



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

DATE OF MEETING: **June 7, 2016**

TITLE: **Periodic Legislative Update**

BACKGROUND:

The Second Regular Session of the Fifty-Second Legislature adjourned *Sine Die* on May 7th, 2016. This means that the legislature will remain adjourned until next January unless it is called into special session.

Many bills are introduced each session but do not proceed past first reads or committee reviews, those bills have been removed from this final Update. The general effective date for these new laws will be August 6th, 2016, unless noted otherwise.

RECOMMENDATION:

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

INITIATED BY:

A handwritten signature in cursive script that reads "Todd A. Jaeger".

Todd A. Jaeger, Associate to the Superintendent

Date: May 26, 2016

A handwritten signature in cursive script that reads "Patrick Nelson".

Patrick Nelson, Superintendent

**BILLS INTRODUCED
IN THE FIFTY-SECOND LEGISLATURE, FIRST REGULAR SESSION**

FUNDING

HB 2518 – NOW: regulatory exemption; school garden produce

Requires DHS rule to provide an exemption for a whole fruit or vegetable grown in a public school garden that is washed and cut on-site for immediate consumption. Exempts these whole fruits or vegetables from regulation by DHS until the rules for exemption are adopted.

Status: SIGNED by the Governor 5/12/16

HB 2707 - K-12 education; budget reconciliation; 2016-2017

Makes statutory and session law changes related to K-12 education and the implementation of the Fiscal Year (FY) 2017 state budget. Provisions include:

School Funding

- Removes the definition change scheduled to begin in FY 2017 of *student count* to the current year Average Daily Membership (ADM).
- Defines *student count* for Base Support Level calculations as the ADM for the current year, except that for calculating the Base Support Level for school district rollover allocations and budget override amounts, the student count is the ADM of the prior year.
- Repeals statute allowing school districts to adjust student counts for growth in the current year.

School Districts

- Increases the Base Level by 0.99% for FY 2017 from \$3,426.74 to \$3,460.66 or from \$3,600 to \$3,635.64 if Proposition 123 is approved by the voters.
- Increases the school district Transportation Support Level per route mile formula by 0.99%.
- Continues to direct the Arizona Department of Education (ADE) to reduce the amount of Basic State Aid (BSA) by \$352,442,700 that otherwise would be apportioned to school districts for FY 2017 as District Additional Assistance (DAA) and requires school district budget limits to be reduced accordingly.
- Directs ADE to reduce DAA for school districts that are not eligible to receive BSA funding by the amount that would be reduced if the district was eligible for BSA funding and reduce the school district's budget limits accordingly.
- Continues to declare that it is the intent of the Governor and Legislature that school districts increase the total percentage of classroom spending over the previous year's percentages in the combined categories of instruction, student support and instructional support.
- Continues to cap the sum of DAA reductions in FY 2017 for school districts with a student count of less than 1,100 at \$5 million.

Charter Schools

- Removes the authority for a school district to sponsor a charter school and deletes all applicable statutes.
- Prohibits a charter school applicant from submitting an application to any person or entity other than those authorized to sponsor a charter school.

- Removes the requirement for district sponsored charter schools that convert back to a district school to repay the total Charter Additional Assistance (CAA) received for all years the charter school was in operation, retroactive to June 30, 2016.
- Prohibits FY 2015 students who attended district sponsored charter schools that converted in FY 2014 and are being counted as if they attended a school district school in FY 2016 from making the school district eligible for DAA growth funding.
- Directs ADE, for FY 2017, to compute DAA for students attending district sponsored charter schools in FY 2016 as if the students had attended a school district school and adjust DAA student counts and budget limits accordingly, except that the adjustment does not make the school district eligible for DAA growth funding.
- Contains a retroactive effective date for the previous two sections of June 30, 2015.
- Enacts a delayed repeal of July 1, 2016, for session law prohibiting the ADM of district sponsored charter schools in FY 2015 onwards from being more than 20% of the ADM of all students attending district sponsored charter schools in the district in FY 2013.
- Reduces the FY 2017 reduction to multi-site charter holders for Small School Weights from 67% to 33%.
- Increases CAA by 0.99% to the following amounts:
 - For students in preschool programs for children with disabilities and grades K-8, from \$1,734.92 to \$1,752.10.
 - For students in grades 9-12, from \$2,022.02 to \$2,042.04.
- Continues to require ADE to reduce the amount of CAA by \$18,656,000 that otherwise would be apportioned to charter schools for FY 2017 and requires budget limits to be reduced accordingly.
- Directs the reduction to be made on a proportional basis based on the CAA funding that each charter school would have received without the prescribed reduction.

Joint Technical Education Districts (JTEDs)

- Requires the annual JTED report to include for each district the percentage of students enrolled in the second year of each program and course relative to the number of students in the same cohort enrolled in the first year and the percentage of students who completed relative to the number who began the program.
- Removes the ability for a student who has not graduated and was enrolled in a JTED on January 1, 2016, to continue to participate in the JTED program.
- Permits a JTED student under 21 years old, including those who have graduated from high school or received a general equivalency diploma to:
 - During FY 2016, continue to participate in the JTED program and remain in the JTED's ADM through the end of FY 2016; and
 - On February 1, 2016, continue to participate in the JTED program and remain in the JTED's ADM until the student completes the JTED program or through the end of FY 2017, whichever is first.
- Applies the previous provision retroactive to June 30, 2015.
- Continues to fund JTEDs with a student count of more than 2,000 at 95.5% of what would otherwise be provided by law for FY 2017 and requires ADE to reduce budget limits accordingly.
 - Directs the reduction to be computed as if the Base Support Level portion of the equalization formula funding for FY 2017 was based on the prior year ADM.

School Emergency Pilot Program

- Continues to designate \$100,000 for the School Emergency Readiness Pilot Program from the FY 2017 GF appropriation to ADE for the School Safety Program and establishes the same programmatic requirements for FY 2017 as previously enacted with updated report dates.

K-6 Technology-Based Language Development and Literacy Intervention Pilot Program

- Extends the K-6 Technology-Based Language Development and Literacy Intervention Pilot Program reporting and termination dates by two years.
- Modifies the FY 2015 appropriation for the K-6 Technology-Based Language Development and Literacy Intervention Pilot Program to go to the Superintendent of Public Instruction (SPI) rather than SBE and appropriates \$246,800 in FY 2016 to the SPI.
 - Exempts the FY 2015 appropriations from lapsing through FY 2017 and the FY 2016 from lapsing through FY 2018.

Code Writers Initiative Pilot Program

- Appropriates, as one-time funding, \$500,000 in FY 2017 from the State Web Portal Fund to ADE to provide competitive grants for participation in the Code Writers Initiative Pilot Program.
- Directs the American Indian Advisory Council in ADE to evaluate grant applications and make award recommendations to ADE.
- Requires ADE to maximize available funding by awarding grants to participations who will secure gifts, grants and donations from other sources.
- Establishes requirements for grantees in the Code Writers Initiative Pilot Program.
- Requires ADE to summarize submitted reports and submit summaries by December 1, 2017 and 2018 to the President of the Senate, Speaker of the House of Representatives, Director of the Joint Legislative Budget Committee (JLBC) and Secretary of State.
- Exempts the appropriation from lapsing and sunsets the program on July 1, 2019.

College Credit by Examination Incentive Pilot Program

- Establishes the College Credit by Examination Incentive Pilot Program in ADE to provide incentive bonuses to teachers, school districts and charter schools for students who obtain a passing score on qualifying college credit examinations while in high school.
- Requires the Arizona Board of Regents (ABOR) to maintain a list of qualifying examinations from ABOR universities and scores and provide the list to ADE and JLBC by September 1 each year for review.
- Directs ADE to pay an incentive bonus beginning in FY 2018 to public high schools for students who pass a qualifying examination in the previous year of:
 - \$450 per student for students enrolled in schools with a 50% or higher free or reduced price lunch population; and
 - \$300 per student for students enrolled in a school with less than a 50% free or reduced price lunch population.
- Directs bonuses to be proportionally reduced if the statewide sum of bonuses exceeds the appropriations.
- Requires at least 50% of the bonus to be distributed to the associated classroom teacher in addition to regular wages, compensation or other bonuses and directs the remainder to be used for teacher professional development, instructional support or materials.
 - Instructs bonus monies to be separately accounted for in the annual financial report.
- Prohibits incentive bonuses from being subject to collective bargaining.

- Requires ADE to report by December 15, 2018 and by December 15 each year after, to the President of the Senate, Speaker of the House of Representatives and the Governor on specified information.
- Excludes incentive bonuses from being compensation for Arizona State Retirement System purposes.
- Sunsets the program on July 1, 2026.

Miscellaneous

- Increases the maximum annual amount of unclaimed lottery prize money that may be transferred to the Tribal College Dual Enrollment Program Fund from \$160,000 to \$250,000.
- Requires ADE to submit a copy of annual desegregation reports to the Secretary of State.
- Declares the intent of the Legislature to fund district-sponsored charter schools that operated in FY 2016 at approximately the same amount of incremental monies in FY 2017 as the previous year.
- Permits school districts to pay for new facilities projects that were approved by the School Facilities Board (SFB) if the full appropriation is unavailable in the FY following approval and be reimbursed when the remaining appropriations are made available.
 - Limits this option to monies appropriated to SFB for new school facilities during FY 2017 and 2018.

Status: SIGNED by the Governor 5/4/16

STATE APPROPRIATIONS

Provisional Funding Programs

SB 1239 - schools; state seal of biliteracy

If funding available, requires Sup't of Public Instruction to establish a state seal of biliteracy program to recognize district/charter students who graduate having attained a high level of proficiency in one or more languages in addition to English.

- Requires districts/charters:
 - Identify the students who have met the requirements to be awarded the seal.
 - Affix the seal to the student's diploma, and note it on the transcripts, of those students who graduate and meet the following requirements:
 - Successfully complete all English Language Arts requirements for graduation with an overall grade point average of 2.0 or higher on a 4.0 scale;
 - Pass the end-of-course examinations in English Language Arts;
 - Demonstrate proficiency in one or more languages other than English by meeting the requirements set by SBE.
 - Obtain a score of proficient or higher based on the English language proficiency standards, if the student has a primary language other than English.
- Requires SBE:
- in collaboration with the ADE, to adopt a list of assessments using researched-based methodology to determine a student's proficiency in a language other than English.
- To prescribe that biliteracy certificated students meet university entrance requirements for foreign language.

Status: SIGNED by the Governor 5/12/16.

TAXES

HB 2481 - schools; primary property tax rates

Outlines the manner in which school district taxes are to be levied and eliminates the 4% cap on school district budget balance carryforwards.

- Requires each county board of supervisors to annually levy school district taxes on the properties in each school district at a rate equal to the lesser of:
 - the Qualifying Tax Rate (QTR), and
 - the District Support Level/per \$100 of assessed value.
- Directs each county school superintendent to authorize any additional primary school district tax levy requests outside of the revenue control limit at rates that would result in a levy equaling each of the following:
 - The difference between the transportation revenue control limit and the transportation support level.
 - Expenses for excess utilities, desegregation, bond issues and registering warrants.
 - The necessary amount for tuition loss.
 - Small school adjustments.
 - Liabilities in excess of the school district budget.
 - Adjacent ways.
 - The amount not captured by QTR due to properties that pay a government property lease excise tax.
 - An amount not levied due to an underestimated average daily membership or a judgement on a property tax appeal.
 - An amount that corrects an outstanding cash deficit.
- Eliminates the 4% cap on school district budget balance carryforwards.
- Strikes the requirement for districts to use any remaining maintenance and operation (M&O), unrestricted capital outlay and adjacent ways monies leftover after encumbrances to reduce taxes.
- Decreases a district's portion of its local tax revenues dedicated towards property tax delinquencies and accommodations for decreases in assessed value after a natural disaster necessary to trigger supplemental state aid from 20% to 10%.
- Requires monies remaining after a construction project authorized by a bond or after the sale of a bond, to be used to reduce district taxes.

Status: SIGNED by the Governor 5/19/16.

TECHNOLOGY

HB 2013 – information technology; transfer; title 18

Establishes Title 18 relating to information technology (IT) and transferring and renumbering all IT-related statutes.

Status: SIGNED by the Governor 3/30/16.

JTED

HB 1525 – JTED restorations and reforms (also SB 1525)

Makes various reforms to Joint Technical Education Districts (JTEDs) and retroactively reverses a 7.5% reduction in JTED funding. Provisions include:

- Reverses, retroactive to July 1, 2016, a 7.5 % reduction in JTED funding, and funding for school districts and charter schools receiving satellite students, set to begin in FY 2017.

- Removes, beginning July 1, 2016, for the purposes of calculating student count for state aid, student who:
 - have graduated from high school or received a GED; and
 - are enrolled in an internship course as a part of a JTED program.
- Allows students enrolled on 1/1/16, who have yet to graduate or receive a GED, to continue to participate in the program
- Prohibits school districts and charter schools from requiring students to generate a full 1.0 ADM or enrolling in more courses than are needed to graduate before enrolling and attending JTED programs or courses.
- Includes charters with district to the prohibition against barring or discouraging students from attending JTED courses

JTED Programs and Courses

- Requires JTED courses to:
 - require a majority of instructional time to be conducted in a lab, field-based or work-based learning environments;
 - demonstrate a need for extra funding; and
 - require specialized equipment in order to provide instruction to students that exceeds the cost of a standard educational course.
- Prohibits a JTED course from being a course or any variation of a course, including honors, that is required under the minimum course of study to graduate from high school.
- Requires JTED programs to:
 - fill a high-need vocational or industry need as determined by the CTE Division of ADE (CTE Division);
 - require a single or stackable credential or a skill that will allow a student to obtain work on graduation before receiving an Associate’s Degree or Bachelor’s Degree;
 - lead to certification or licensure in the designated vocation or industry that has been verified and accepted by that vocation or industry and that qualifies the recipient for employment for which the student would not otherwise qualify;
 - require instruction and instructional materials in courses that are substantially different from and exceed the scope of standard instruction and that include vocational skills, competencies and knowledge to be successful in the JTED program, vocation or industry;
 - have an industry or vocation agree to provide financial or technical support to the JTED for a specific program; and
 - demonstrate a need for extra funding in order to provide the JTED program.
- Specifies:
 - if there is no certification or licensure that is accepted by the vocation/industry then completion of the JTED program must qualify the student for employment for which the student would not otherwise qualify.
 - *financial support* from an industry/vocation includes in-kind contributions and donations.
 - students must obtain a passing score of at least 60% on assessments for JTED education courses and programs; specifies those assessments must demonstrate knowledge in addition to skills or competencies in the designated vocation/industry or are necessary for certification.
 - JTED programs must demonstrate alignment through a curriculum, instructional model and course sequence to meet CTE prep program standards.
 - the defined pathway to career and postsecondary education must be in a specific vocation or industry as determined by the CTE Division.

Achievement Profile and Letter Grade

Requires ADE

- to include each JTED in the annual achievement profiles.
- subject to the State Board of Education (SBE) approval, to develop specific criteria applicable to JTEDs and include JTEDs in the letter grade classification system.
- to include all of the following in the annual achievement profiles and letter grade classification:
 - the graduation rate of all students enrolled in a CTE program or course;
 - the completion rate for each JTED program;
 - performance on assessments that demonstrate the level of skills, knowledge and competencies necessary to be successful in the designated vocation or industry; and
 - post-graduation employment rates for students who complete a CTE program.
- Includes JTEDs in the Auditor General's (OAG) performance audits and directs the OAG to consider the differences and applicable laws for JTEDs.

CTE Division Review

- Requires, beginning in 2020 and every 5 years thereafter, the CTE Division to review JTED programs and JTED courses to ensure compliance, quality and eligibility.
- Withholds funding for the preceding school year for any JTED program or JTED course deemed to not meet statutory requirements.
- Removes JTED programs and JTED courses that do not meet statutory requirements from the approved program and course list.
- Allows the CTE Division to establish a staggered schedule to conduct the five year reviews of each JTED.
- Modifies the annual CTE JTED report by removing a requirement for JTEDs to submit data to the CTE Division and modifies the contents of the report to include the following:
 - ADM and the actual student count delineated by centralized campus, satellite campus and leased satellite campus;
 - programs and corresponding courses by the location at which they are offered;
 - the enrollment of each program and course based on location;
 - a listing of programs and courses continued and discontinued as a result of the 5 year CTE Division review; and
 - a listing of programs and courses that were added by the CTE Division.
- Retains the following from the annual CTE JTED report:
 - the costs associated with each program offered by the JTED; and
 - any other data or information deemed necessary by ADE.
- Removes the following from the annual CTE JTED report:
 - the completion rate for each JTED program;
 - the graduation rate from the school district of residence of students who have completed a JTED program; and
 - a detailed list of career opportunities available to students after completion of a JTED program.
- Requires, beginning July 1, 2016, the intergovernmental agreement between a JTED and another JTED, school district, charter school or community college district to include the following:
 - that JTEDs provide the following minimum services:
 - professional development of CTE teachers at a satellite campus; and
 - ongoing evaluation and support of satellite campus programs and courses to ensure quality and compliance; and
 - an itemized listing of other goods and services that are provided to the member district and that are paid for by the retention of satellite campus student funding.

Status: SIGNED by the Governor 2/17/16

HB 2054 – debt limitations; assessed value

Stipulates that the net assessed value (NAV) of the full cash value (FCV) of property is the basis for calculating debt limitations for counties; cities; towns; school districts; unified school districts, and JTEDs.

Status: SIGNED by the Governor 5/11/16

SCHOOLS

Curriculum

SB 1137 - schools; CPR instruction [see also HB 2108]

Requires public schools to provide cardiopulmonary resuscitation (CPR) training to high school students by July 1, 2019; permits satisfaction of the requirement via homework, if verified by a teacher or parent; permits school administrators to excuse students with a physical, mental or emotional disability.

Status: SIGNED by the Governor 5/12/16

SB 1197 - schools; cursive writing requirement

Requires the minimum course of study to include instruction in cursive reading and writing to ensure that students can create readable documents through legible cursive handwriting by the end of 5th grade; requires school districts to include instruction in cursive reading and writing in the curricula. Specifies the cursive reading and writing requirement shall not be included as a part of statewide achievement assessments.

Status: VETOED by the Governor 3/30/16.

Assessments

HB 2088 - schools; assessments; surveys; informed consent

Prohibits public schools from administering specified assessments or surveys to students without notifying and obtaining written informed consent from parent; prescribes penalties for violations.

Status: SIGNED by the Governor 5/18/16

HB 2544 - schools; statewide achievement assessments; menu (see SB 1321)

Requires the Arizona State Board of Education (SBE) to adopt a menu of locally procured achievement assessments from which Local Education Agencies (LEA) select an assessment to administer. Provisions include:

- Directs SBE to:
 - adopt a menu of locally procured achievement assessments, and rules and procedures for the approval of those assessments.
 - prohibits adopted rules or procedures from requiring LEAs to receive additional SBE or ADE approval to select from the menu of assessments.
 - prohibits *D* and *F* LEAs from choosing an assessment on the menu; requires those LEAs to use the statewide assessment adopted by SBE.
 - require the provider of a proposed assessment considered for the menu to do the following:
 - provide evidence that the assessment is high quality.
 - demonstrate that the assessment meets or exceeds SBE's adopted academic standards.
 - demonstrate that assessment scores can be equated for state accountability programs.
 - submit an evaluation from a third party approved by SBE that shows that the assessment meets the previous requirements.
 - provide a copy of assessment scores to ADE when scores are provided to the partnering LEA.
- Permits LEAs offering instruction in grades 9-12 to select an assessment from the menu to administer in one or more schools rather than the assessment adopted by SBE, as provided for in SBE's rules and procedures, beginning in School Year (SY) 2018.

- Allows LEAs offering instruction in grades 3-8 to select an assessment from the menu beginning in SY 2019.
- Permits locally procured achievement assessments in use by an LEA to be added to the menu on request of the LEA and approval by SBE.
 - Requires SBE to evaluate locally procured assessments not on the menu at least annually.
- Determines LEAs that select an assessment from the menu to be in compliance with statewide assessment requirements.
- Requires LEAs to include the name of the assessment it administers in the school report card.
- Directs LEAs to administer the selected assessment for a minimum period of time prescribed by SBE.

Status: SIGNED by the Governor 3/11/16.

Scholarships

SB 1280 - empowerment scholarship accounts; eligibility; administration

Modifies the Empowerment Scholarship Account (ESA) program's eligibility criteria and administration.

Provisions include:

- Prohibits a previous recipient of an Arizona Scholarship for Pupils with Disabilities or an ESA from being ESA-eligible if the recipient's parent has been removed from eligibility in the program for failure to comply with the terms of the contract or applicable laws.
- Expands the eligibility for the ESA program to include:
 - Siblings of an eligible qualified student who accepts the terms of and enrolls in the program.
 - Students who attended a preschool for children with disabilities.
 - A child of a parent who is legally blind, deaf or hard of hearing.
 - A child with an Individualized Education Program or a Section 504 plan that requires the use of instructional materials in a specialized format.
- Outlines ESA eligibility requirements for students enrolled in Arizona Online Instruction as follows:
 - For grades 1-3, 400 hours of logged instruction.
 - For grades 4-6 and high school, 500 hours of logged instruction.
 - For grades 7-8, 550 hours of logged instruction.
- Requires the Arizona Department of Education (ADE) or a tribal government to determine residency for a student within the boundaries of an Indian reservation.
- Requires an ESA parent to use a portion of the ESA monies annually to provide education for the qualified student rather than quarterly.
- Allows ESA monies to be spent on uniforms purchased from or through a qualified school.
- Permits qualified students who meet specified criteria to use the following services:
 - A licensed or accredited paraprofessional or educational aide;
 - Tuition for vocational and life skills education approved by ADE; and
 - Associated services that include educational and psychological evaluations, assistive technology rentals and braille translation services.
- Requires ADE to accept applications for the ESA program year-round.
- Requires ADE to enroll and issue an award letter to eligible ESA applicants within 45 days after receipt of a completed application and all required documentation.
- Modifies the definition of *curriculum* to require ADE to approve complete course of study.

Status: SIGNED by the Governor 5/19/16

SB 1457 – eligibility; empowerment scholarships; health insurance

Outlines procedures to allow Empowerment Scholarship Accounts (ESA) students identified as having a disability to continue receiving monies until the age of 22. Provisions include:

Annual Education Plan

- Allows an ESA qualified student who has been identified as having a disability and is in the second year prior to the final year of an ESA contract to spend ESA monies on costs associated with an annual education plan conducted by an independent evaluation team, beginning January 1, 2017.
- Requires the Arizona Department of Education (ADE) to prescribe minimum qualifications for independent evaluation teams and factors to determine whether a qualified student is eligible to continue to receive ESA monies through the age of 22.
- Requires independent evaluation teams that provide an annual education plan to submit a written report summarizing the results of the evaluation to the student's parents and ADE by July 31st.
 - Determines the written report submitted by the independent evaluation team to be valid for one year.
- Allows students to continue to receive ESA monies to the age of 22 if ADE determines that the student meets the eligibility criteria prescribed in the annual education plan, subject to annual review.
- Allows a parent to appeal ADE's determination.
- Requires ADE to include an addendum to a student's final-year contract that contains the following written information:
 - The qualified student is ineligible to continue to receive monies unless the results of annual education plan demonstrates that the student meets eligibility criteria.
 - The parent is entitled to obtain an annual education plan.
 - A list of qualified independent evaluation teams that meet ADE's minimum qualifications.
- Defines *annual education plan* as an initial individualized evaluation and subsequent annual reviews developed for a qualified student who meets specified criteria to determine:
 - Ongoing annual eligibility through the school year in which the student reaches 22 years of age; and
 - Whether the student is eligible for the Children's Health Insurance Program (CHIP) and should be referred for eligibility determination.

Annual Education Plan Development Council

- Establishes, as session law, the Annual Education Plan Development Council (Council) in ADE.
- Requires the Council to:
 - develop the eligibility criteria in the form of annual education plan;
 - develop a request for proposals to be approved by the Arizona State Board of Education and issued by ADE for independent evaluation teams to conduct annual education plans;
 - review ADE policies concerning annual education plans; and
 - submit a report of its findings and recommendations to the Governor, the Legislature and the Superintendent of Public Instruction by December 31, 2016.
- Allows the Council to make recommendations to ADE.
- Requires ADE to select members for the Council and include practitioners in the field of special education and parents of current or previous qualified students identified as having a disability.
- Determines the Council to be subject to open meeting laws.
- Prohibits members of the Council from receiving compensation.
- Repeals the Council on January 1, 2017.

Children's Health Insurance Program

- Eliminates the CHIP enrollment cap.
- Provides that if the federal government eliminates federal funding for CHIP, AHCCCS must immediately stop processing all applications and must provide at least 30 days' advance notice to contractors and members that the program will terminate.

- Requires AHCCCS, within five days after the effective date, to do both of the following:
 - Submit to the Centers for Medicare and Medicaid Services (CMS) a state plan amendment to resume enrollment in CHIP; and
 - Project the enrollment rate for CHIP for the remainder of federal fiscal years 2016 and 2017 and request from CMS any additional allotment needed to resume enrollment in CHIP.
- Requires the director of AHCCCS to notify in writing the Director of Arizona Legislative Council on or before July 15, 2017 either:
 - Of the date on which the condition was met; or
 - That the condition was not met.

Miscellaneous

- Requires, as session law, ADE to determine if a qualified student identified as having a disability and who is the final year of an ESA contract may continue to receive ESA monies until a determination is made through an annual education plan.
- Requires ADE to base the determination on the student’s likelihood to meet graduation requirements or obtain a high school diploma.

Status: SIGNED by the Governor 5/6/16

Misc. New Requirements

HB 2653 – K-3 reading program; administration

An emergency measure that statutorily shifts administration of the K-3 Reading Program from the SBE to the ADE. Provisions include:

- Directs school districts and charter schools assigned a letter grade of *A* or *B* to submit plans to improve reading proficiency biennially instead of annually beginning in FY 2017.
- Requires ADE to review and recommend for approval the plans to improve reading proficiency from school districts and charter schools assigned a letter grade of *C*, *D* or *F*.
- Allows SBE to establish rules and policies for the K-3 Reading Program, including the following:
 - the proper use of monies;
 - the distribution of monies by ADE; and
 - the compliance of reading proficiency plans.

Status: SIGNED by the Governor 5/12/16

Reports

HB 2234 – schools; audit; county school superintendent

Requires school district audit report copies to be sent to the county school superintendent in paper or electronic form.

Status: SIGNED by the Governor 5/12/16

EMPLOYMENT

HB 2435 – NOW school districts; transportation repayment; extension

An emergency measure that requires a school district that meets certain requirements to correct an overstatement of daily route mileage over a three-year period. Provisions of the bill include requirements that:

- As session law, a school district that overstated its daily route mileage during fiscal year (FY) 2012, FY 2013 and FY 2014 to correct the overstatement over a three-year period beginning in FY 2017 and ending in FY 2019 if all of the following apply:
 - the school district is a common school district;
 - the school district's average daily membership was between 100 and 150 for FY 2015; and
 - the total amount of the overstatement is more than \$200,000 but less than \$250,000.
- The repayment amount to be paid in equal installments in each of the three FYs.
- The accrued interest to be paid at a rate determined by the SPI.
- District governing boards affected by this section to:
 - adopt a formal resolution to comply with this section; and
 - submit annual daily route mileage audits, if requested by the Arizona Department of Education.

Status: SIGNED by the Governor 3/24/16.

HB 2620 - education; certification renewal fees

Specifies powers and duties of the Arizona State Board of Education (SBE) and the Arizona Department of Education (ADE). Provisions include:

- Specifies that SBE may fix and collect fees for the evaluation of certificates, name changes, duplicates or changes of coding to existing files or certificates.
- Conforms the statutory number of SBE members to the Arizona Constitution.
- Requires the Arizona Department of Administration, rather than the Superintendent of Public Instruction (SPI), to approve travel expenses and subsistence reimbursement claims for SBE members.
- Specifies that the SBE personal liability immunity only applies on actions approved by a majority vote of all members of SBE.
- Removes the requirement for the SPI to recommend staff to be employed by SBE.
- Requires SBE to supervise the duties of its employees, subject to the State Personnel System.
- Prohibits cost assessments against persons filing frivolous complaints from exceeding the expenses incurred by ADE in the complaint investigation, rather than costs incurred by SBE.
- Specifies that the SPI is responsible for the execution of SBE policies.
- Removes the authority of the SPI to direct the work of all employees of SBE.
- Specifies that the SPI directs employees and divisions of ADE.
- Directs the SPI to direct and oversee the work of all certification investigators for immoral or unprofessional conduct.
 - Directs the investigators to be housed at ADE and be employees of ADE.
- Directs the SPI to provide information to SBE relating to enumerated powers and duties.
- Permits ADE to request specified items from school districts relating to disciplinary actions for certificated persons and directs ADE to maintain the confidentiality requirement.
- Requires ADE rather than SBE to provide information, records or reports relating to certificate holder investigations for immoral or unprofessional conduct.
- Removes SBE from the certification deficiencies process and maintains ADE as the administrator.
- Directs the Arizona Department of Public Safety to share fingerprint card information with ADE rather than SBE
- Requires SBE and ADE to jointly develop, implement and submit to the Governor, President of the Senate and Speaker of the House of Representatives a transition plan for investigative unit administration and personnel from SBE to ADE by August 1, 2016.
 - Requires the plan to include jointly agreed-on conforming changes needed for proposed legislation and a copy of the plan to be submitted to the Secretary of State.
- Transfers 7 Full-Time Equivalent positions from SBE to the SPI for FY 2017.

- Transfers the following amounts from SBE to the SPI in FY 2017:
 - \$231,200 from the state General Fund.
 - \$379,800 from the Teacher Certification Fund.

Status: SIGNED by the Governor 5/11/16

SB 1208 - teacher certification; reciprocity

Modifies teaching certification requirements concerning reciprocity, renewal and competency. Provisions include:

Reciprocity

- A standard teaching certificate will be issued, without additional requirements from SBE or ADE, to an applicant who possesses:
 - a valid certification from another state and is in good standing with that state; and
 - a valid fingerprint clearance card.
- Exempts persons who obtain a standard teaching certificate through reciprocity from the following:
 - the teacher proficiency examination;
 - competency requirements concerning the U.S. and State Constitutions; and
 - SEI endorsement requirements.
- Requires certification rules concerning reciprocity to include a requirement for applicants to be in good standing with the other state.

Renewal and Competency Requirements

- Directs SBE to adopt rules that:
 - allow for certificate renewal of at least 10 years; and
 - do not require more than 15 hours of continuing education credits each year in order to renew a certificate.
- Exempts teachers, principals and superintendents from U.S. and State Constitution competency requirements unless the individual is a teacher of academic courses that focus predominantly on history, government, social studies, citizenship, law or civics.
- Exempts SEI endorsement requirements from teacher certification requirements unless the person is being certified to teach students in a sheltered English immersion or structured English immersion model.
- States school districts and charter schools are not prohibited from requiring an SEI endorsement as a condition of employment.
- Removes a requirement for teachers who have not taught for 10 years to repass the teacher proficiency examination.

Teaching Intern Certificates

- Issues teaching intern certificates to persons entering the practicum portion of an approved teacher preparation program.
- Requires placement decisions of teaching intern certification holders to be based on agreements between the teacher preparation provider, the provider's partner organizations and the local education agency.
- Limits ADE and SBE to only consider the following concerning the placement of teaching intern certification holders:
 - the academic quality of the school;
 - the effectiveness of the teaching intern certification holder's on-site mentor; and
 - the opportunity for a wide variety of schools and school models to access teaching intern certification holders concerning placement decisions.

- Prohibits ADE and SBE from restricting the placement of teaching intern certification holders based on local education agency instruction models.

The Senate Committee of the Whole adopted amendments that:

- Renew certifications for at least 10 years and prohibits SBE rule from requiring more than 15 hours of continuing education credits each year in order to renew a certification.
- Limits Arizona and U.S. Constitution competency requirements to teachers in certain subject areas.
- Limits SEI endorsement requirements to certain individuals.
- Removes a requirement for teachers who have not taught for 10 years to repass the teacher proficiency exam.
- Removes language that automatically renews a teaching certificate if the teacher does not receive notice within 3 weeks after submitting the renewal application.

Status: SIGNED by the Governor 5/18/16

SB 1430 - schools; achievement profiles; improvement plans

Revises the annual achievement profile methodology and replaces the *A-F* letter grades. Provisions include:

- Removes the academic performance indicators for the achievement profiles.
- Requires annual achievement profiles for schools, charter holders and school districts to include, at a minimum, the following academic performance indicators.
 - Multiple measures of academic performance or other academically relevant indicators of school quality appropriate to assess the impact of a school during the year, as determined by the Arizona State Board of Education (SBE).
 - Academic progress on statewide assessments in English Language Arts and Math.
 - Academic progress on English Language Learner assessments.
 - Progress towards college and career readiness for charter holders, schools and school districts that instruct in grades 9-12.
- Specifies that annual achievement profiles apply to Local Education Agencies.
- Directs the standard measurement of academic progress to be the annual achievement profile compiled by the Arizona Department of Education (ADE) rather than a baseline achievement profile.
- Requires the methodology used for determining classification labels to be developed in collaboration with a coalition of qualified technical and policy stakeholders.
- Removes the ability for the methodology to include a measure of the perception of education quality and the academic performance measurement requirements for classifications.
- Removes the definitions for each classification.
- Requires an *A* grade to reflect an excellent level of performance and an *F* letter grade to reflect a failing level of performance.
 - Directs the letter grade system to indicate expected standards of performance for all schools and the manner in which schools may rise above or fall below the standards.
- Permits SBE to develop profiles for schools that participate in SBE's examination system and Arizona Online Instruction schools and develop other exceptions.
 - Directs achievement profiles for the previous schools and accommodation schools, alternative schools, extremely small schools to be used appropriately to assess educational impact.
- Requires ADE to establish a process for a school to correct student data used to determine the annual achievement profile.
- Directs SBE to establish an appeals process for letter grades that are based on mitigating factors.
- Permits SBE to delegate the administration of the appeals process to ADE.
- Transfers statutes relating to improvement plans.

- Permits, as session law, ADE to release data for school districts, schools and charter schools for School Year (SY) 2017 based on assessments conducted during SY 2016 and allows school districts, schools and charter schools to publish letter grades.
- Requires, as session law, ADE to publish letter grades in SY 2018 based on data collected during SY 2017.
- Defines *academic progress*.
- Modifies the definition of *research-based methodology*.

Status: SIGNED by the Governor 5/12/16

SB 1502 - CTE instructors; specialized teaching certificates

Requires the SBE to issue specialized standard teaching certificates in Career and Technical Education (CTE).

Provisions include:

- Requires SBE to issue specialized CTE standard teaching certificates to individuals who provide instruction in CTE courses or programs offered by a school district or Joint Technical Education District and who:
 - Demonstrate expertise in the area of instruction;
 - Demonstrate at least five years of work experience in the area of instruction; and
 - Comply with fingerprinting and background check requirements.
- Requires SBE to adopt rules to carry out this Act.
- Exempts individuals who have been issued a CTE certificate from:
 - Completing required classes or passing a satisfactory exam regarding the United States and Arizona Constitutions.
 - Passing each component of the proficiency exam.
 - Obtaining a Structured English Immersion (SEI) endorsement.

Status: SIGNED by the Governor 5/12/16

CHARTER SCHOOLS

HB 2665 - charter schools; preference; foster children

Establishes the Foster Youth Education Success Program (Program) that:

- Requires:
 - charters to give enrollment preference to children in foster care or who meet the definition of unaccompanied youth;
 - school districts to give preference to children in foster care;
 - a selected service provider to contract with a nonprofit organization to provide:
 - a partnership with local agencies, child welfare and judicial agencies to implement a continuous cycle of data-driven interventions for children in foster care.
 - identification and support of an education champion who is informed of the rights and responsibilities of children in foster care paired with an education coach to increase capacity to support educational success.
 - development and monitoring of an education team.
 - A customized education plan for each child in foster care based on individual strengths and needs that uses a research-based tool.
 - a selected service provider to annually submit a report that includes an evaluation of the Program's effectiveness, demographic information and academic outcomes.
- Establishes the Foster Youth Education Success Fund (Fund) consisting of appropriated monies and monies received from public or private sources and:
 - Directs the Governor to administer the Fund.

- Determines monies in the Fund to be continuously appropriated and not revert to the state general fund.
- Permits the Governor to accept and spend local, state and federal monies and private grants, gifts, devises and contributions.
- Appropriates:
 - \$1 million in FY 2017 from the state general fund to the Governor to be deposited in the Fund.
 - \$500,000 in FY 2017 from the state general fund to the Governor to be deposited in the Fund to be spent when matching monies from non-state sources are deposited in the Fund.
 - Determines the state general fund's appropriations to be non-lapsing.
- Permits monies from public sources other than the state, gifts, grants and donations to be spent as they are collected; requires the Governor to report the accounting of the Program to the Joint Legislative Budget Committee to determine qualifications for state match.

Status: SIGNED by the Governor 5/13/16

MISCELLANEOUS

HB 2265 - epinephrine auto-injectors

Permits an authorized entity to obtain and store epinephrine auto-injectors, as prescribed by a medical practitioner, and outlines training requirements for employees responsible for the oversight and emergency provision or administration of epinephrine auto-injectors.

Status: SIGNED by the Governor 3/30/16.

SB 1117 - school districts; adjacent ways; verification

Requires the School Facilities Board (SFB) to validate any proposed adjacent ways projects with a cost exceeding \$50,000. Provisions include:

- Restricts a school district from making an adjacent ways expenditure with a cost exceeding \$50,000, unless the SFB validates both of the following:
 - The proposed project is in compliance with state law.
 - The proposal selected by the school district does not contain additional work that is not listed in the district's adjacent ways proposal.
- Requires each adjacent ways project proposal, funded through a special assessment, to be filed with the SFB and to include the project cost estimate.
- Stipulates that a school district annual financial report must include information on the school district budgeted and actual expenditures from the Adjacent Ways Fund.

Status: SIGNED by the Governor 3/18/16.

HB 2190 – education omnibus

Repeals and modifies numerous education statutes, including:

Pest Management (A.R.S. § 15-152)

- Removes the requirement directing school districts to consult with teachers, parents, guardians, administrators, members of the public, a certified applicator and at least one health professional when developing pesticide notification policies.
- Requires school districts to include procedures for written, electronic or telephonic notification and removes the following procedure requirements concerning:
 - posting of signs;
 - requiring contracted pest control applicators to provide information to schools;
 - continued instruction of students absent due to the pesticide application; and

- maintaining written records of notifications and the authority for applicators to fill out and post notices.
- Specifies *pesticides* do not include:
 - Non-residual pesticide applications performed or contracted by public health agencies for vector control; or
 - emergency applications of a pesticide that has a toxicity category of III or IV pursuant to federal law to control pests that pose an imminent threat to public health.

School District Requirements

- Removes the requirement for ADE to establish and maintain an environmental education information resource system.
- Requires environmental education to be based on reliable scientific information.
- Eliminates the requirement for school districts to prescribe and enforce policies and procedures concerning the smoking of tobacco within school buildings.
- Eliminates the requirement for school districts to establish policies and procedures concerning the notification of a boundary change to entities that donated land within the past five years on which a school was built.
- Requires school districts to prescribe and enforce policies and procedures that define the duties of principals and teachers and requires the policies and procedures to authorize teachers to do the following:
 - take and maintain daily classroom attendance; and
 - make the decision to promote, retain, pass or fail a pupil subject to review by the school district board.
- Limits the hearing requirement concerning school districts' use of insurance recovery monies and litigation recovery monies towards the construction, improvement, repair or furnish of school property to projects that cost more than \$250,000.

General

- Permits a school district, retroactive to July 1, 2015, that admits year-round sports, music or acting academy students who are not residents of the state, but are residents of the United States, without payment of tuition to include the students for the purpose of determining student count and state aid.
- Allows a school district, retroactive to July 1, 2015, to admit the same number of nonresident foreign students in exchange programs on J-1 Visas that is equal to the number of resident students enrolled in that school district who are participating in a foreign exchange program.
- Eliminates the full-time equivalent student enrollment requirements for a community college or group of community colleges to sponsor charter schools.
- Includes in service providers' reporting requirements concerning the alternative teacher development program (ATDP), retroactive to July 1, 2015, the following:
 - classroom-level data collected by the service provider that demonstrates the academic progress of students instructed by teachers participating in ATDP;
 - a descriptive summary of the ongoing support, evaluations and professional development provided to participating teachers; and
 - the performance classifications of teachers participating in ATDP, as reported to the service provider by participating teachers.
- Removes a requirement for the service provider report concerning ATDP to include a comparison of the annual academic achievement gain of students and limits the report to only those items listed in statute.
- Requires parent participation plans, developed by school districts, to include a parent-teacher survey.

- Requires charter schools and school districts to keep personnel files on all current employees instead of resumes on all current and former employees.
- Eliminates special education subcategories in school districts' budget forms.

Repeals

- A.R.S. § 15-306 requiring county school superintendents to keep a register of warrants.
- A.R.S. § 15-348 permitting K-8 students to participate in practice sessions of noncontact sports with secondary school students.
- A.R.S. § 15-349 concerning alternative fuels for school districts' vehicle fleets.
- A.R.S. § 15-353 detailing principals' responsibilities.
- A.R.S. § 15-505 exempting school district employees from annual or periodic examinations for tuberculosis unless an employee displays symptoms of a pulmonary disease.
- A.R.S. § 15-521 detailing the duties of teachers.
- A.R.S. § 15-707 allowing high schools to educate driver education students about the option to donate organs.
- A.R.S. § 15-708 concerning remedial education for children with learning problems who are presently being served in special education programs but no longer qualify after July 1979.
- A.R.S. § 15-709 concerning the review of the educational development of children receiving remedial education.
- A.R.S. § 15-711.01 allowing K-8 schools to include stranger danger instruction.
- A.R.S. § 15-718 requiring public schools to include skin cancer instruction if the U.S. EPA provides free programs on the prevention of skin cancer.

Status: SIGNED by the Governor 5/18/16

HB 2233 - public buildings; applicable fire codes

Allows, at the request of a school district or charter school, the State Fire Marshal to enter into an IGA with a local governing body in order to utilize a local fire code on a school district or charter school building located within the jurisdiction of the local governing body. Provisions include:

- States that if an IGA is entered into by the State Fire Marshal and a local governing body, the local governing body may be allowed to conduct regularly scheduled fire safety inspections on school district or charter school buildings.
- Allows a city, town, county or fire district or the State Fire Marshal to conduct plan reviews, permitting and any related inspections or any regularly scheduled fire safety inspections if the board of a school district or charter school makes a request and an IGA has been entered into with the State Fire Marshal.
- Requires a city, town or fire district to inform a school district or charter school of any fees relating to the inspection process.
- Specifies that if a public building is built in an area that has not adopted local codes, the public building is required to be built according to the State Fire Code.
- Exempts properties or buildings owned by the Arizona Board of Regents (ABOR), or any university under its jurisdiction, from a local fire code in the absence of an IGA between ABOR and a local governing body.

Status: SIGNED by the Governor 5/12/16

HB 2338 - educational institutions; firearms; rights-of-way

States that the governing board of an *educational institution* may not prohibit a person from possessing or carrying a deadly weapon in a person's vehicle on a *public right-of-way*. Provisions include:

- Prohibits the governing board of an *educational institution* from adopting or enforcing any policy or rule that prohibits a person from lawfully possessing or carrying a deadly weapon on a *public right-of-way* or within a person's means of transportation.
- Provides that a deadly weapon, dangerous instrument or explosive that is used, possessed or displayed in violation of a rule established by an *educational institution's* governing board is no longer subject to being destroyed. Allows it to be forfeited and sold or disposed of as outlined in the forfeiture of weapons statute (A.R.S. § 13-3105).
- Defines *public right-of-way* as any highway, street, road, thoroughfare, path, alley or other right-of-way that is:
 - Publicly accessible;
 - Established and maintained by the state or a political subdivision of the state.
- Excludes property of an *educational institution*.

Status: SIGNED by the Governor 5/10/16

HB 2476 - school property; sales; leases; use

Repeals and replaces A.R.S. § 15-1102 relating to the sale or lease of school property. Provisions include:

- Allows a common school district or a high school district with an outstanding bond indebtedness of, at most, 7% of the assessed valuation or a unified school district with an outstanding bond indebtedness of, at most, 14% of the assessed valuation to use proceeds from the sale or lease of school property as follows:
 - The total proceeds from the sale of school property to another school before July 1, 2016 or from the lease of school property for more than one year to anyone that is not a school:
 - Any amount may be used for maintenance & operation (M&O), up to 15% of the Revenue Control Limit (RCL).
 - Any amount may be used towards capital outlay.
 - The total proceeds from the sale of school property, sold after June 30, 2016, exceeding \$100,000 to any one that is not a school may only be used for capital outlay.
- Allows a common school district or a high school district with an outstanding bond indebtedness greater than 7% of the assessed valuation or a unified school district with an outstanding bond indebtedness greater than 14% of the assessed valuation to use proceeds from the sale or lease of school property as follows:
 - The total proceeds from the sale of school property to another school before July 1, 2016 or from the lease of school property for more than one year to anyone that is not a school:
 - No more than 25% of the monies may be used for M&O and cannot exceed 15% of the RCL.
 - Any amount may be used for capital outlay.
 - The total proceeds from the sale of school property, sold after June 30, 2016, exceeding \$100,000 to anyone that is not a school:
 - No monies may be used for M&O
 - At least 38% of proceeds must be used for the payment of any outstanding bonded indebtedness or for the reduction of taxes.
 - All remaining monies may be used for capital outlay.
- Combines the three school plant funds into one.
- Removes language allowing a school district governing board to use proceeds from the sale of school property before July 1, 1998 or from the lease of school property for additional M&O expenses incurred from operating a year-round school.
- Strikes the requirement that proceeds from the sale of school property that have been approved by the voters be put into a separate fund for the approved purpose.

- Specifies that the restrictions on proceeds from the sale and lease of school property established by this Act do not apply to proceeds from:
 - leases of school property to other schools;
 - leases of school property for less than one year; or
 - sales of school property of less than \$100,000.
- Stipulates that a lease of school property for less than one year that includes an automatic lease renewal extending the lease over a year is considered a lease of more than one year.
- Contains a retroactive effective date of July 1, 2016.

Status: SIGNED by the Governor 5/12/16