

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE

Senate Bill 736 (Senator Rosapepe)
Education, Health, and Environmental Affairs

**Primary and Secondary Education - Online Courses - Acceptance of Courses
Approved by Other States**

This emergency bill authorizes the Maryland State Department of Education (MSDE) or a local board of education to procure online courses and services that have been approved by a state that MSDE has determined has curriculum content standards consistent with the Maryland content standards.

Fiscal Summary

State Effect: General fund expenditures increase by \$11,200 in FY 2012 to hire an education specialist to evaluate which states have curriculum content standards that are consistent with the Maryland content standards. This estimate reflects a June 1, 2012 start date, due to this being an emergency bill. Future years reflect annualization and inflation. Revenues are not affected.

(in dollars)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	11,200	84,600	90,400	94,700	99,100
Net Effect	(\$11,200)	(\$84,600)	(\$90,400)	(\$94,700)	(\$99,100)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: MSDE must provide Maryland virtual learning opportunities that include (1) offering a distance-learning program to provide Maryland public school students with equal opportunities to develop a strong academic foundation; (2) offering expanded educational choices not otherwise available to students through online courses and services; and (3) expanding the professional development opportunities available to educational staff in Maryland public schools through online courses and services.

With the approval of the State Board of Education and the State Superintendent of Schools, MSDE must:

- develop online courses and services;
- procure online courses and services;
- develop standards for teachers and other school system employees for the offering of courses or services on the Internet or through other developing technologies; and
- review courses and courseware to assure quality and alignment with the Maryland content standards and other appropriate standards.

There is a Maryland Virtual Learning Opportunities Fund. The State Board of Education may set reasonable fees for online courses and services. The fees charged must be set so as to produce funds to support maintenance of Maryland virtual learning opportunities.

According to the Code of Maryland Regulations (COMAR), consistent with local school system policy and procedure, credit may be given for correspondence courses and for MSDE-approved online courses. If credit is to be applied toward minimum graduation requirements, the correspondence course or the MSDE-approved online course must be provided by the local school system.

Background: In Maryland, supplemental online courses are offered through the Maryland Virtual Learning Opportunities Program (MVLO). MVLO is managed by MSDE and is designed to expand the access of Maryland public school students to challenging curricula aligned to the Maryland Content Standards and other appropriate standards through the delivery of high-quality online courses. MVLO offers approximately 62 online courses through the Maryland Virtual School (MVS) in collaboration with the local school systems. While MVS offers online courses, it is not authorized to grant high school diplomas and does not offer a full high school curriculum. Students may only take a course through MVS with the permission of the local school system and their school principal, and credit can only be awarded for MSDE-approved courses. MVLO is designed for use by high school students; Maryland does not offer online learning opportunities designed for elementary and middle school students.

However, MSDE does not have the staff or funding to approve any new online courses for MVS and currently has a backlog of 17 courses that need to be reviewed. MSDE anticipates that the number and variety of online courses will continue to grow, and local school systems and online course venders will continue to ask MSDE to review online courses for approval.

MSDE reports it costs approximately \$850 to review each online course. This includes paying three content specialists and one online course review specialist a set fee to review the course. From their review, MSDE determines if the course meets the Maryland Content Standards and if the course meets other quality standards.

State Expenditures: General fund expenditures increase by \$11,187 in fiscal 2012 for MSDE to hire an education specialist to evaluate which states have curriculum content standards that are consistent with the Maryland Content Standards. This estimate reflects a June 1, 2012 start date, due to this being an emergency bill and includes the cost of hiring one full-time employee as well as start-up and operating costs. This estimate assumes that once the education specialist determines that a state's content standards are consistent with the Maryland Content Standards, MSDE will do no further review of the online courses approved in those states. However, because content standards are continuously changing, it is assumed that the education specialist will be continuously reviewing the content standards.

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
Salary and Fringe Benefits	\$6,658	\$84,071	\$89,878
Operating Expenses	44	556	561
Start-up Costs	4,485	0	0
Total	\$11,187	\$84,627	\$90,439

Future year expenditures reflect a full-time salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: HB 1215 (Delegate Boteler, *et al.*) - Ways and Means.

Information Source(s): Maryland State Department of Education, Department of Legislative Services

Fiscal Note History: First Reader - February 29, 2012
mc/mwc

Analysis by: Caroline L. Boice

Direct Inquiries to:
(410) 946-5510
(301) 970-5510