a publicly funded school outside of the state in the preceding school year to enroll full-time in courses provided through the TxVSN.

The bill would take effect on September 1, 2017, or immediately if passed with the necessary voting margins, and would apply beginning in school year 2017-18.

Methodology

The bill has fiscal implications for the Foundation School Program (FSP), but not the operations of the Texas Education Agency (TEA).

Based on the provisions of this bill, this analysis assumes approximately 0.5 percent of the eligible military students currently enrolled in grades 3 to 12 and previously enrolled in a publicly funded school outside of Texas in the preceding school year would likely choose to enroll full-time in the TxVSN. The 0.5 percent participation rate considers two factors: 1) approximately 0.3 percent of the total grades 3 to 12 student population are currently enrolled in full-time programs through the TxVSN; and 2) the military student participation rate may exceed the participation rate of total student population based on expanded eligibility for these students and student mobility considerations.

Based on information provided by TEA, the number of military dependents in grades 3 to 12 enrolled in Texas public schools is 63,500 in school year 2016-17. Of that total, the number of new military dependent students (those students enrolled in school year 2016-17 but not enrolled in school year 2015-16) is 8,047. This estimate assumes average daily attendance (ADA) equivalent of 0.5 percent of the 8,047 new students in school year 2016-17, or 40 students, would enroll in the full-time courses through the TxVSN in fiscal year 2018. This analysis assumes this population would grow annually at the same rate as the student population as a whole, approximately 1.7 percent.

Assuming an additional state cost for Foundation School Program (FSP) entitlement of \$8,200 per student in average daily attendance, \$329,927 in additional FSP state cost would be estimated for these students enrolling in full-time courses through the TxVSN in fiscal year 2018 and \$335,536 in fiscal year 2019, increasing to approximately \$352,941 in fiscal year 2022.

Local Government Impact

School districts and open-enrollment charter schools could incur additional costs for mentoring and other support for students that are not currently enrolled in a public school district who may choose to enroll in courses through the Texas Virtual School Network (TxVSN). These costs would be anticipated to vary considerably among districts.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, THo, AM, AW

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 11, 2017

TO: Honorable Donna Campbell, Chair, Senate Committee on Veteran Affairs & Border Security

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB587 by Campbell (Relating to the ability of certain students to enroll full-time in courses provided through the state virtual school network.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB587, Committee Report 1st House, Substituted: a negative impact of (\$5,252,086) through the biennium ending August 31, 2019, assuming the agency implements the program. The agency is not required to implement the legislation in the absence of an appropriation.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	(\$2,603,910)
2019	(\$2,648,176)
2020	(\$2,693,195)
2021	(\$2,738,980)
2022	(\$2,785,542)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Foundation School Fund 193
2018	(\$2,603,910)
2019	(\$2,648,176)
2020	(\$2,693,195)
2021	(\$2,738,980)
2022	(\$2,785,542)

Fiscal Analysis

The bill would modify the eligibility of students to enroll full-time in courses provided by the state virtual school network (TxVSN) by expanding eligibility to certain students. The bill would allow students who are dependents of members of the United States military residing in Texas to participate as full-time students in the TxVSN regardless of whether they were enrolled in a public school in Texas in the preceding year.

The bill would require the Texas Education Agency to implement the provisions of the bill only if the Legislature appropriates funding specifically for that purpose and would allow the agency to implement the provisions using other appropriations if available. The bill would take effect on September 1, 2017, or immediately if passed with the necessary voting margins, and would apply beginning in school year 2017-18.

Methodology

The bill has fiscal implications for the Foundation School Program (FSP), but not the operations of the Texas Education Agency (TEA). This analysis estimates the costs of implementing the provisions of the bill assuming that either the Legislature appropriates money specifically for that purpose or that the agency identifies available funds.

Expanding the eligibility of participation in full-time electronic courses through the TxVSN to any student who is a dependent of a member of the United States military residing in Texas, regardless of whether they were enrolled in a public school in Texas in the preceding year, would result in the cost of enrolling certain students who do not currently attend public schools.

Based on the provisions of this bill, this analysis assumes approximately 0.5 percent of the total military students who are currently enrolled in grades 3 to 12 would likely choose to enroll full-time in the TxVSN. The 0.5 percent participation rate considers two factors: 1) approximately 0.3 percent of the total grades 3 to 12 student population are currently enrolled in full-time programs through the TxVSN; and 2) the military student participation rate may exceed the participation rate of total student population based on expanded eligibility for these students and student mobility considerations.

Based on information provided by TEA, the number of military dependents in grades 3 to 12 enrolled in Texas public schools is 63,500 in school year 2016-17. This estimate assumes average daily attendance (ADA) equivalent of 0.5 percent of the 63,500 students in school year 2016-17, or 318 students, would enroll in the full-time courses through the TxVSN in fiscal year 2018. The population of grade 3 to 12 military dependent students would grow annually at the same rate as the student population as a whole, approximately 1.7 percent.

Assuming an additional state cost for Foundation School Program (FSP) entitlement of \$8,200 per student in average daily attendance, \$2.6 million in additional FSP state cost would be estimated for these students enrolling in full-time courses through the TxVSN in fiscal year 2018 and \$2.65 million in fiscal year 2019, increasing to approximately \$2.8 million in fiscal year 2022.

Local Government Impact

School districts and open-enrollment charter schools could incur additional costs for mentoring and other support for students that are not currently enrolled in a public school district who may choose to enroll in courses through the Texas Virtual School Network (TxVSN). These costs would be anticipated to vary considerably among districts.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, LBO, AM, AW, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 1, 2017

TO: Honorable Donna Campbell, Chair, Senate Committee on Veteran Affairs & Border Security

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB587 by Campbell (Relating to the ability of certain students to enroll full-time in courses provided through the state virtual school network.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB587, As Introduced: a negative impact of (\$5,252,086) through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
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The bill would take effect on September 1, 2017, or immediately if passed with the necessary voting margins, and would apply beginning in school year 2017-18.

Methodology

The bill has fiscal implications for the Foundation School Program (FSP), but not the operations of the Texas Education Agency (TEA).

Expanding the eligibility of participation in full-time electronic courses through the TxVSN to any student who is a dependent of a member of the United States military residing in Texas, regardless of whether they were enrolled in a public school in Texas in the preceding year, would result in the cost of enrolling certain students who do not currently attend public schools.

Based on the provisions of this bill, this analysis assumes approximately 0.5 percent of the total military students who are currently enrolled in grades 3 to 12 would likely choose to enroll full-time in the TxVSN. The 0.5 percent participation rate considers two factors: 1) approximately 0.3 percent of the total grades 3 to 12 student population are currently enrolled in full-time programs through the TxVSN; and 2) the military student participation rate may exceed the participation rate of total student population based on expanded eligibility for these students and student mobility considerations.

Based on information provided by TEA, the number of military dependents in grades 3 to 12 enrolled in Texas public schools is 63,500 in school year 2016-17. This estimate assumes average daily attendance (ADA) equivalent of 0.5 percent of the 63,500 students in school year 2016-17, or 318 students, would enroll in the full-time courses through the TxVSN in fiscal year 2018. The population of grade 3 to 12 military dependent students would grow annually at the same rate as the student population as a whole, approximately 1.7 percent.

Assuming an additional state cost for Foundation School Program (FSP) entitlement of \$8,200 per student in average daily attendance, \$2.6 million in additional FSP state cost would be estimated for these students enrolling in full-time courses through the TxVSN in fiscal year 2018 and \$2.65 million in fiscal year 2019, increasing to approximately \$2.8 million in fiscal year 2022.

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Source Agencies: 701 Texas Education Agency

LBB Staff: UP, AM, AW, SD