

# **SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL**

## **2023 South Dakota Legislature**

FISCAL NOTE 2023-FN1233A

HB1233, An Act to expand the provision of online education through the South Dakota Virtual School.

This bill would expand online learning options by requiring school districts to make online course options available and without charge to South Dakota accredited nonpublic schools and any parent providing alternative education. The process by which a public-school student may enroll in an online course is by a contract agreement between the school district and a virtual education provider. The Department of Education approves virtual education providers, pursuant to AMSD 24:43:12:01. To date, there are four approved virtual education providers. Virtual education providers are responsible for managing virtual education courses, registrations, and correspondence with participating school districts.

The fiscal impact of the bill on South Dakota school districts would be an annual increase of \$14,283,921, which is calculated by taking the average cost per online course of \$280 times the expected additional course registrations by including South Dakota accredited nonpublic schools and alternative instruction students. The LRC estimates the Department of Education could require an additional 2.0 FTE positions to administer the program and review virtual education content standards, which could increase the Department of Education's budget by \$145,295 in general funds.

The Department of Education provided the course registration data.

APPROVED BY: /s/ Reed Holwegner  
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