# Substitute for HOUSE BILL No. 2512 

By Committee on K-12 Education Budget

2-17

> AN ACT concerning virtual schools; establishing an alternative method for calculating graduation rates for purposes of accreditation; prohibiting virtual schools from offering or providing any financial incentive to entice a student to enroll; authorizing virtual school state aid for students who are credit deficient and have dropped out of school; amending K.S.A. $72-3713$ and $72-3715$ and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:
Section 1. K.S.A. 72-3713 is hereby amended to read as follows: 723713. (a) Virtual schools shall be under the general supervision of the state board. The state board may adopt any rules and regulations relating to virtual schools which that the state board deems necessary to administer and enforce the virtual school act.
(b) For purposes of accreditation by the state board, the four-year adjusted cohort graduation rate for a virtual school shall be determined by only including those students enrolled in such virtual school who had earned sufficient credits to be expected to graduate in the same school year as such student's cohort at the time such student first enrolled in such virtual school. The virtual school's four-year adjusted cohort graduation rate shall be determined in addition to the graduation rates determined for the school district that operates the virtual school and any other high schools operated by the school district.
(c) No virtual school shall offer or provide any financial incentive for a student to enroll in a virtual school.
(d) As used in this section, "financial incentive" means any monetary payment or award that is intended to encourage, entice or motivate a student to enroll in a virtual school.

Sec. 2. K.S.A. 72-3715 is hereby amended to read as follows: 723715. (a) In order to be included in the full-time equivalent enrollment of a virtual school, a student shall be in attendance at the virtual school on:
(1) A single school day on or before September 19 of each the school year; and
(2) on a single school day on or after September 20, but before October 4 of each the school year.
(b) A school district which that offers a virtual school shall determine
the full-time equivalent enrollment of each student enrolled in the virtual school on September 20 of each the school year as follows:
(1) Determine the number of hours the student was in attendance on a single school day on or before September 19 of each the school year;
(2) determine the number of hours the student was in attendance on a single school day on or after September 20; but before October 4 of each the school year;
(3) add the numbers obtained under subsections (b)(1) and (b)(2);
(4) divide the sum obtained under subsection (b)(3) by 12. The quotient is the full-time equivalent enrollment of the student.
(c) The school days on which a district determines the full-time equivalent enrollment of a student under subsections (b)(1) and (2) shall be the school days on which the student has the highest number of hours of attendance at the virtual school. No more than six hours of attendance may be counted in a single school day. Attendance may be shown by a student's on-line activity or entries in the student's virtual school journal or $\log$ of activities.
(d) Subject to the availability of appropriations and within the limits of any such appropriations, each school year a school district whieh that offers a virtual school shall receive virtual school state aid. The state board of education shall determine the amount of virtual school state aid a school district is to receive as follows:
(1) Determine the number of students enrolled in virtual school on a full-time basis, excluding those students who are over 19 years of age and those students who are 19 years of age or younger who qualify for virtual school state aid pursuant to paragraph (4), and multiply the total number of such students by $\$ 5,000$;
(2) determine the full-time equivalent enrollment of students enrolled in virtual school on a part-time basis, excluding those-pupils students who are over 19 years of age and those students who are 19 years of age or younger who qualify for virtual school state aid pursuant to paragraph (4), and multiply the total full-time equivalent enrollment of such students by $\$ 1,700$;
(3) for students enrolled in a virtual school who are over 19 years of age, determine the number of one-hour credit courses such students have passed, not to exceed six credit courses per school year, and multiply the total number of such courses by $\$ 709$;and
(4) for students who are 19 years of age or younger who enroll in a virtual school as a dropout diploma completion virtual student, determine the number of one-hour credit courses such students have passed, not to exceed six credit courses per school year, and multiply the total number of such courses by \$709; and
(5) add the amounts calculated under subsections (d)(1) through (d)
(4). The resulting sum is the amount of virtual school state aid the school district shall receive.
(e) (1) There is hereby established in every school district-a fund which shall be called the virtual school fund, whieh. Such fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a school district directly attributable to virtual schools offered by a school district may be paid from the virtual school fund. The cost of an advance placement course provided to a student by a virtual school shall be paid by the virtual school. Moneys deposited in or otherwise transferred to the virtual school fund shall only be expended for those costs directly attributable to the provision of virtual instruction.
(2) Any balance remaining in the virtual school fund at the end of the budget year shall be carried forward into the virtual school fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
(3) In preparing the budget of such school district, the amounts credited to and the amount on hand in the virtual school fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.
(f) For the purposes of this section, a student enrolled in a virtual school who is not a resident of the state of Kansas shall not be counted in the full-time equivalent enrollment of the virtual school. The virtual school shall record the permanent address of any student enrolled in such virtual school.
(g) For As used in this section:
(1) "Dropout diploma completion virtual student" means any student who is 19 years of age or younger who has:
(A) A ratio of earned credits to expected credits for the student's cohort year of less than $75 \%$ when enrolling in a virtual school;
(B) (i) dropped out of high school such that the student has not attended any school of a school district for 60 consecutive days or more during the current school year and the student is not reasonably anticipated to recommence enrollment or attendance at any school of a school district during the current school year;
(ii) dropped out of high school such that the student has not attended any school of a school district for 60 consecutive days or more during the preceding school year, the student did not finish such preceding school year and the student is not reasonably anticipated to recommence enrollment or attendance at any school of a school district during the current school year; or
(iii) been exempted from compulsory student attendance by written consent of the parent pursuant to K.S.A. 72-3120, and amendments
thereto; and
(C) not been counted in the enrollment of a virtual school as a fulltime or part-time virtual student during the school year in which such student enrolls as a dropout diploma completion virtual student.
(2) "Full-time" means attendance in a virtual school for no less than six hours as determined pursuant to subsection (b).
(2)(3) "Part-time" means attendance in a virtual school for less than six hours as determined pursuant to subsection (b).

Sec. 3. K.S.A. 72-3713 and 72-3715 are hereby repealed.
Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

