



July 29, 2025

Superintendent's Report





State Legislative Session Statistics

179

Days in Session
The 57th Regular Session of the Arizona Legislature adjourned sine die at 1:00 p.m.

1,724

Total number of bills introduced during the legislative session.

439

Bills that successfully passed through the Legislature.

174

Bills signed into law.

265

Bills Vetoed
Bills that passed but were vetoed.

35

Memorials & Resolutions
Out of 130 introduced, 35 were ultimately enacted.



State Legislative Themes

- Reauthorization of Prop 123
- School district financial accountability and alleged financial mismanagement
- School board reforms
- School district ending cash balances
- Receivership
- Teacher pay
- Vouchers



Vetoed Bills of Note

- **HB 2167 school districts; records; noncompliance penalties** (Gress)
 - Districts out of compliance with USFR: cannot bond and override, face a civil penalty (later changed to be on the superintendent and business staff), mandated training from ADE.
- **HB 2169 school districts; board meetings; expenditures** (Gress)
 - Mandates all governing board meetings be held in the school district boundaries.
 - Requires all governing board meetings for districts over 5,000 to be live streamed.
 - Requires governing boards provide the public with all supplemental materials.
 - Makes changes to approval for out-of-state travel.
- **HB 2610 school districts; board members; superintendent** (Gress)
 - For schools in receivership: superintendent must be terminated for cause, each governing board seat is declared vacant, and county superintendent replaces the vacancies
 - Prohibits a governing board from entering into two real estate transactions in a 12-month period regarding the same parties and property, mandates training.
- **HB 2640 school districts; leases; termination; renewal** (Gress)
 - First right of refusal for charter schools when a district seeks to terminate or refuse to renew the lease of a building, an amendment added exempts the proceeds from the sales of property to charter schools from certain statutory restrictions and requirements.



Prop 123 Nothing Burger

Governor Hobbs' Proposal for 123

- Called for a special election in 2025.
- Proposed a permanent distribution from the land trust of 5.5% (a 3% increase from the underlying 2.5%).
- The permanent distribution was specifically dedicated to increasing teacher salaries.
- Suggested a temporary ten-year distribution rate of 1.4% for more flexible dollars in the base.
- Required a 2/3rds vote to enact triggers that allow the Legislature to suspend inflation increases.
- The plan did not make progress during the session.

Republican Caucus Proposal for 123

- Senator Mesnard and Representative Gress proposed creating a Teacher Pay Fund within ADE.
- Required schools to give the same amount of money to every teacher.
- Teachers must spend at least 50%-75% of their time in a classroom.
- Teachers must be rated in the top two performance categories on their evaluation.



State Budget – Vouchers/ESAs

- Several bills were introduced by Democrats to add transparency measures, salary caps, and other caps.
- None of these bills advanced through the legislative process.
- The enacted budget included a \$52 million supplemental appropriation for vouchers for FY 25.



State Budget – Formula Spending

- **Inflation Adjustments:** Increases the base level (\$5,113.26) and the transportation funding levels and Charter Additional Assistance by 2.0% for standard inflation.
- **State Aid Supplement:** Continues \$75M state aid supplement from Prop 123 from the General Fund.
- **State Land Trust:** Shifts the State Land Trust contribution dollars that expire at the end of this fiscal year to the general fund (\$285M).
- **Opportunity/Poverty Weight:** \$37M to fund 3rd year opportunity/poverty weight increase as one-time.
- **Additional Assistance:** \$29M to fund 3rd year District Additional Assistance as one-time (\$23.1M for District Additional Assistance, \$6M for Charter Additional Assistance).



State Budget – School Facilities

- **Building Renewal Grants:** \$17M ongoing and \$183M one-time.
- **New School Facilities:** \$105.6M for FY2026 and \$94.1M for FY2027.
- **End of Useful Life Projects:** \$10M allowed for SFD use.
- **Extension of School Facilities Oversight Board:** extended until 2030 (HB 2313)



State Budget – Tax Credits

- Extends the use of the public-school extracurricular tax credit for capital purchases until June 30, 2029.
- Using the public school tax credit for these purposes had sunset in 2024.



State Budget – AEL

Two-Year Override: Overrides the AEL for two fiscal years, 2026 and 2027 (SCR 1041 and SCR 1042); issue remains unresolved by long-term solution.



Our Federal Education Budget Status

- **Last Superintendent Report:** Many of our federal grant funds and allocations were in question for the coming year.
- **June 30:** Allocated funds were frozen in several funds.
- **July 25 (Admin Retreat):** Mr. Little and I announced the funding freezes; at that moment, feds released the frozen funds:
 - Title IV-B for before and after-school programs (Achieve) \$1,116,600
 - Title IV-A Student Support & Academic Enrichment \$257,518
 - Title III-A for English-learner services \$87,656
 - Title II Improving Teacher Quality \$429,854



New Strings on the Released Funds

- The funding will be closely scrutinized, especially if the activity could benefit non-citizens.
- The Trump administration issued a new Interpretive Rule in the Federal Register clarifying who can receive federal benefits (<https://public-inspection.federalregister.gov/2025-12925.pdf>).
- New interpretation: only certain "qualified aliens" (e.g., lawful permanent residents, etc.) are eligible for federal public benefits and undocumented immigrants may not receive public benefits.
- "Basic public education", as protected by the Supreme Court's Plyler v. Doe (1982) decision is exempted from this interpretation.
- However, if the funding impacts afterschool programs and other activities that are not "basic public education," then districts will have to ensure that the benefits do not flow to non-citizens.
- This will create new challenges as federal law does not permit school districts to inquire regarding citizenship of students or their families.



Our Federal Education Budget Status

- Federal Voucher Bill:
 - Last week, the US House Ways & Means Committee approved the nation's first federal voucher program — titled "Qualified Elementary and Secondary Education Scholarships".
 - This program is embedded in President Trump's "one big, beautiful" bill and would fund a voucher program that would cost US taxpayers a projected \$20 billion over the next four years.



Effective Teacher Conference



The District's Effective Teacher Conference was held at Panther Hall on Monday and today. This Amphitheater tradition welcomes educators who are new to our schools and provide information to help them get a strong start. Sessions covered everything from District culture and values to HR, benefits, AVID and personalized learning. It's all part of ensuring teachers feel informed, supported and ready for the year ahead. Thanks to all who made it happen this year.



Ready for 2025-2026



Coronado K-8 welcomed incoming sixth graders and new middle school students for orientation last week. Across the District, schools have been busy with registration, orientations and other back-to-school preparations. The big day is almost here. Classes start next Wednesday -- August 6th!





School Supply Drive



The annual KVOA school supply drive took place today at Amphi Middle School, running from 5 a.m. to 6:30 p.m. and collecting donations all day for Amphi students. This year, KVOA partnered with Tucson Values Teachers (represented by Amphi teacher and TVT board member Niki Tilicki, above right) to support the drive, and we're grateful to Chris Edwards, center, from Tucson Appliance for once again stepping up with a generous donation. Thank you to everyone in the community who contributed to helping our students start the year strong.

