



**GOVERNING BOARD AGENDA ITEM**  
**AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10**

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**DATE OF MEETING:**      **February 7, 2017**

**TITLE:**    **Periodic Legislative Update**

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**BACKGROUND:**

The current (53<sup>rd</sup>) Arizona Legislature is in session. As always, there are a host of bills that may affect public school districts in one way or another. This year already, there are some very significant bills that schools will need to watch quite carefully.

A summary of relevant bills introduced this far in both the Arizona House of Representatives and the Senate follows and includes current status of those bills where available – as of the date of publication of this agenda item. The currently proposed legislation is grouped together by the general topic. Also noted is the position of the Arizona Schools Boards Association (if stated). One must bear in mind, however, that the pace of legislation changes at this time of year is frenetic. In subsequent legislative updates, status updates on each bill will be provided.

Preceding the legislation summary is some of the information we have received about the Governor’s proposed budget and the impact it holds for public education.

As the current legislation is reviewed, it is appropriate to recall that, on May 3, 2016, the Governing Board approved specific legislative priorities for the District for this year’s session(s):

1. Provide adequate funding for K-12 public education, including specific and additional funding required to fully meet the needs of special needs students and English language learners.
2. Repeal the “current year funding” scheme, which will cause school funding to fluctuate throughout a school year, damaging the ability of districts to meet the needs of students and attract and retain staff.
3. Establish a reliable and adequate source of funding for the School Facilities Board which will enable the SFB to reinstate and fund formulas that will comply with state school building minimum standards and that will restore the building renewal system.
4. Fully fund full-day kindergarten and include kindergarten students in the override calculation.
5. Maintain the “desegregation” funding available to Arizona school districts under A.R.S. § 15-910 which enable districts to comply with court orders of desegregation and OCR consent decrees.

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**RECOMMENDATION:**

This item is presented for the Board’s information only at this time. No action is required.

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**INITIATED BY:**

**Date: February 1, 2017**

*Patrick Nelson*

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**Patrick Nelson, Superintendent**

## **The Governor's State Budget Proposal**

Governor Ducey unveiled his \$9.8 billion budget proposal for FY2018 on January 13, 2017. The spending plan includes a total of \$76M for inflation and enrollment changes, and \$114M in education spending above the formula changes. These initiatives break down as follows:

### **Teacher Pay**

- 2% pay raise phased in over five years. (\$13.6M FY18, \$20M FY19-FY22). This will be a 2% raise overall, which translates to \$800 on a \$40,000 annual salary. The amount will be appropriated outside the formula specifically for teacher pay. The proposal envisions the same definition of “teacher” that is used in Prop. 301.
- \$1,000 signing bonus for teachers agreeing to teach in districts with greater than 60% free and reduced lunch participation. (\$6.4M)
- Both proposals would include enough funding to offset taxes and insurance, so the employee would theoretically see the full amount as take-home pay.

### **Full Day Kindergarten**

- Two year phase-in to \$2,488 per student for K students in districts with 90% free and reduced lunch participation (\$10M FY18, \$20M FY19).
- Funding would be appropriated per-student for students in Kindergarten (\$1,244 in FY18, \$2488 in FY19).
- If a qualifying district already offers full-day Kindergarten, the additional funding may be used to take over full-day K funding, or for other initiatives that focus on enhancing K-3 literacy.

### **High Performing Schools**

- \$38M to award to both high poverty and low poverty schools.
- \$400 per student for districts with AzMERIT scores in the top 10% of districts with greater than 60% free and reduced lunch participation.
- \$244 per student for districts with AzMERIT scores in the top 10% of districts with less than 60% free and reduced lunch participation.

### **Current Year Funding**

- \$20M in an “enrollment reconciliation fund” for districts with greater than 2% enrollment declines in FY2018. The fund is intended to help districts manage cash flow and avoid making mid-year reductions.

### **Building Renewal**

- \$17M deposit in the building renewal grant fund.

### **Other Issues**

- \$5M for broadband connectivity to rural schools via enhanced e-rate match.
- \$1M for JTED completion grants, to pay for HS graduates to finish their JTED program.
- \$114,700 for a FAFSA completion program.
- \$250,000 to fund additional slots in school leadership programs.
- \$200,000 for an elementary coding initiative.
- \$800,000 for Arizona Schools for the Deaf and Blind to provide enhanced early childhood services (age 0-3).
- \$2.8M to restore TANF eligibility to 24 months, with a requirement that school age children in the household have a 90% attendance record.

### **Tax Issues**

- \$37M to universities in retained sales tax revenue for bonding and operations.
- \$2.8M to index the personal income tax exemption to inflation.

Bills Introduced in the 53<sup>rd</sup> Legislature:

## School Finance

### **HB 2001 - school district tax levy; retention**

- Permits a district that levies a tax rate and does not have a budget override in place to retain a portion of the levy amount if the district receives less than the average amount of funding per student received by an adjoining district for election-approved budget overrides.
  - Amount that may be retained is adjoining district's average amount multiplied by the retaining district's student count, or the amount that would be transmitted to the State Treasurer, whichever is less.
- District may increase its budget limits by the additional amount of funding to which it is entitled

### **HB 2017 – bonds; disclosure; notice**

Requires the following information to appear on bond elections pamphlets distributed by a county or municipality:

- The estimated tax impact of debt service for the bond, at the maximum interest rate authorized by the voters.
- The estimated total cost of the bond, including principal and interest at the maximum interest rate authorized by the voters.
- A disclosure that the expenditure authorized by the bond is governed by the general purposes of the bond and not the proposed projects listed in the pamphlet.

Requires a county or municipal bond election ballot to include a disclosure that a “yes” vote may increase the primary tax rate to pay for the maintenance and operation of projects funded by the bond.

*ASBA OPPOSES*

### **HB 2126 - schools; prior-year funding**

Multiple provisions include:

- Districts may continue to make ADM budget adjustments and use the adjustment for student count growth;
- Removes language defining student count as the current year ADM;
- Adds language regarding adjustment for growth in student count as:
- District may determine revenue control limit increase and district support level for current year after first 100 days (or 200 days in session) of current year due to student population growth by:
- District may determine revenue control limit increase and district support level for current year after first 100 days (or 200 days in session) of current year due to student population growth in the number of students in the Group B categories of moderate or severe intellectual disability, visual, hearing or orthopedic impairment, multiple disabilities, multiple disabilities with severe sensory impairment, preschool severe delay and students with emotional disabilities enrolled in private special education programs or district programs for students with severe disabilities:
- If district meets criteria for increase computation, Board:
  - may revise its budget before May 15 after holding public hearing
  - may submit revised budget by May 18
  - receive state aid based on adjusted amount, except it may not receive less than if it had not calculated adjustment
- If adjusted revenue control limit results in expenditure greater than district current year revenue, requires County School Superintendent to additional monies necessary to meet district liabilities in excess of revenues
- After first 40 days in session, District may request additional state monies to fund increased state aid due to anticipated student growth through first 100 days (or 200 days in session).
- County School Superintendent must include District's current year revenue control limit increase estimate when estimating additional amount needed from primary property tax (if district not eligible for equalization assistance)

- Percentage increase in ADM used to estimate revenue control limit increase may not exceed the average of the ADM percentage increase in the previous 3 years

See also:

**SB 1106 - schools; prior-year funding** [same provisions as HB 2126]

**HB 2219 – school capital finance revisions**

- Removes the SFB reporting requirement for school district guaranteed energy cost savings contracts and energy and water savings accounts.
  - Projects that qualify under either savings program are required to report to SFB by October 15 each year on the name, cost, provider and other items
- Prohibits school districts from expending monies on adjacent ways projects that are greater than \$50,000 unless SFB fails to act on validating the project within 60 days.
  - All adjacent ways projects funded by special assessment are require to be reported to SFB. Projects that cost more than \$50,000 are required to be validated by SFB prior to money being expended.
- Permits school districts to apply the proceeds of monies in the litigation recovery fund that are designated for the repair or replacement of school buildings and property to reimburse the SFB Building Renewal Grant Fund for monies disbursed to repair or replace the school buildings or property that was the subject of the legal dispute.
- Directs SFB to use the ADM through the first 100 days in session rather than the most recent 100<sup>th</sup> day ADM when measuring square footage per pupil to determine minimum adequacy.
- Permits SFB to distribute monies in the New School Facilities Fund for land if a school district submits enrollment projections that indicate a need for a new school or an addition to an existing school within the next 10 years.
  - If a school's capital plan indicates the need for a new school or an addition to an existing school within the next four years or a need for land within the next ten years, the school may apply to SFB for monies in the New School Facilities Fund. SFB may require school districts to sell land that was previously purchased with SFB monies if the new school or addition is no longer needed within the time frame.
- Specifies that the current distribution mechanism of the SFB New School Facilities Fund is for additional square footage.
- Directs SFB to issue funding for additional square footage if approved projections indicate that additional space will be needed in the School Year following the next FY rather than the current School Year.
- Permits school districts approved by SFB for funding from the New School Facilities Fund to use legally available monies to pay for the land or new construction project if the full legislative appropriation is unavailable in the FY following approval and receive reimbursement in subsequent years when the full appropriation is made available.
- Prohibits additional space funded by a school district from being included in new construction funding calculations once the district obtains approval for new facility construction monies until the completion of the project.

**HB 2083 - schools; overrides; ballot language**

Replaces *budget increase* with *locally controlled funding*

*ASBA SUPPORTS*

**HB 2119 - educational institutions; state law violations**

“any educational institution that receives state funding” failing to resolve state law/Constitutional violations will have 10% of annual state funding withheld, or must return up to 10% of expected state funding. Funding will be returned only when institution is in full compliance. 5% of withheld monies will be permanently withheld for each 30-day period institution is out of compliance.

### **HB 2128 – joint legislative budget committee (JLAC); auditor general**

Various changes relating to audits of public agencies. Provisions include requiring the Auditor General to conduct investigations of any political subdivision for which a district must “afford reasonable and needed facilities” for Auditor General staff and to make records available “in the form and at the time prescribed”.

### **HB 2199 - gifted students; funding**

- Adds economically disadvantaged students and minority student populations to those for whom a district must provide gifted education;
- Defines *economically disadvantaged student* as a student who meets the eligibility requirements for free or reduced lunch;
- Requires additional assistance for gifted program funds (set forth in ARS 15-779.03(A)) set a priority for the local use of those monies as “identifying and serving economically disadvantaged student and minority student populations”.

See also:

**SB 1105 - gifted students; funding** [same provisions as HB 2199]

### **HB 2218 - school tax credit; capital outlay**

Permits tax credits for capital items acquired June 30, 2017 – June 30, 2020; items defined in USFR and ARS 15-903(C).

### **SB 1174 – schools; desegregation expenses; special override**

Requires desegregation dollars to be voter-approved. Allows a school district that was previously authorized to budget for expenses that were exempt from the revenue control limit (RCL) due to a previous court order of desegregation or Office of Civil Rights (OCR) administrative agreement, beginning in FY 2020, to request an additional budget increase. Provisions include:

#### ***Special Override Election***

- Allows a school district that was previously authorized to budget for expenses that were exempt from the RCL due to a previous court order of desegregation or OCR administrative agreement, beginning in FY 2020, to request and authorize an additional budget increase.
- Limits the maximum amount of the budget increase request to the amount budgeted by the school district for desegregation expenses in FY 2009. The approved amount is in addition to any regular override.
- Requires a school district governing board to order the special override election and to contain the same information report as regular override elections, including:
  - the year of the original federal court order or administrative agreement that allows the school district to budget for desegregation expenses; and
  - a summary of information also required for regular override elections and the school district's plan to remediate alleged or proven civil rights violations.
- Requires the ballot to contain the words "desegregation/OCR tax, yes" and "desegregation/OCR tax, No", if the proposed increase will be fully funded by a levy of taxes on the taxable property within the school district.
- Requires the ballot to contain the amount of the proposed budget with the proposed tax compared to the alternate budget, a statement that the amount of the proposed tax will be based on a percentage of the school district's RCL in future years, and the following statement:

"Any budget increase authorized by this election will be entirely funded by a levy of taxes on the taxable property within this school district for the year for which adopted and for \_\_\_\_ subsequent years, will not be realized from monies furnished by the state and is not subject to the limit on taxes specified in article ix, section 18, Constitution of Arizona. Based on the current net assessed valuation used for secondary property

tax purposes, funding the proposed increase in the school district's budget would require an estimated tax rate of \_\_\_\_\_ dollar per one hundred dollars of net assessed valuation used for secondary property tax purposes and is in addition to the school district's tax rate that will be levied to fund the school district's revenue control limit allowed by law."

- Requires the ballot to contain the words "budget increase, yes" and "budget increase, no", if the proposed increase will be fully funded by revenues from other than a levy of taxes on the taxable property within the school district. That ballot shall also contain the amount of the proposed increase of the proposed budget compared to the alternate budget and the following statement:

"Any budget increase authorized by this election will be entirely funded by this school district with revenues from other than a levy of taxes on the taxable property within the school district for the year for which adopted and for \_\_\_\_\_ subsequent years and will not be realized from monies furnished by the state."
- Limits:
  - the maximum period of a special override to seven years.
  - in the second to last year of the original or renewed budget increase, the budget increase to two-thirds of the initial proposed percentage increase.
  - in the last year of the original or renewed budget increase, the budget increase to one-third of the initial proposed percentage increase.
- States that if the voters in the school district do not authorize the budget increase amount, the existing budget increase remains in effect for the time period for which it was authorized.
- Requires that budgeted expenditures approved for special overrides shall be made in accordance with statutes relating to other overrides.

#### ***Reductions Beginning FY 2020***

- Limits a school district that has an existing or previous administrative agreement with the U.S. Department of Education OCR directed toward remediating alleged or proven racial discrimination or previously was subject to a court order of desegregation, beginning in FY 2020, to the amount approved by a special override election for desegregation expenses.
- Allows any desegregation amount that is not approved at a special override election to be budgeted and annually reduced for five consecutive fiscal years by at least 15 percent beginning in FY 2020.
- Prohibits a school district from budgeting for desegregation expenses outside the RCL that exceed the amount approved in a special override election after FY 2024.

#### ***ASBA OPPOSES***

#### **HCR 2004 – clean elections repeal; education funding**

Resolution to place the question on the 2018 general election ballot of whether to amend state statute to repeal the Citizens Clean Elections Act (except for the 10 percent surcharge on all civil and criminal fines and penalties collected by the courts which is deposited in the Clean Elections Fund), and to require the State Treasurer to annually transfer the monies in the Clean Elections Fund to the ADE for an equitable per pupil distribution to school districts and charter schools for maintenance and operations.

#### **Schools – In General**

#### **HB 2016 - transfer students; transcripts**

Permits a school to request an incoming transfer student's transcript with the consent of the student's parent.

#### **HB 2078 - schools; concurrent enrollment**

In calculating average daily membership, concurrent enrollment requires:

- the student earn at least 3 credit hours per semester (versus meeting for at least 40 hours per semester)

- the district/charter pays the college course tuition or reimburses student;

ADM calculation:

- May not exceed 1.0;
- to be a “subject”, 3 credit hour course is not required to meet 123 hours/year;
- must include concurrent course instructional hours;
- is based on combined instructional hours at district/charter and college/university;
  - divide combined hours by 720,
  - except grades 9-12 online: divide combined instructional hours by 900.
- revises definition of concurrent enrollment course
- removes requirement for course to be equal to/higher level than taught at high school

### **HB 2081 - schools; compulsory attendance age; increase**

Raises from 16 to 18 years of age:

- the minimum age required to qualify for a high school equivalency diploma
- the minimum age required to take a high school equivalency test
- the required age to attend school
  - to be excused, must be at least 16 years old and employed.

### **HB 2082 - schools; daily recess time**

Requires districts/charters to provide 50 minutes of unstructured recess each school day for K-5 students; prohibits recess from being withheld for disciplinary reasons without prior notification to parent/guardian.

### **HB 2089 - student fees; political purposes; prohibition**

Prohibits districts/charters from using student activity fees for any political speech, activity or purpose.

### **HB 2107 - schools; nonresident students; military duty**

Requires districts to:

- accept student as resident if military parent is transferred to or is pending transfer “to a military installation” within AZ;
- accept electronic enrollment/course registration.

Requires military parent to submit residency proof within 10 days of arrival; acceptable forms of proof include temporary on-base or off-base government housing.

*ASBA SUPPORTS*

### **HB 2108 - education; conforming changes**

Removes language from statute providing that “parents have right to participate in a parental satisfaction survey”.

*ASBA SUPPORTS*

### **HB 2134 - schools; children's camps; sunscreen use**

Requires public schools and camps to permit students to possess and use an FDA-approved topical sunscreen products without a health care providers’ note or prescription. District/charters may adopt policies to permit employees/volunteers to assist in sunscreen application with civil immunity.

### **HB 2202 - schools; dyslexia; handbook; definition**

Requires ADE to develop a guidance handbook for school use on dyslexia which must include:

- Guidelines for teachers and parents to identify dyslexia;
- A description of educational strategies shown to improve academic perform of dyslexic students; and
- A description of resources/services available for dyslexic students.

Redefines *dyslexia* as a specific learning disability that is neurological in origin. It is characterized by difficulties with accurate or fluent word recognition and by poor spelling and decoding abilities. Difficulties

typically result from a deficit in the phonological component of language that is often unexpected in relation to other cognitive abilities and to the provision of effective classroom instruction. Secondary consequences may include problems in reading comprehension and reduced reading experience that can impede the growth of vocabulary and background knowledge.

### **HB 2208 - inhalers; administration; schools; authorized entities**

Permits a district/charter employee to administer the use of an inhaler if:

- A standing order has been issued by the DHS Chief Medical Officer; County Health Dept Chief Medical Officer or a Physician;
- Employee has been trained in inhaler administration;
- Employee has “good faith” belief that student/adult is exhibiting symptoms of respiratory distress while at school/school-sponsored activity;
  - Employee immune from civil liability.

Each district/charter school to stock 1 inhaler for emergency use at each school:

- required, if legislature appropriates sufficient monies;
- permissible, if legislature does not appropriate funds.

Defines *bronchodilator*, *inhaler* and *respiratory distress*. Requires SBE to adopt rules and procedures to require district/charters to provide for annual training in inhaler use, symptoms of respiratory distress (optional unless legislature funds inhalers at schools).

### **HB 2217 - school districts; solar panels; overcharges**

Prohibits an installing solar panel company from charging a district for anything other than the energy used by the district; permits offenders to be filed with breach of contract and/or fraud.

### **SB 1156 – high school students; course time**

Eliminates requirement for high school course to meet for at least 180 hours during a 180-day school year

### **SB 1254 – schools; admissions; desegregation**

Removes a requirement and related procedures for school districts and charter schools to admit pupils who reside in the attendance area of a school that is under a court order of desegregation or that is a party to an agreement with the U.S. Department of Education OCR.

### **SB 1281 – empowerment scholarship accounts; revisions**

Various changes relating to empowerment scholarship accounts (ESAs) Provisions include:

- *Qualified student* definition revised to include an Arizona resident who resides within the attendance boundary of a school district, instead of only a school, that has been assigned a letter grade of D or F.
- Modifies the list of authorized uses of ESA money to include contributions to a 529 education savings account, and to limit those contributions or contributions to a Coverdell education savings account to \$2,000 per year.
- Requires (instead of permits) the State Treasurer and ADE to contract with private financial management firms to manage ESAs.
- Requires ADE:
  - to issue an award letter within 30 days (from 45 days) after receipt of a completed application;
  - is prohibited from delaying the deposit of ESA monies until a subsequent quarter;
  - to develop and publish an ESA policy handbook by July 1 of each year.

## **Schools - Assessments**

### **HB 2210 - college readiness; assessments**

Requires SBE to approve and provide college readiness assessments beginning in SY 2017-18 for 11<sup>th</sup>-graders and must:



- Be standardized, curriculum-based achievement college entrance exam;
- Assess student readiness for 1<sup>st</sup>-year, college credit coursework;
- Include tests in English, Reading, Writing, Math and Science;
- Include benchmarks for measuring student achievement;
- Be an assessment that is administered throughout the US;
- Be accepted for college admissions;

Requires SBE to approve and provide career readiness and workplace skill assessments beginning in SY 2017-18 graders and must:

- Be available for any 12<sup>th</sup>-grade student on a volunteer basis in both hard copy and electronic formats;
- Be a standardized measure of broadly relevant foundational workplace skills for a wide range of jobs;
- Measure skills in at least applied math; locating information, and reading for information;
- Align with research-based skill requirement profiles for specific industries and occupations;
- Be designed to lead to a nationally recognized work readiness certificate.

### **SB 1098 - schools; statewide assessment**

Arizona instrument to measure standards test is revised to statewide assessment on all Arizona Revised Statutes relating to student assessments

*ASBA SUPPORTS*

### **Schools - Courses/Programming**

#### **HB 2120 - education; prohibited courses and activities**

Includes in prohibited district/charter instructional programs any courses, classes, events or activities that:

- Promote division, resentment or social justice toward a race, gender, religion, political affiliation, social class or other class of people;
- Advocate solidarity or isolation based on ethnicity, race, religion, gender or social class;
- Violates state or federal civil rights laws;
- Negatively targets specific nationalities or countries.

Permits courses, classes, events or activities:

- for Native American students that are required to comply with federal law;
- that include the accurate history of any ethnic group open to all students;
- that include the discussion of controversial aspects of history “acutely”

See also:

#### **SB 1126 - schools; prohibited courses; repeal**

Repeals ARS Sections 15-111 and 15-112 that state [in relevant part]:

- *15-111. Declaration of policy*

The legislature finds and declares that public school students should be taught to treat and value each other as individuals and not be taught to resent or hate other races or classes of people

- *15-112. Prohibited courses and classes; enforcement*

A. A school district or charter school in this state shall not include in its program of instruction any courses or classes that include any of the following:

1. Promote the overthrow of the United States government.
2. Promote resentment toward a race or class of people.
3. Are designed primarily for students of a particular ethnic group.
4. Advocate ethnic solidarity instead of the treatment of students as individuals.

#### **HB 2184 - at-risk youth; career, college readiness**

Permits district/charter to establish a career and college readiness programs for at-risk youth.

- Defines *at-risk youth* as a student in grades 11 or 12 who:
  - Is likely to drop out of high school without graduating; or
  - Has documented academic, personal or vocational barriers to high school/workplace success.

Program must:

- Consist of:
  - at least 9 consecutive months of academic support, including tutoring and remediation;
  - comprehensive instruction on SBE-adopted workplace skills;
  - leadership and civic duty
- Require participants to:
  - Earn credits toward high school graduation;
  - Perform volunteer activities or community service;
  - Continue in program for 12 months post-graduation to allow for follow-up assistance
    - May be a dual enrollment course program

Sets forth district/charter reporting requirements.

### **SB 1131 - schools; K-3 reading program**

Revises K-3 reading program, provisions include:

- Revises from October to July 1 the date by which district/charters must submit their reading plan
- Specifies program monies to be used only on instructional purposes intended to improve student reading proficiency
- Requires SBE approval for weighted support level monies to be distributed by districts/charters assigned C, D or F letter grades
- Directs ADE to develop program implementation guidance including
  - identifying appropriate expenditures,
  - providing technical oversight
  - annual plan update assistance
  - selecting reading curricula
  - providing teacher professional development
- Revises retention criteria to require 3<sup>rd</sup> grader be retained if he/she “does not demonstrate sufficient readings skills” as established by SBE; but
  - Student cannot be retained if assessment data is not available before the end of the current academic year (from start of following year).
  - Added way Board may permit promote student, he/she has demonstrated, or subsequently demonstrates, 3<sup>rd</sup> grade reading standard proficiency through SBE assessments including an “alternative standardized reading assessment”
- Expands on requirement for intervention/remedial strategies to include:
  - student’s assignment to “evidence-based” reading instruction by “a different teacher who was designated in that teacher’s most recent performance evaluation in 1 of the top 2 performance classifications”.
  - Small group and teacher-led evidence-based reading instruction, which may be computer-based
- Sets for district/charter annually reporting criteria.
- Defines *evidence-based reading research* as demonstrating either statistically significant effect on improving student outcomes or other relevant outcomes based on either:
  - Strong evidence from at least 1 well-designed and well-implemented experimental study
  - Moderate evidence from at least 1 well-designed and well-implemented quasi-experimental study
  - Promising evidence from at least 1 well-designed and well-implemented correlational study with statistical controls for selection bias;
  - A rationale based on high-quality research findings or positive evaluation that an activity, strategy or intervention is likely to improve student outcomes or other relevant outcomes and that includes ongoing efforts to examine the effects of these activities, strategies or interventions.
- Removes language pertaining to *scientifically based reading research*

Requires SBE to adopt require vendors providing statewide assessments to provide scores and assessment data to local education agencies on or before May 15 of each academic year.

**ASBA SUPPORTS**

### **SB 1136 – schools; computer coding instruction**

Requires districts/charters to require 1 hour of interactive computer instruction in grades 4-12 (disability exemption possible); if infrastructure prohibitive, waiver may be applied for through Supt of Public Instruction

### **SB 1317 – school-sponsored media; student journalists**

- Expands the definition of *pecially designed instruction* to include instruction that is delivered by any person who is certificated and who is determined by a pupil's IEP team to be an appropriate provider based on the pupil's individualized needs.
- Allows a person who has a teaching certification to provide specially designed instruction if in accordance with a student's IEP.

## **School Property**

### **HB 2113 – government vehicles; political speech; prohibition**

Prohibits a district vehicle from displaying any information regarding a political organization, including a labor organization, or political speech.

### **HB 2115 - school vehicles; global positioning systems**

Requires that, by September 1, 2018, all vehicles “owned, leased, operated by or that provide transportation services” to a state-funded district/charter be equipped with a global positioning system and an ADE-approved reporting system for the purpose of daily mileage recording and submission to ADE for verification of mileage and costs.

### **HB 2213 – GPLET reform; K-12 taxes**

Beginning with development agreements for the lease of government property improvements approved by a governing body beginning January 1, 2017, the proportional amount of GPLET revenue for school districts cannot be abated.

### **HB 2314 - school resources; religious purpose; prohibition**

Prohibits the use of district/charter resources (including employees) for any religious purpose. *Religious purpose* defined as any action that promotes a particular religious or a particular religious view and includes the creation, posting and distribution of religious flyers, religious meeting notices or any other type of religious information or paraphernalia.

## **School Employees**

### **HB 2010 - ASRS; political subdivision entities**

Excludes from the Arizona State Retirement System any employee of a political subdivision entity, i.e., school district, who is hired on or after the effective date of the bill’s passage.

### **HB 2106 - garnishment; continuing lien; school employee**

Invalidates continuing liens on district/charter employees if employment contract specifies paydays are restricted to the school year, for more than 90 days.

### **HB 2163 - schools; certification; discipline; reciprocity**

In situations where a teaching certificate has been surrendered, revoked or denied, requires the SBE to determine that the teacher is prohibited from applying again for up to 5 years. Directs SBE to honor the discipline, for immoral or unprofessional conduct, of a teacher from another jurisdiction; permits teacher to request hearing after which SBE to decide whether to uphold certificate revocation.

*ASBA SUPPORTS*

### **HB 2164 - teachers; alternative performance evaluation cycle**

Permits a district's Governing Board to evaluate a teacher once every 3 years, if:

- teacher has been designated as either of the 2 highest performance classifications
  - for at least 2 consecutive evaluations; and
- Board adopts policies for expedited performance review during years teacher is not undergoing a formal performance evaluation.

### **HB 2166 – ASRS; return to work**

Requires ASRS employers to pay retirement contributions at an alternate contribution rate on behalf of a retired member who returns to work with an ASRS employer in any capacity, instead of only a retired member who returns to work in a position ordinarily filled by an employee of the employer.

### **HB 2167 – ASRS; contributions; adjustments**

- If more than the correct amount is paid into the ASRS system through a mistake of law, requires ASRS to return employer/member contributions upon request through an employer credit.
- If less than the correct amount is paid into ASRS by an employer, members who are inactive, retired or on long-term disability must make required payments using after-tax income and a personal check, cashier's check or money order.

### **HB 2169 – ASRS; state retirement; waiting period; repeal**

Repeals statute requiring any state employee initially hired on or after July 20, 2011 to wait until the 27th week of employment to become a member of the Arizona State Retirement System (ASRS) or the ASRS Long-Term Disability Program.

### **HB 2247 - school bus drivers; fingerprint cards**

Requires school bus driver applicants to submit an “identity verified fingerprint card” for DPS to use to process a fingerprint clearance card; clearance card must remain valid during driver certification period; DPS must suspend driver certificate if clearance card becomes invalid or is suspended, canceled or revoked.

### **SB 1034 - appropriation; teacher student loan program**

Appropriates \$600,000 to the Mathematics, Science and Special Education (MSSE) Teacher Student Loan Fund from the state General Fund in FY 2018.

### **SB 1038 - teachers; professional development; pilot program**

Appropriates \$500,000 from the state General Fund in FY 2018 to fund a high-quality teacher professional development pilot program established by the Arizona Department of Education (ADE).

Provisions include:

- Appropriates \$500,000 from the state General Fund in FY 2018 to fund scholarships or grants, or both, provided through the pilot program and exempts the appropriation from lapsing.
- Directs ADE to:
  - establish a high-quality teacher professional development pilot program.
  - issue scholarships or grants, or both, on a competitive basis as determined by ADE, to qualified applicants
- Purpose is to support certificated teachers in gaining additional credentials and certifications to teach in high-need content areas, including career and technical education.
- Qualified applicant is required:
  - to agree to teach in a public school for at least 3 additional years after completing the coursework or program
  - pay back the full amount of the scholarship or grant in a manner determined by ADE if the qualified applicant does not teach in a public school in this state for at least 3 additional years.

- Limits scholarships and grants to \$2,000 per qualified applicant.
- Defines *high-need content area*, *qualified applicant* and *qualifying postsecondary institution*.

### **SB 1039 - teachers; alternative certification application**

Allows a district/charter that has received a letter grade of *A* or *B* for each of the last 3 years to apply to the SBE for authority to approve the alternative certification of teachers.

Provisions include:

- Requirement for rules to only facilitate the approval/certification process and to provide for the following:
  - the district superintendent/charter principal must verify that the applicant for alternative certification has made satisfactory progress and achievement with students;
  - a district/charter:
    - must submit data supporting the efficacy of its teacher training program before receiving authority to approve alternative certifications;
    - may adopt student achievement requirements that exceed the student achievement requirements prescribed by SBE for obtaining alternative certification;
    - the student achievement assessment data:
      - must be from an assessment approved by SBE; or
      - for untested grades and subjects, data may be from a nationally recognized norm-referenced or criterion-referenced test, but must
        - confirm at least 80% of the teacher's students at the end of the school year either are performing at grade level or have achieved at least 1 year of academic growth;
    - an alternative certification applicant:
      - must hold at least a bachelor's degree from an accredited university and meet background and fingerprint clearance card requirements; and
      - may not receive a certificate until:
        - the teacher has been in the classroom for at least one full year and
        - student data has been submitted (detailed above).
  - A district/charter granted the authority to approve the alternative certification of teachers must submit evidence each year that high quality teachers are equally distributed across all schools within the district/charter.

### **SB 1040 - Arizona teachers; student loan program**

An emergency measure that provides loans to students that agree to provide instruction at an Arizona public school in a low income, rural or Indian reservation area.

Provisions include:

- Clarification that the Program is established to support the recruitment of teachers in AZ public schools;
- Program to provide loans to qualified applicants who agree to instruct in an AZ public school that is low-income; rural; or located on an Indian reservation.
- Qualified applicants eligible for a loan includes students who are:
  - pursuing a teaching certificate through an alternative teacher certificate programs as students;
  - in an alternative teacher certification program after obtaining a bachelor's degree;
  - continuing their service commitment in the public school they started in (even if that school no longer qualifies as low-income or rural).
- Definitions include:
  - *Eligible area* redefined to an area that is low-income, rural or located on an Indian reservation from 'a geographic area that is experiencing a shortage of teachers';

- *low income school* as a public school in this state at which 60 percent or more of the students are eligible for free or reduced price lunches under the national school lunch and child nutrition;
- *rural school* as an AZ public school that is located in a county with a population of less than 300,000 persons.

### **SB 1042 - teacher certification; reciprocity**

Issues standard teaching certificates for at least 8 years and makes various changes to alternative preparation programs, proficiency examination exemptions and reciprocity. Provisions include:

#### ***Alternative Preparation Programs***

- Rules for alternative teacher and administrator preparation programs shall:
  - Be adopted by November 15, 2017;
  - be substantially different from the rules adopted for traditional preparation programs; and
  - not unnecessarily restrict a variety of alternative preparation programs from operating and providing instruction in the state.
- Allows nonprofit organizations and private entities to apply for alternative preparation program approval.
- Eliminates structured English immersion training as a requirement for individuals to graduate from an alternative preparation program.

#### ***Certification and Proficiency Examination***

- Requires SBE rule to issue standard certificates for at least eight years;
- Exempts a person from examination requirements of:
  - the professional knowledge test, the subject knowledge test or the entire proficiency examination if the person has passed corresponding portions of an another state's equivalent examination; and
  - any portion of the proficiency examination if the person has been a full-time teacher for at least 2 years in the same area of certification in which the person is applying.
- Requires, rather than allows, SBE rule to exempt a secondary education certificate applicant from the subject knowledge portion of the proficiency examination if SBE determines the applicant has:
  - experience in science, technology, engineering or mathematics, and
  - demonstrates knowledge of the subject through a postsecondary degree; or
  - 24 credit hours of relevant course work.

#### ***Reciprocity***

- For persons applying for reciprocity:
- Eliminates a requirement for an applicant's certification from another state to include passing that state's subject knowledge and professional exams.
- Issues a standard certificate to persons.
- applies existing U.S. and State Constitution competency requirements and timelines; and
- Allows ADE or SBE to revoke a standard certification if the applicant fails to meet the U.S. and State Constitution competency requirements and timelines.

### **SB 1052 – ASRS; optional retirement benefits overpayment**

If a member of the Arizona State Retirement System (ASRS) has received an overpayment due to an error in the records, prohibits ASRS from authorizing the distribution through a partial lump sum rollover, but is permitted to authorize a direct partial lump sum distribution directly to the member.

### **SB 1053 – ASRS; board powers**

Expands the powers of the ASRS Board to include authorization to determine the rights, benefits or obligations of any ASRS member under the Long-Term Disability Program or transfers to another retirement system.

### **SB 1057 – experienced teachers; certification renewal**

Permits teachers to renew a teaching certificate within 10 years after its expiration without any other requirements, including continuing education hours, if:

- the person renewing the certificate has at least 10 years of teaching experience; and
- possesses a fingerprint clearance card.

### **SB 1206 – teachers; short-term certificates; dismissals**

Permits district governing boards to dismiss a teacher who holds a teaching intern certificate, an emergency teaching certificate or another type of nonstandard certificate that is valid for one year or less without complying with specified statutory requirements. Requires notice in each teacher's contract.

### **SB 1282 – teachers; performance pay; evaluations**

- Requires district teacher evaluation policies to include increased compensation based on performance.
- Beginning in school year 2018-19, individual teacher performance (as measured by the teacher's performance classification) is required to account for at least 50% of a district/charter's portion of the 40% allocation for teacher compensation based on performance.
- Repeals the Arizona Performance Based Compensation System Task Force.

## **Joint Technical Education Districts**

### **HB 2229 - JTEDs; courses and programs; approval**

- Permits JTED career/technical course to be awarded credit towards high school graduation;
- Adds *instructional materials* to specialized equipment as a cost in excess of a standard educational course;
- Adds as a required assessment a career readiness exam;

### **HB 2248 - JTEDs; adults**

- Permits JTEDs to offer vocational education programs to adults who have graduated from high school or obtained a GED;
- Prohibits JTEDs from offering college-level credit except through a dual credit agreement with an accredited college
- Permits adults to attend JTED courses (except massage therapy) during regular school hours on a central campus leased and operated by a JTED

## **School Tuition Organizations**

### **HB 2057 - STO scholarships; beneficiary recommendations**

Prohibits school tuition organizations from awarding, designating or reserving scholarships on the basis of donor recommendations

### **HB 2058 - STO credit cap; growth trigger**

- Extends through FY 16-17 the 20% increase in the aggregate dollar amount of the previous year's STO tax credit cap;
- Beginning in FY 17-18, the annual tax credit cap increase will not increase if the transaction privilege tax growth rate and the total nonfarm employment growth rate are each less than 2%.

### **HB 2059 - STO aggregate credit cap; freeze.**

Extends through FY 16-17 the 20% increase in the aggregate dollar amount of the previous year's STO tax credit cap.

**HB 2060 - STO scholarships; means testing**

Requires STO to award at least 66% of scholarships/grants to low income students (family income that does not exceed 185% of free lunch-eligible).

**HB 2061 - STOs; administrative cost allocation**

Increases from 90 to 95% the amount of tax credit contributions STO is required to provide for scholarships/grants to qualified students.

**HB 2062 - STO cap; general fund percentage**

Limits the aggregate dollar amount of the tax credit cap to 1% of the amount appropriated from the state's general fund

**HB 2063 - STO scholarships; student transfers**

Eliminates as an eligible recipient of an STO scholarship/grant any student who previously qualified as a recipient simply because the student is enrolled at a qualified school in a subsequent year.

**HB 2080 - STO; credit cap; low-income qualification**

- Extends through FY 16-17 the 20% increase in the aggregate dollar amount of the previous year's STO tax credit cap;
- Beginning in FY 17-18, the annual tax credit cap increase will increase by the greater of the Metro Phoenix consumer price index or 2%.
- Increases from 90 to 95% the amount of tax credit contributions STO is required to provide for scholarships/grants to students whose family income does not exceed 133% of federal poverty level;
- Requires STO to:
- include on website the percentage and total dollar amount of scholarships/grants awarded to students whose family income doesn't exceed the federal poverty level
- Eliminates as an eligible recipient of an STO scholarship/grant any student who previously qualified as a recipient simply because the student is enrolled at a qualified school in a subsequent year.

**Alternative Education****HB 2077 - Arizona online instruction; funding; testing**

- An online student's state testing will be correlated to the online school that awarded him credit in that subject area
- Permits a school district to test a student to determine whether to award academic credit in a course if:
  - The student requests the examination;
  - The student previously earned course credit in an AZ online course; and
  - The online course provider did not proctor the final examination under the supervision of a school staff member and the student provides student identification

***ASBA SUPPORTS*****SB 1041 - transfer credits; Arizona online instruction**

Awards credit without an examination to public school transfer students who complete credit in this state; allows certain Arizona Online Instruction (AOI) students to generate up to 1.25 average daily membership (ADM).

***Transfer Credits***

- Awards core or elective credit at a district, charter or AOI to a student who completed a core or elective credit at an AZ charter, district or regionally accredited AOI.



- Eliminates the ability for school district boards to adopt a policy concerning the acceptance of a transfer credit as an elective or core credit.
- Applies existing procedures concerning the acceptance of transfer credits from in-state charters, districts and AOI, only to students who transfer credits from out-of-state districts, charters and online instruction in another state that is not regionally accredited.

### ***AOI Funding***

- Allows a student who generated an ADM of 1.0 during the regular school year at a district or charter, and subsequently or concurrently enrolls in AOI through a charter authorizer, to generate ADM above 1.0, not to exceed 1.25.
- Funds these students at 85 % of the base support level.
- Calculates charter and district additional assistance for these students in the same manner as if the students were enrolled in a district or charter that does not participate in AOI.

### **Miscellaneous**

#### **HB 2187 - study committee; elementary mathematics retention**

Establishes a committee to study and develop policies to retain students in elementary school who are not proficient in mathematics; requires report by December 1, 2018; establishes membership as legislators and two members each from: the SBE, the public, the business community, higher education community. Also 2 members each who are: public schoolteachers, district governing board members and school administrators.

#### **HB 2317 - partisan offices; districts; cities; schools**

Requires district governing board candidates' partisan designation and the office title to appear on ballots for primary and general elections.

#### **SB 1019 - public records; unduly burdensome requests**

Requires anyone appealing denial of public records access to have identified the requested records with "reasonable particularity". Specifies that grounds for production denial be on the grounds that the request is "unduly burdensome or harassing".

#### **SB 1036 - charter schools; rulemaking exemption**

Exempts the State Board for Charter Schools (Board) from the following rulemaking requirements, unless otherwise required by law:

- publication of agency rules;
- rulemaking procedures;
- Attorney General review of rulemaking; and
- GRRC.

Requires Board to:

- adopt rulemaking procedures for the Board and charter schools sponsored by the Board;
- provide notice and 2 opportunities for public comment on rules and policies proposed for adoption; and
- adopt rules and policies that the Board deems necessary to accomplish its statutory purpose.

#### **SB 1037 - special education; audit; cost study**

Directs, by December 15, 2017, the Auditor General to complete a comprehensive performance audit and cost study of state special education programs to include the:

- cost of providing special education programs;
- amount of money provided for student special education services;
- appropriateness and number of services/programs offered to students;
- effectiveness and quality of services/programs, including transition success rate; and

- areas in which the state can reduce/eliminate administrative and reporting requirements.

### **SB 1099 - school safety program**

Expands on a School Safety Program, formerly administered through SBE, now through the ADE, for the purpose of supporting the costs of placing school resource officers or juvenile probation officers on school campuses. Provisions include:

- Program ends July 1, 2015
- The SBE will review program approval renewal applications.
- District/charter may apply for up to 3 fiscal years by submitting a program proposal to the ADE by April 15 and must include:
  - information on incidents for which law enforcement were summoned; and
  - Description of criminal activity on or around the school campus
- Directs ADE
  - to use crime statistics to assess programs needs and prioritize program proposals
  - To public guidelines, curricula and support resources on the ADE's website
  - Prioritize grants based on districts/charters
    - with a high number of incidents for which law enforcement were summoned or incidents of criminal activity on and/or around the school campus
    - with a cost-sharing agreement with a court or law enforcement agency
- Requirement for district/school to enter into an agreement with the law enforcement service provider, to include a dispute resolution process

### **SB 1177 – commerce authority; concrete masonry education**

Establishes the Arizona Concrete Masonry Education Council as a nonprofit corporation to operate under a written contract with the Arizona Commerce Authority to plan, implement and conduct educational programs to train individuals in the field of concrete masonry and to support research and education programs related to the masonry industry.