

\_\_\_\_\_ offers the following  
substitute to HB 1259:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Part 4 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia  
2 Annotated, relating to financing relative to the "Quality Basic Education Act," so as to  
3 prohibit virtual instruction to out-of-system students if the local school system has a College  
4 and Career Ready Performance Index average below 70 for the previous two school years;  
5 to prohibit out-of-system students from being counted toward equalization funds received  
6 by a local school system; to require local school systems that enroll out-of-system students  
7 to compile a list of such out-of-system students; to provide for an effective date; to provide  
8 for related matters; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Part 4 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,  
12 relating to financing relative to the "Quality Basic Education Act," is amended by revising  
13 Code Section 20-2-167.2 as follows:

14 "20-2-167.2.

15 (a) As used in this Code section, the term:

(1) 'Out-of-system student' means a student who is enrolled in a local school system and receives virtual instruction from a virtual school within the such local school system, but who resides in another local school system.

(2) 'Virtual instruction' means online instruction for grades kindergarten through 12. Such term shall not include virtual instruction received through the Georgia Virtual School established pursuant to Code Section 20-2-319.1 or the clearing-house established pursuant to Code Section 20-2-319.3, or through a state charter school which provides virtual instruction.

(3) 'Virtual school' means a school within a local school system which provides virtual instruction.

(b) A local school system that provides virtual instruction through a virtual school whose total student enrollment is composed of more than 5 percent out-of-system students shall:

(1) Ensure that 90 percent of funds earned pursuant to this article for out-of-system students are expended for costs for virtual instruction for such out-of-system students and shall return any excess funds to the state treasury which are not expended for such purposes; and

(2) Include in the virtual school and local school system's College and Career Ready Performance Index data academic achievement results for out-of-system students; and

(3) Not provide virtual instruction to out-of-system students in the current academic year if the local school system or its virtual school has failed to maintain an average of 70 or above on the College and Career Ready Performance Index over the previous two school years.

(c) Each local school system that enrolls any out-of-system students shall compile a complete list of such out-of-system students as of October 1 and March 1 of each year. No local school system shall include any such out-of-system student in any count for purposes related to qualifying for equalization funds pursuant to Code Section 20-2-165.

42 (c)(d) This Code section shall not be subject to waiver pursuant to Code Section 20-2-82  
 43 for a strategic waivers school system, Code Section 20-2-2063.2 for a charter system, Code  
 44 Section 20-2-2065 for a charter school, or Code Section 20-2-244.'

45 **SECTION 2.**

46 This Act shall become effective on July 1, 2026.

47 **SECTION 3.**

48 All laws and parts of laws in conflict with this Act are repealed.