

ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-second Legislature - Second Regular Session

**MAJORITY CAUCUS CALENDAR #33**

May 4, 2016

Bill Number      Short Title      Committee      Date      Action

**Committee on Education**

**Chairman: Paul Boyer, LD20**  
**Analyst: Aaron Wonders**

**Vice Chairman: Jay Lawrence, LD23**  
**Intern: Ellen Hill**

[\\*SB 1457](#)      empowerment scholarships; persons with disabilities

SPONSOR: BRADLEY, LD10

SENATE	3/3/2016		(30-0-0-0)
ED	3/16	DP	(6-0-0-1-0)
(Abs: THORPE)			

**Committee on Transportation and Infrastructure**

**Chairman: Rick Gray, LD21**  
**Analyst: Amanda Barnes**

**Vice Chairman: David W. Stevens, LD14**  
**Intern: Caitlynn Kestler**

[\\*SB 1438](#)      ~~computer system; software; sale; lease~~  
                  (Now: software; computer system; sale; lease)

SPONSOR: SHOOTER, LD13

SENATE	2/25/2016		(28-0-2-0)
(NV: PANCRAZI,BEGAY)			
TI	3/15	DP	(9-0-0-0-0)

**Committee on Ways and Means**

**Chairman: Darin Mitchell, LD13**  
**Analyst: Michael Madden**

**Vice Chairman: Anthony Kern, LD20**  
**Intern: Kaitlyn Yanes**

[\\*SB 1095](#)      department of revenue; continuation

SPONSOR: LESKO, LD21

SENATE	2/8/2016		(29-1-0-0)
(No: BURGES)			
WM	3/7	DP	(8-0-0-1-0)
(Abs: WHEELER)			

**\*PENDING RULES COMMITTEE**



# HOUSE OF REPRESENTATIVES

## SB 1457

empowerment scholarships; persons with disabilities

Prime Sponsor: Senator Bradley, LD 10

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**DP** Committee on Education

**X** Caucus and COW

House Engrossed

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### OVERVIEW

SB 1457 outlines procedures to allow Empowerment Scholarship Accounts (ESA) students identified as having a disability to continue receiving monies until the age of 22.

### PROVISIONS

#### *Annual Education Plan*

1. 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.
2. 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.
3. 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 31<sup>st</sup>.
  - a. Determines the written report submitted by the independent evaluation team to be valid for one year.
4. 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.
5. Allows a parent to appeal ADE's determination.
6. Requires ADE to include an addendum to a student's final-year contract that contains the following written information:
  - a. The qualified student is ineligible to continue to receive monies unless the results of annual education plan demonstrates that the student meets eligibility criteria.
  - b. The parent is entitled to obtain an annual education plan.
  - c. A list of qualified independent evaluation teams that meet ADE's minimum qualifications.
7. 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.

#### *Annual Education Plan Development Council*

8. Establishes, as session law, the Annual Education Plan Development Council (Council) in ADE.
9. Requires the Council to:
  - a. develop the eligibility criteria in the form of annual education plan;
  - b. 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;
  - c. review ADE policies concerning annual education plans; and
  - d. submit a report of its findings and recommendations to the Governor, the Legislature and the Superintendent of Public Instruction by December 31, 2016.
10. Allows the Council to make recommendations to ADE.

11. 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.
12. Determines the Council to be subject to open meeting laws.
13. Prohibits members of the Council from receiving compensation.
14. Repeals the Council on January 1, 2017.

### *Miscellaneous*

15. 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.
16. Requires ADE to base the determination on the student's likelihood to meet graduation requirements or obtain a high school diploma.
17. Repeals the session law on January 1, 2017.
18. Makes technical and conforming changes.

### **CURRENT LAW**

Laws 2011, Chapter 75, established the ESA program to provide qualified students with a portion of the monies that otherwise would be allocated for the student to attend a public school. To enroll a qualified student for an ESA, the student's parent must sign an agreement outlining the requirements of the ESA program. The agreement requires parents to use a portion of the ESA money each quarter to provide an education and prohibits the student from being enrolled in a public school. The agreement outlines the items a parent may spend ESA monies on, including tuition or fees, textbooks, educational therapies or services, tutoring and curriculum. A parent must renew their child's ESA on an annual basis. A student who has previously qualified for an ESA will remain eligible to apply for renewal until the student finishes high school ([A.R.S. § 15-2402](#)). To be eligible for an ESA a student must qualify under the statutory definition of *qualified student*, which includes students who have been identified as having a disability ([A.R.S. § 15-2401](#)).



# HOUSE OF REPRESENTATIVES

## SB 1438

software; computer system; sale; lease

Prime Sponsor: Senator Shooter, LD 13

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**DP** Committee on Transportation and Infrastructure

**X** Caucus and COW

House Engrossed

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### **OVERVIEW**

SB 1438 establishes the Department of Education (ADE) Intellectual Property Fund to improve the maintenance, administration and development of the Education Learning and Accountability System (AELAS).

### **PROVISIONS**

1. Creates the ADE Intellectual Property Fund (Fund) and requires the Fund to be administered by ADE.
2. Mandates ADE to use fund monies to improve the maintenance, administration and development of the Arizona Education Learning and Accountability System (AELAS).
3. Exempts the sale or lease of software, computer systems or intellectual property developed by ADE or associated services from the prohibition of state competition with private enterprises.
4. Specifies that ADE must deposit 60% of profits generated from the sale or lease of ADE software, computer systems or intellectual property into the General Fund, and deposit 40% into the Fund.
5. Prohibits ADE from transferring or expending monies or personnel resources for the purpose of marketing or soliciting goods or services that were appropriated and authorized for other ADE functions and programs.
6. Defines *profits*.
7. Makes a technical change.

### **CURRENT LAW**

[A.R.S. § 15-249](#) requires ADE, in coordination with the Data Governance Commission, to develop and implement AELAS in order to collect, compile, maintain and report student level data from students. ADE must present the plan to the State Board of Education for review and approval and continue to provide quarterly (or on request) reports on the development and implementation of AELAS. These reports are required to include progress, expenditures, timelines and cost estimates for completion.

[A.R.S. § 41-2752](#) prohibits a state agency from engaging in manufacturing, processing, sale and offering goods and services to the public that are also offered by a private enterprise. However, subsection C provides specific exemptions from this prohibition.



# HOUSE OF REPRESENTATIVES

## SB 1095

department of revenue; continuation  
Prime Sponsor: Senator Lesko, LD 21

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**DP** Committee on Ways and Means

**X** Caucus and COW

House Engrossed

### OVERVIEW

SB 1095 continues the Department of Revenue (DOR) until July 1, 2020.

### PROVISIONS

1. Continues DOR for four years, until July 1, 2020.
2. Establishes a retroactive effective date of July 1, 2016.
3. Contains a purpose clause.

### ADDITIONAL INFORMATION

DOR was established in 1974 to enforce polices, plans and programs for the tax administration and revenue collection in Arizona. DOR oversees and administers the collection of state taxes such as personal and corporate income, property, luxury, transaction privilege, use, estate, withholding, fiduciary, bingo and severance taxes.

In December 2015, the Senate Finance and House of Representatives Ways and Means Committee of Reference (COR) conducted the Sunset Review of DOR. The COR recommended that DOR be continued for four years.