

# **Education Committee**

Senator Sylvia Allen, Chairman



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# EDUCATION COMMITTEE

## LEGISLATION ENACTED

school districts; adjacent ways; verification (S.B. 1117) – Chapter 48

Requires the School Facilities Board (SFB) to validate adjacent ways projects that cost more than \$50,000 before a school district makes an adjacent ways expenditure. Directs SFB to validate that the project is in compliance with state laws relating to adjacent ways projects and that the proposal does not contain additional work that is not listed in the proposal. Includes expenditures from the Adjacent Ways Fund in school districts' annual financial reports.

schools; CPR instruction. (S.B. 1137) – Chapter 216

Beginning by July 1, 2019, requires school districts and charter schools to provide high school students with one or more CPR training sessions, through the use of psychomotor skills in an age-appropriate manner and based on the most current national evidence-based emergency cardiovascular care guidelines. Lists who may provide instruction and training. Requires CPR instruction to include the hands-on practicing of CPR, except for students enrolled in an online school and allows a child with a disability to be excused from CPR training if that child's individualized education program team makes the determination to excuse that child. Permits school districts and charter schools to assign homework to satisfy the CPR training requirements if the completion of the homework is verified by a teacher or parent.

Retroactive to taxable years beginning January 1, 2016, expands the public school tax credit for contributions made for the support of CPR training.

teacher certification; reciprocity (S.B. 1208) – Chapter 325

***Reciprocity*** – Issues a standard teaching certificate without any additional requirements to an applicant who: 1) possesses a valid certification from another state that requires passing that state's subject-knowledge and professional exams; 2) is in good standing with that state; and 3) possesses a valid fingerprint clearance card from this state. Exempts teachers obtaining certification through reciprocity from the teacher proficiency examination.

***Renewal and Competency Requirements*** – Directs the State Board of Education (SBE) to adopt rules that: 1) renew teacher certifications for at least eight years; and 2) do not require more than 15 hours of continuing education credits each year to renew any certificate. Exempts principals and superintendents from Arizona and U.S. Constitution competency requirements.

Removes a requirement for teachers who have not taught for 10 years to repass the teacher proficiency examination. Removes teacher certification requirements concerning structured English immersion endorsements unless the person is being certified to teach students in a sheltered English immersion or structured English immersion model. Grants a certificate for at least three years to applicants who have not met either the Arizona and U.S. Constitution competency requirements or the teacher proficiency examination requirement. Currently certificates may be granted for a maximum of three years.

## EDUCATION COMMITTEE (Cont'd.)

*Teaching Intern Certificates* – Requires the Department of Education and SBE to only consider certain factors concerning the placement of teaching intern certification holders and requires placement decisions to be based on agreements between the teacher preparation provider, the provider's partner organizations and the local education agency.

~~technical correction; public roadways~~ (NOW: extracurricular and athletic activities; accessories) (S.B. 1219) – Chapter 110

Prohibits public schools and interscholastic athletic associations from disallowing a student from wearing religious or cultural accessories or hairpieces while participating in extracurricular or athletic activities if it does not jeopardize the health or safety of the pupil or any other person participating in the activity, as determined by the officiant or supervisor of the activity.

~~game and fish; technical correction~~ (NOW: tribal college compact; renewal) (S.B. 1220) – Chapter 148

Extends the terms of tribal community college compacts from at least 10 years to at least 20 years. Directs the Joint Legislative Budget Committee to review compacts in the fourth year prior to the expiration of the compact, rather than the final year, and allows a compact to be subsequently amended and renewed with the consent of the state and the tribe. Clarifies the bill does not affect existing tribal compacts.

~~schools; state seal of biliteracy~~ (S.B. 1239) – Chapter 218 E

An emergency measure, effective May 12, 2016, establishing a State Seal of Biliteracy program to recognize graduating students from a charter school or school district who attain a high level of proficiency in English plus one or more additional languages based on approved assessments. The Superintendent of Public Instruction will create a seal to be placed on a qualifying student's high school diploma and any charter school or school district may voluntarily participate in the program. Terminates the program on July 1, 2026.

~~private postsecondary institutions; police officers~~ (NOW: peace officers; appointment; training) (S.B. 1240) – Chapter 310

SEE THE PUBLIC SAFETY, MILITARY AND TECHNOLOGY COMMITTEE.

~~common school districts; unification; budget~~ (NOW: budget; unification; school districts) (S.B. 1249) – Chapter 220

Retroactive to June 30, 2016, allows Nadaburg Unified School District to continue to include tuition charges for high school students in its budget and equalization assistance calculations until a high school is constructed or until June 30, 2020, whichever occurs first.

~~military service; postsecondary academic credit~~ (S.B. 1267) – Chapter 313

Directs community colleges and the Arizona Board of Regents to develop policies to award academic credit to current or former members of the U.S. military based on: 1) the

## **EDUCATION COMMITTEE (Cont'd.)**

member's amount of time in active duty service; and 2) the skills, knowledge and competencies the member acquired during service.

### empowerment scholarship accounts; eligibility; administration (S.B. 1280) – Chapter 353

Expands eligibility in the Empowerment Scholarship Account (ESA) Program to include a child of a parent who is legally blind or deaf or hard of hearing. Prohibits previous ESA students from returning to the Program if the parent was previously removed from eligibility for failure to comply with the contract or knowingly misusing ESA monies. Allows parents to use ESA monies for the purchase of uniforms from or through a qualified school. Establishes minimum instruction hours for students participating in Arizona Online Instruction in order to determine their eligibility for the ESA Program. Requires the Arizona Department of Education to accept applications year-round and to enroll and issue an award letter to eligible applicants within 45 days after receiving the completed application.

### community colleges; expenditure limitation (S.B. 1322) – Chapter 58

For the purposes of determining a community college's expenditure limit, establishes a 0.3 weight for career and technical education courses. Allows a community college to submit one of the following full-time equivalent student enrollment (FTSE) estimates for the purposes of calculating its expenditure limit: 1) the most recent audited FTSE count; 2) the average of the five most recent audited FTSE counts; or 3) a FTSE count that is increased by up to five percent if the FTSE count in the current year exceeded the previous year. Allows a community college to submit the average of the 10 most recent audited FTSE counts for the next three years. Directs the Auditor General to separately audit the FTSE count used to determine the expenditure limit.

Excludes the following activities from the expenditure limit: 1) grants or donations from the U.S. government; 2) research and development agreements, royalty agreements, licensing agreements and profit sharing agreements; 3) entrepreneurial and commercial activities; 4) auxiliary fees; and 5) providing goods and services with a political subdivision or tribal government.

Allows a community college district board to authorize a permanent change to the base limit used to determine the district's expenditure limit by an affirmative vote of two-thirds of the members of the board and the approval of a majority of the qualified electors. Includes requirements for the election and resolution requesting the permanent change.

### school districts; consolidation; letter grades (S.B. 1376) – Chapter 225

Allows an A or B school district to change its boundaries to include another school district within 20 miles.

### state museum; fees; rulemaking (NOW: fees; notice; posting; state museum) (S.B. 1418) – Chapter 166

SEE THE GOVERNMENT COMMITTEE.

## EDUCATION COMMITTEE (Cont'd.)

schools; achievement profiles; improvement plans (S.B. 1430) – Chapter 226

Modifies the *A-F* letter-grade classification system. Requires the annual achievement profile to include, at a minimum, the following academic performance indicators: 1) multiple measures of academic performance; 2) academic progress on the English Language Learner assessments; and 3) progress towards college and career readiness for high schools. Excludes the following academic performance indicators from the annual achievement profile: 1) the Arizona Measure of Academic Progress; 2) the Arizona Instrument to Measure Standards test; 3) annual dropout rates; and 4) annual graduation rates.

Defines letter grades *A* and *F*, rather than each letter grade. Directs the State Board of Education to develop unique achievement profiles for Arizona Online Instruction.

For the 2016-2017 school year, allows the Arizona Department of Education to release data for schools based on 2015-2016 school year assessments and allows those schools to publish letter grades. Restarts the letter-grade classification system in the 2017-2018 school year based on data collected in the 2016-2017 school year.

~~computer system; software; sale; lease~~ (NOW: software; computer system; sale; lease) (S.B. 1438) – Chapter 317

Allows the Arizona Department of Education (ADE) to sell or lease software, computer systems, intellectual property and associated services. Requires ADE to deposit 60 percent of the *profits* into the state General Fund and the remaining 40 percent into the ADE Intellectual Property Fund to support the Education Learning and Accountability System. Stipulates ADE may not transfer or expend monies or resources to market or solicit software, computer systems, intellectual property and associated services.

~~empowerment scholarships; persons with disabilities~~ (NOW: eligibility; empowerment scholarships; health insurance) (S.B. 1457) – Chapter 112

***Empowerment Scholarship Accounts (ESA)*** – Beginning January 1, 2017, establishes a process for students with a disability in the ESA program to continue to receive monies after their 12th grade cohort year. Requires the Arizona Department of Education (ADE) to notify the parent two years prior to the expiration of the contract of the following: 1) the student's impending exit from the program; and 2) the parent's right to obtain an Annual Education Plan (AEP).

The AEP determines ongoing annual eligibility in the ESA program until 22 years of age and is subject to annual review. Establishes the AEP Council under ADE to develop the AEP. Allows parents to use ESA monies to pay for an independent evaluation team that will conduct the AEP and directs ADE to prescribe minimum qualifications for the teams.

Until a determination is made pursuant to this act, allows students who are exiting the ESA program to continue to receive ESA monies based on ADE's determination of the student's likelihood to graduate high school or obtain a high school equivalency diploma.

## **EDUCATION COMMITTEE (Cont'd.)**

*KidsCare* – Within five days of August 6, 2016, requires the Arizona Health Care Cost Containment System (AHCCCS) to submit to the Centers for Medicare and Medicaid Services (CMS) a state plan amendment for this state's Title XXI Children's Health Insurance Program (CHIP) to resume enrollment in the program. Eliminates the total enrollment limitation for CHIP. States AHCCCS is required to stop processing applications and provide notice that the program will terminate if the federal government eliminates funding and states the enrollment cap repeal does not become effective unless CMS approves the state plan amendment by July 1, 2017.

### CTE instructors; specialized teaching certificates (S.B. 1502) – Chapter 229

Provides for an additional specialized standard teaching certificate for career and technical education if an applicant: 1) demonstrates expertise in the subject matter; 2) demonstrates a minimum of five years work experience in the subject matter; and 3) complies with fingerprinting and background check requirements. Exempts applicants from: 1) U.S. and Arizona Constitution competency requirements; 2) the Structured English Immersion endorsement requirement; and 3) the Teacher Proficiency Examination. Directs the State Board of Education to adopt rules pursuant to this act.

### JTED restoration and reforms (S.B. 1525) – Chapter 4 E

SEE THE APPROPRIATIONS COMMITTEE.

### credit enhancement; budget reconciliation; 2016-2017 (S.B. 1531/H.B. 2700) – Chapter 129

SEE THE APPROPRIATIONS COMMITTEE.

### higher education; budget reconciliation; 2016-2017 (S.B. 1537/ H.B. 2706) – Chapter 130

SEE THE APPROPRIATIONS COMMITTEE.

### post-9/11 veteran education relief fund (H.B. 2033) – Chapter 319

SEE THE PUBLIC SAFETY, MILITARY AND TECHNOLOGY COMMITTEE.

### schools; assessments; surveys; informed consent (H.B. 2088) – Chapter 330

*Surveys* – Requires each school district and charter school to obtain written informed consent from the parent of a pupil under the age of 18 before administering any survey that is retained by the school or the Department of Education and that solicits personal information about the pupil concerning any of 14 specified items. Provides several exemptions to this act. Requires school districts and charter schools to obtain written informed consent at the beginning of each school year and allows a parent to revoke consent at any time. If a parent does not consent to the pupil's participation in a survey, requires a school district or charter school to provide an alternative educational activity for the pupil. Upon request, requires school districts and charter schools to provide available information to a parent of a pupil in a timely manner.

## **EDUCATION COMMITTEE (Cont'd.)**

Prohibits survey responses from being included: 1) as part of the school achievement profile; 2) in the Education Learning and Accountability System; 3) in the Student Accountability Information System; or 4) in any school, administrator or teacher rating system. This prohibition was eliminated as part of H.B. 2190 (Laws 2016, Chapter 331).

**Violations** – Allows a parent of a pupil to file a complaint with the Attorney General or the appropriate county attorney who may then initiate a suit in superior court. For each violation, the court may impose a civil penalty of up to \$500. However, the school district or charter school may cure the failure to comply with this act within a reasonable period of time without penalty.

Prohibits nontest data from inclusion in longitudinal, student level data unless it is approved in a public meeting by the State Board of Education (SBE). Requires SBE to post, in a prominent position on its homepage, a link to nontest indicators and to include on the website: 1) the types of data collected; 2) the reasons for the collection; and 3) the entities with which data is shared.

education omnibus (H.B. 2190) – Chapter 331

**School Districts and Charter Schools** – Removes a requirement directing school districts to consult with teachers, parents and members of the public when developing pesticide notification policies. Establishes a 60-day timeframe in which the School Facilities Board is required to validate adjacent ways project proposals that cost more than \$50,000. Removes the requirement for the Arizona Department of Education (ADE) to establish and maintain an environmental education information resource system. Requires environmental education to be based on reliable scientific information. Eliminates the full-time equivalent student enrollment requirements for a community college or group of community colleges to sponsor charter schools. Removes a provision from H.B. 2088 (Laws 2016, Chapter 330), that prohibits responses to specified surveys from being included in any school, administrator or teacher rating system.

**Concurrent Enrollment** – Retroactive to July 1, 2020, allows a school district or charter school to include students enrolled in a concurrent enrollment course for the purposes of calculating Average Daily Membership (ADM) if a school district receives approval from the State Board of Education (SBE) or a charter school receives approval from its sponsor to offer concurrent enrollment courses. Establishes requirements for concurrent enrollment courses to be considered a subject for the purposes of calculating ADM. Allows a concurrent enrollment course that is applicable to a community college occupational degree or certificate program to be transferred to a state university.

**Budget and Funding** – Includes school-sponsored activities that do not require students to pay a fee as activities eligible for the extracurricular tax credit. Retroactive to July 1, 2014, permits a school district that admits year-round sports, music or acting academy students who are not residents of the state, but are U.S. residents, without payment of tuition to include the students for the purpose of determining student count and state aid. Beginning in the 2016-2017 school year, allows a school district to admit the same number of nonresident J-1 Visa foreign exchange students that is equal to the number of resident students enrolled in that school district who are participating in a foreign exchange program and makes the admitted students eligible for state aid.

## EDUCATION COMMITTEE (Cont'd.)

***Alternative Teacher Development Program*** – Retroactive to July 1, 2015, includes three reporting requirements for service providers. Removes a requirement for the service provider report to include a comparison of the annual academic achievement gain of students and limits the report to only those items listed in statute.

***Safe-to-Tell Program Study*** – Requires ADE to study the feasibility and impact of developing a Safe-to-Tell Program that enables any person to anonymously report any dangerous, violent or unlawful activity that is being conducted or is threatened to be conducted against a school or at an activity sponsored by a school. Specifies factors ADE must consider in its study and directs ADE to submit a report with recommendations by December 15, 2016.

***Miscellaneous*** – Requires SBE's rules for continuing education credits concerning awareness and prevention training on suicide and child abuse to include a reasonable limit on the number of credits that may count towards certification renewal. Promotes a pupil from the third grade who scored below the third-grade level on the reading portion of the statewide assessment if the pupil: 1) receives intervention and remedial services during the summer or subsequent school year; and 2) demonstrates sufficient progress.

***Repeals*** – Repeals various K-12 education statutes within Title 15.

schools; audits; county school superintendent (H.B. 2234) – Chapter 235

Requires the independent certified public accountant to send a paper or electronic copy of the school district audit report to the county school superintendent.

universities; commercial paper (H.B. 2271) – Chapter 238

SEE THE FINANCE COMMITTEE.

barber licenses; education qualifications (NOW: education qualifications; barber licenses) (H.B. 2292) – Chapter 188

SEE THE COMMERCE AND WORKFORCE DEVELOPMENT COMMITTEE.

charter schools; special education funding (H.B. 2294) – Chapter 87

Allows charter schools, in addition to school districts, to apply to the State Board of Education for an Extraordinary Special Education Needs Grant.

educational institutions; firearms; rights-of-way (H.B. 2338) – Chapter 131

SEE THE GOVERNMENT COMMITTEE.

postsecondary education board; exceptions; continuation (H.B. 2371) – Chapter 241

Retroactive to July 1, 2016, the Private Postsecondary Education Board (Board) is continued until July 1, 2024. On application, allows the Board to issue a private vocational

## **EDUCATION COMMITTEE (Cont'd.)**

program license to an educational institution that is otherwise exempt from licensure and regulation. Modifies the exemption for schools or private instruction that is related to hobbies by eliminating requirements for the instruction to: 1) be for a period of less than 40 hours; and 2) cost less than \$1,000.

vocational and technical education; evaluation (NOW: school districts; transportation repayment; extension (H.B. 2435) – Chapter 70 E

An emergency measure, effective March 24, 2016, that requires a school district that overstated its daily route mileage during FYs 2012, 2013 and 2014 and meets certain criteria to repay the overstatement in equal installments over a three-year period beginning in FY 2017 and ending in FY 2019. Requires a school district governing board affected by this section to adopt a formal resolution of compliance and to submit annual daily route mileage audits, if requested by the Arizona Department of Education. As passed, only Elfrida Elementary School qualified for this extension.

school property; sales; leases; use (H.B. 2476) – Chapter 242

Retroactive to July 1, 2016, repeals and replaces statutes concerning the disposition of proceeds from the sale or lease of school property. Higher indebted school districts that sell school property are required to expend 38 percent towards the payment of outstanding debt or to reduce taxes and may expend the remaining 62 percent towards capital. Exempts the following from limitations concerning the expense of proceeds: 1) leases of school property to other schools; 2) leases of school property for less than one year; and 3) sales of school property of less than \$100,000. Combines the three existing school plant funds into one fund.

schools; primary property tax rates (H.B. 2481) – Chapter 364

Eliminates the four percent budget balance carryforward cap for school districts and requires the county board of supervisors to levy school district taxes at the lesser of either the qualifying tax rate (QTR) or the district support level.

Requires the county superintendent to annually validate any additional primary school district tax levy amount requests and levy the sum of the following: 1) the difference between the transportation revenue control limit and the transportation support level; 2) excess utilities, desegregation, tuition costs for bond issues and interest expenses for registering warrants; 3) tuition loss; 4) small school adjustments; 5) liabilities in excess; 6) adjacent ways; 7) amounts not captured by the QTR as a result of the government property lease excise tax; 8) an amount not levied as a result of underestimated average daily membership or as a result of improperly valued property; and 9) an amount that corrects an outstanding cash deficit. The last two amounts require recommendations from the county school superintendent and county treasurer respectively, followed by approval by the county board of supervisors.

States a school district is eligible for supplemental state aid if 10 percent rather than 20 percent of the primary property tax revenues are not remitted due to delinquencies or a decrease in assessed valuation due to a natural disaster.

## **EDUCATION COMMITTEE (Cont'd.)**

schools; auxiliary operations fund; accounts (NOW: regulatory exemption; school garden produce) (H.B. 2518) – Chapter 243

Requires the Department of Health Services to provide an exemption in rule for whole fruits or vegetables grown in a public school garden that are washed and cut on-site for immediate consumption.

schools; statewide achievement assessments; menu. (H.B. 2544/S.B. 1321) – Chapter 10

Requires the State Board of Education (SBE) to adopt a menu of locally procured assessments to measure pupil achievement of the state academic standards. Local Education Agencies (LEAs) that offer high school instruction may select an assessment from the menu beginning in the 2017-2018 school year and LEAs that offer instruction in grades three through eight may select an assessment from the menu beginning in the 2018-2019 school year. Allows an LEA to request SBE to evaluate and approve a locally procured achievement assessment in use by the LEA, but not on the menu, and directs SBE to evaluate these requests annually. Prohibits LEAs assigned a letter grade of *D* or *F* from selecting an assessment other than the assessment adopted by SBE.

In order for an assessment to be added to the menu, achievement assessment providers must do the following: 1) provide evidence the assessment is high quality; 2) demonstrate the assessment meets or exceeds SBE's standards; 3) demonstrate the assessment scores can be equated; 4) submit an evaluation from a third party; and 5) provide a copy of assessment scores to the Arizona Department of Education when scores are provided to the LEA.

Requires SBE to adopt rules and procedures for the approval of locally procured assessments and to submit a report by December 15, 2017, on the progress of the implementation of the menu for LEAs that offer instruction in grades three through eight.

universities; in-state tuition; AmeriCorps. (H.B. 2547/S.B. 1122) – Chapter 11

Classifies a person who has participated in the AmeriCorps Program or the Volunteers in Service to America Program for at least one year in the state as an in-state student for the purposes of calculating tuition.

postsecondary campuses; public forums; activities (NOW: public forums; activities; postsecondary campuses) (H.B. 2548) – Chapter 249

Allows the Attorney General or a student whose right to speak in a public forum of a university or community college was violated to bring a court action to: 1) enjoin the violation; or 2) recover reasonable court costs and reasonable attorney fees. Requires a person to bring the court action within one year after the date the cause of action accrues and outlines how to calculate the one-year limitation period.

Expands the offense of obstructing a highway or public thoroughfare to include a person who, after receiving a verbal warning to desist, intentionally interferes with passage on a highway or other public thoroughfare or entrance into a public forum that results in preventing

## **EDUCATION COMMITTEE (Cont'd.)**

other persons from gaining access to a governmental meeting, a governmental hearing or a political campaign event. Classifies this offense as a class 1 misdemeanor.

### campuses; free speech zone; prohibition (H.B. 2615) – Chapter 250

Prohibits a community college or university from limiting an area on campus in which free speech may be exercised, and from imposing time, place or manner restrictions on student free speech that occurs in a public forum, unless the restrictions are: 1) reasonable; 2) justified without reference to the content of the regulated speech; 3) narrowly tailored to serve a significant government interest; and 4) leave open ample alternative channels for communication of the information. States that if any violation of free speech occurs, a court of competent jurisdiction shall award the aggrieved person the following: 1) injunctive relief for the violation; 2) reasonable court costs; and 3) reasonable attorney fees.

### education; certification renewal fees (H.B. 2620) – Chapter 138

Grants the State Board of Education (SBE) the authority to supervise its employees and removes the following: 1) a requirement for SBE to employ staff on the recommendation of the Superintendent of Public Instruction (SPI); 2) the responsibility of the SPI to direct the work of SBE employees; and 3) language that states SBE employees work for the Arizona Department of Education (ADE).

Transfers the following from SBE to ADE and the SPI: 1) the investigative unit; 2) seven FTE positions; 3) \$231,200 from the state General Fund; and 4) \$379,800 from the Teacher Certification Fund. Requires ADE and SBE to implement and submit a transition plan by August 1, 2016, on the transfer of the investigative unit.

Modifies the number of SBE members to conform to the state Constitution. Allows SBE to fix and collect fees for the evaluation of any certificate, name changes, duplicates or changes of coding to existing files or certificates.

### agencies; enrollment; educational programs (H.B. 2634) – Chapter 206 E

An emergency measure, effective May 11, 2016, that prohibits an agency from limiting enrollment in any school or educational program of an institution of higher learning. Specifies agency does not include the Arizona Board of Regents or any community college district board.

### K-3 reading program; administration (H.B. 2653) – Chapter 245 E

An emergency measure, effective May 12, 2016, that shifts the statutory authority to administer the K-3 Reading Program from the State Board of Education (SBE) to the Department of Education. Requires school districts and charter schools assigned a letter grade of *A* or *B* to submit their literacy plans biennially rather than annually. Allows SBE to establish rules and policies for the K-3 Reading Program.

## **EDUCATION COMMITTEE (Cont'd.)**

### charter schools; preference; foster children (H.B. 2665) – Chapter 248

Establishes the Foster Youth Education Success Program (Program) for the purpose of improving the educational outcomes of children in the foster care system. Directs the Office of the Governor to: 1) establish policies and procedures, selection criteria and minimum performance standards for service providers that wish to participate in the Program; and 2) administer the Foster Youth Education Success Program Fund (Fund).

Requires service providers to contract with a 501(c)(3) organization that provides certain programmatic components including the following: 1) a partnership with local education agencies, child welfare agencies and judicial agencies; 2) support of an education champion for children in foster care; 3) development and monitoring of an education team; and 4) a customized education plan for each foster child. Directs service providers to submit an annual report by December 15 on the effectiveness of the Program.

Appropriates \$1,000,000 in FY 2018 from the state General Fund to the Office of the Governor and appropriates an additional \$500,000 to be spent when the Office of the Governor collects matching amounts from other sources.

Allows charter schools to give enrollment preference to children who are in foster care or who meet the definition of *unaccompanied youth* prescribed by the McKinney-Vento Homeless Assistance Act.

### K-12 education; budget reconciliation; 2016-2017. (H.B. 2707/S.B. 1538) – Chapter 124

SEE THE APPROPRIATIONS COMMITTEE.

## **LEGISLATION VETOED**

### schools; cursive writing requirement (S.B. 1197) – VETOED

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.

The Governor indicates in his veto message that the State Board of Education (SBE) is currently reviewing the academic standards and therefore a process is already in place to ensure that cursive handwriting is taught in public schools. Additionally, the Governor states that he communicated to SBE that the new academic standards must include instruction in cursive reading and writing and that by the 5th grade, students should be able to read and write documents through legible cursive handwriting.

**EDUCATION COMMITTEE (Cont'd.)**

**FIRST SPECIAL SESSION (2015)**

schools; base level; appropriations. (H.B. 2001/S.B. 1001) – Chapter 1 (First Special Session)

Retroactive to July 1, 2015, increases the *base level* from \$3,426.74 to \$3,600 and appropriates the following additional amounts: 1) \$50 million in FY 2016 through FY 2020; and 2) \$75 million in FY 2021 through FY 2025. Allows school districts or any entity that receives funding from these increases to carryforward any amount into FY 2017 and exempts the carryforward from the revenue control limit. For FY 2016, extends the deadline for the adoption or adjustment of school district budgets from May 15 to June 30.

States this act and H.C.R. 2001, Fifty-Second Legislature, First Special Session, are intended to fully satisfy inflation adjustment requirements and fully and finally resolve, satisfy and conclude all claims, causes of action, findings, rulings and judgments of the *Cave Creek Unified School District, et al. v. Jeff DeWitt, et al.* lawsuit.

Conditions the enactment of this legislation on the amending of the Constitution of Arizona as prescribed in H.C.R. 2001, Fifty-Second Legislature, First Special Session, by vote of the people at a special election conducted on May 17, 2016. Voters approved the proposition and on May 26, 2016, the election results were certified.

statewide special election. (H.B. 2002/S.B. 1002) – Chapter 2 (First Special Session)

Authorizes a special election on May 17, 2016, to submit to a vote of the people Constitutional amendments to provide education finance. Requires the Secretary of State (SOS) to print pamphlets that contain: 1) a sample ballot; 2) a true copy of the official title and text of each proposed amendment; 3) a Legislative Council (LC) opinion; 4) a fiscal impact statement summary prepared by Joint Legislative Budget Committee (JLBC) staff; and 5) any arguments submitted in support of or in opposition to the proposed amendments. Requires the LC analysis, JLBC summary and any arguments to be submitted to the SOS no later than December 4, 2015.

Establishes requirements, procedures and deadlines concerning the administration of the special election and specifies that, to the greatest extent possible, the special election must be handled according to the state's election laws and administered in a manner consistent with a Presidential Preference Election with consolidated precincts. Establishes requirements and deadlines for special election political committees. Requires the SOS to reimburse counties for the following: 1) the cost of printing ballots and other election materials; 2) compensation paid to election board and tally board officers; and 3) other costs of administering the election. In FY 2016, makes a \$9.3 million non-lapsing appropriation to the SOS.

Voters approved the proposition and on May 26, 2016, the election results were certified.

education finance; trust land distributions. (H.C.R. 2001/S.C.R. 1001) – First Special Session

Subject to voter approval, constitutionally increases the distribution from the State Trust Land Permanent Funds from 2.5 percent to 6.9 percent in FY 2016 through FY 2025 except the

## EDUCATION COMMITTEE (Cont'd.)

distribution from the Permanent State School Fund in FY 2016 is set at \$259,266,200. Allows for the following reductions in State Land Trust distributions and K-12 state aid:

***State Trust Land Trigger*** – If the five-year balance of the State Trust Land Permanent Fund falls below the average balance of the preceding five years, the Legislature is authorized to reduce the distribution to as low as 2.5 percent. Amounts from the reduction are not required to be paid or distributed in any subsequent fiscal year and do not become part of the calculation for the *base level* for subsequent fiscal years.

***Transaction Privilege Tax (TPT) Growth Rate and Employment Growth Rate Trigger*** – If TPT revenue and non-farm employment each grow at a rate between one percent and two percent, the Legislature is not required to make inflation adjustments to the *base level*. Prohibits the Legislature from making inflation adjustments to the *base level* if TPT revenue and non-farm employment each grow at a rate of less than one percent.

***Aggregate Trigger*** – Beginning in FY 2025, allows the Legislature to suspend the inflation adjustments and reduce the *base level* by the inflation amount if appropriations to the Arizona Department of Education (ADE) are greater than 49 percent of total state General Fund (GF) appropriations. If appropriations to ADE surpass 50 percent of total state GF appropriations, the Legislature may suspend the inflation adjustments and reduce the *base level* by twice the inflation amount.

Inflation adjustments that are not made or are reduced as a result of the *TPT Growth Rate and Employment Growth Rate Trigger* and the *Aggregate Trigger* are not required to be paid or distributed in any subsequent fiscal year but do become part of the calculation of the *base level* for subsequent fiscal years.

States this act and H.B. 2001 (Laws 2015, First Special Session, Chapter 1) fully satisfy inflation adjustment requirements. Contains a nonserverability clause and requires the Secretary of State to submit the proposition to the voters at a special election to be held on May 17, 2016. Becomes effective if approved by the voters and on proclamation of the Governor. Voters approved the proposition and on May 26, 2016, the election results were certified.