

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-first Legislature – First Regular Session

COMMITTEE ON EDUCATION

Minutes of Meeting
Monday, February 18, 2013
House Hearing Room 3 -- 2:00 p.m.

Chairman Goodale called the meeting to order at 2:26 p.m. and attendance was noted by the secretary.

Members Present

Mr. Allen	Ms. Miranda	Mr. Coleman, Vice-Chairman
Mr. Boyer	Ms. Otondo	Mrs. Goodale, Chairman
Mr. Meyer	Mr. Pierce J	

Members Absent

Mrs. Carter (excused)

Committee Action

HB2018 – DPA S/E (8-0-0-1)	HB2563 – DPA (7-1-0-1)
HB2054 – DPA S/E (8-0-0-1)	HB2581 – DP (7-1-0-1)
HB2318 – DP (5-3-0-1)	HB2611 – DP (8-0-0-1)

CONSIDERATION OF BILLS

**HB2054 – technical correction; private schools – DO PASS AMENDED S/E
S/E: preschool programs; charter schools**

Vice-Chairman Coleman moved that HB2054 do pass.

Vice-Chairman Coleman moved that the Goodale 17-page strike-everything amendment to HB2054 dated 2/13/13 (Attachment 1) be adopted.

Brooke White, Majority Research Analyst, explained that the Goodale 17-page strike-everything amendment to HB2054 dated 2/13/13 (Attachment 1) allows charter schools to offer preschool programs for children with disabilities (Attachment 2).

Doug Pike, Chairman, Board of Directors, EdKey Charter Schools, in favor of the strike-everything amendment to HB2054, stated that EdKey operates 15 charter schools in Arizona. One is the Sequoia School for the Deaf and Hard of Hearing (SSDHH), which has about 70 deaf students. This bill will enable charter schools to accept funding for special education students

for preschool; he anticipates eight students at the most. Deaf children at kindergarten age are severely lacking in language skills, so this bill will allow for earlier intervention.

Ron Neil, Superintendent, Sequoia School for the Deaf and Hard of Hearing (SSDHH), spoke in favor of the strike-everything amendment to HB2054. He said, unfortunately, 90 percent of deaf children in the country cannot sign to their parents because the parents do not use American Sign Language (ASL). By the time the school receives a child at five years old, their language understanding is comparable to an eight-month-old baby, so the likelihood of proficiency in grade 12 is almost zero. The average deaf child has a third-grade reading level and is expected to draw social security at age 18. He said he believes deaf children are more capable than that, so SSDHH needs the opportunity to provide earlier intervention for these children. He added that there is an effort underway to educate parents to sign.

Chairman Goodale, sponsor, noted that special education schools can enroll children by age three and asked if the SSDHH will follow a similar model. Mr. Neil answered affirmatively, noting that is the best time to start.

Heather Laine, Principal, Sequoia School for the Deaf and Hard of Hearing (SSDHH), spoke in favor of the strike-everything amendment to HB2054. She related that SSDHH provides an education for K-12 children. It is important to educate parents to learn ASL so, by the time these children go to kindergarten, they are not so behind their peers. A preschool program is needed so the children can begin learning ASL and communicate by the time they are ready for kindergarten so they are up to their grade level. She asked for the Members' support of the bill.

Leonard Clark, representing self, spoke in favor of the strike-everything amendment to HB2054. He said that after hearing how this legislation will benefit the community and Arizona, he believes it is good legislation that augments what is going on in public schools.

Deanna Rowe, Executive Director, Arizona State Board for Charter Schools, neutral on the strike-everything amendment to HB2054, in response to questions, conveyed that teachers in charter schools are generally exempt from certification requirements, except special education teachers. Funding for this legislation will be provided the same as in school districts.

Dawn Wallace, Education Policy Advisor, related that currently there is a weight for pre-kindergarten students who have an Individualized Education Program (IEP). They are counted as Average Daily Membership (ADM) and funded through the school finance formula, similar to school districts.

Mr. Pike stated that preschool funding is only allowed Group B weight special education funding, which is federal funds available to schools, and students must be qualified for special needs. There should not be any impact to the General Fund.

Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials, advised that the state funding formula for preschool children in charter schools and school districts, has three basic components: preschool disabled, kindergarten through eighth grade and grades nine through twelve, so these students in a charter school would qualify for that basic weight just like a traditional school district. They may also qualify for a Group B weight like other disabled students, depending on the service that is provided. Federal funding would be

provided to the charter school in the same manner as a school district. If the student attended a traditional school district, unless it is a non-state aid school district, there would be no impact on the General Fund. If the student was not enrolled in a public school, there may be a small impact to the General Fund.

Vice-Chairman Coleman announced the names of those who signed up in support of the strike-everything amendment to HB2054 but did not speak:

Chris Kotterman, Deputy Director, Government Relations, Arizona Department of Education
Eileen Sigmund, Arizona Charter Schools Association

Vice-Chairman Coleman announced the names of those who signed up as neutral on the strike-everything amendment to HB2054 but did not speak:

Doreen Zannis, representing self

Question was called on the motion that the Goodale 17-page amendment to HB2054 dated 2/13/13 (Attachment 1) be adopted. The motion carried.

Vice-Chairman Coleman moved that HB2054 as amended do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 3).

HB2318 – schools without federal funding; exemptions – DO PASS

Vice-Chairman Coleman moved that HB2318 do pass.

Virginia Carico, Majority Assistant Research Analyst, explained that HB2318 exempts charter schools and district schools that do not accept federal funding under the Elementary and Secondary Education Act (ESEA) from federal rules, regulations and statutes and any state regulations, rules and statutes that are federally funded (Attachment 4).

Representative Eddie Farnsworth, sponsor, noted that if a district school or charter school does not receive federal funds, this bill exempts them from strings that are attached. It does not provide an exemption from state assessments. In response to questions, he made the following comments:

- Charter schools are exempt from requirements in Title 15, except what is specifically authorized. If the federal government requires a policy as a result of federal funding, school districts and charter schools will be able to send a letter to the Arizona Department of Education (ADE) requesting an exemption from that policy.
- He is willing to draft an amendment that district schools and charter schools are not exempt from the Partnership for Assessment of Readiness for College and Careers (PARCC) assessment, even if federal funding is provided.
- This legislation will not impact free-and-reduced lunch programs.
- As an example of strings attached, charter schools and district schools have been conducting teacher and principal development training and reviews for many years. Now the federal government is placing that burden on all schools, with reporting requirements, which he fears will be occurring with the Common Core Standards.

- ADE will still have oversight for school districts and the Arizona State Board for Charter Schools will still have oversight over charter schools. Financial and program audits will still be conducted, as well as reviews every five years. He opined that the federal government should not tell states how to hold teachers and principals accountable when the state is perfectly capable of doing so, especially if federal funding is not taken.

Jonathan Butcher, Education Director, Goldwater Institute, representing self, in favor of HB2318, related that he is speaking at the request of two registered lobbyists at the Institute. He noted that the Legislature annually reviews schools in Arizona, particularly charter schools, to see how well they are doing. With no exemption from the PARCC assessment, schools that do not take federal money and become exempt from federal regulations can still be compared in terms of achievement with their peers, which is a critical element of accountability. If a school does not accept federal funding, he questioned why anything should be required by the federal government.

John Huppenthal, Superintendent of Public Instruction, Arizona Department of Education (ADE), in support of HB2318, related that he supports local control. There may be some controversy and adjustments that have to be made to this bill, but the sponsor indicated that he is willing to work with ADE. An important function of the bill is to focus on the degree to which the federal government is becoming involved in the education system. It will send a message to the federal government about strings attached to federal involvement. In response to questions, he made the following comments:

- Charter schools are rescuing students every day and doing a phenomenal job, but receive poor labels on accountability. He senses that charter schools are performing better than believed since, over the last decade, the arrest rate for juveniles decreased from 68,000 per 1 million to 42,000 per 1 million. There is a similar trend in violent crimes committed by juveniles. Graduation rates have increased so the performance rate of charter schools in Arizona is not as severe as what is printed in the newspaper.
- If the federal government keeps escalating its intrusion into education, at some point it will be necessary to call their bluff. He would prefer to do so now with this measure.
- A more in-depth analysis will be done on this bill with the sponsor about different aspects to make sure if litigation occurs, ADE will have a good chance of success.

Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials, neutral on HB2318, stated he wants to ensure that a significant amount of federal money is not removed from school districts that depend on it, especially in special education, because of this legislation. In response to a question, he indicated that about \$450 million in federal funding is at risk.

Deanna Rowe, Executive Director, Arizona State Board for Charter Schools, neutral on HB2318, indicated that a school that does not accept federal funds should be exempt from reporting requirements to the extent that accountability for academic performance is not jeopardized, so the Board supports an amendment precluding exemption from state assessments. In response to a question, she related that free-and-reduced lunch funding is separate from ESEA funding. She noted that accountability measures, with the state assessment, will still be in place.

Leonard Clark, representing self, signed up as neutral on HB2318. He stated that as a lifelong resident of Arizona, he is concerned with this legislation because it is being rushed through. There is a significant amount of money involved, and if the state is going to be fiscally conservative, it should also be conservative about this bill, which involves the education of school children in Arizona. He is nervous about the bill because it involves for-profit organizations and will re-segregate areas.

Vice-Chairman Coleman announced the names of those who signed up as neutral on HB2318 but did not speak:

Charles Essigs, representing self

Vice-Chairman Coleman announced the names of those who signed up in support of HB2318 but did not speak:

Chris Kotterman, Deputy Director Government Relations, Arizona Department of Education

Ryan Anderson, Heritage Academy

Lisa Fink, Choice Academies, Inc., representing self

Jared Taylor, Principal, Heritage Academy, representing self

Question was called on the motion that HB2318 do pass. The motion carried by a roll call vote of 5-3-0-1 (Attachment 5).

HB2018 – technical correction; child support – DO PASS AMENDED S/E
S/E: school district budget errors; repayment

Vice-Chairman Coleman moved that HB2018 do pass.

Vice-Chairman Coleman moved that the Goodale three-page strike-everything amendment to HB2018 dated 2/7/13 (Attachment 6) be adopted.

Morgan Cicinelli, Majority Staff Intern, explained that Laws 2010 allowed Saddle Mountain Unified School District to pay back overexpenditures in annual installments over nine years at five percent for the first four years and ten percent for the remaining five years. The Goodale strike-everything amendment to HB2018 dated 2/7/13 (Attachment 6) extends the repayment period by five years and allows the school district to pay annual installments at five percent for the remaining years instead of ten percent (Attachment 7).

Representative Steve Montenegro, sponsor, indicated that the Saddle Mountain School District tackled an unpleasant financial situation and turned bankruptcy into solvency. It improved community relations and student achievement while repaying taxpayers for overspending from 2004 to 2007 by the former superintendent. The school district was placed into receivership in 2008 for five years. The superintendent, teachers and administrators exited receivership in two-and-one-half years, which is remarkable. The school district needs additional time to further raise its profile and meet student achievements.

Mark Joraanstad, Superintendent, Saddle Mountain Unified School District, in favor of the strike-everything amendment to HB2018, said it has been a long road out of receivership, which required some “belt tightening”. The Auditor General recently reported that the school district’s food service costs per meal, transportation costs per mile and plant operation costs per square

foot are very low compared to peer school districts. The school district consists of 550 square miles and buses drive 3,000 miles per week, so to have transportation costs very low relative to other school districts reflects the management currently in place. He added that every dime that was formerly overspent will be repaid and this bill provides some “breathing room”.

Chairman Goodale advised that it is miserable when a school district is under receivership. In the last few years, requests were made from other school districts in the same situation for additional time for repayment, so this is not an unusual request.

Vice-Chairman Coleman announced the names of those who signed up in support of the strike-everything amendment to HB2018:

Paul Roetto, Board Member, Saddle Mountain Unified School District

Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials

Janice Palmer, Governmental Relations Analyst, Arizona School Boards Association

Jennifer Loreda, Arizona Education Association

Vice-Chairman Coleman announced the names of those who signed up as neutral on the strike-everything amendment to HB2018

Leonard Clark, representing self

Chris Kotterman, Deputy Director, Government Relations, Arizona Department of Education

Doreen Zannis, representing self

Question was called on the motion that the Goodale three-page strike-everything amendment to HB2018 dated 2/7/13 (Attachment 6) be adopted. The motion carried.

Vice-Chairman Coleman moved that HB2018 as amended do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 8).

HB2563 – teacher preparation programs; common core – DO PASS AMENDED

Vice-Chairman Coleman moved that HB2563 do pass.

Blanca Delgado, House Majority Intern, explained that HB2563 requires the State Board of Education (SBE) to ensure that postsecondary education programs that prepare students to teach in elementary schools are current and reflect a rigorous course of study that aligns with the Common Core Standards (Attachment 9). It will ensure that these students receive adequate reading and math coursework, are properly assessed to evaluate whether or not they possess requisite knowledge and they continue to receive preparation in the classroom and school setting with the assistance of an assessment system that measures and predicts student improvement.

Vice-Chairman Coleman moved that the Miranda six-line amendment to HB2563 dated 2/15/13 (Attachment 10) be adopted.

Ms. Delgado advised that the Miranda six-line amendment to HB2563 dated 2/15/13 (Attachment 10) adds secondary education programs, replaces the reference to Common Core Standards with a minimum course of study and competency requirements and clarifies that

students receive preparation training in applying formative and summative assessments within a school setting.

Ms. Miranda, sponsor, related that the purpose of the bill is to include the SBE in preparation of students enrolled in postsecondary education programs. In response to a question, she related that Arizona State University and the University of Arizona have no position on the bill. Northern Arizona University raised concerns that are addressed by the amendment.

Brooke White, Majority Research Analyst, advised that there will not be a cost the state or the universities.

Ms. Miranda stated that it would be beneficial to have new teachers already experienced and knowledgeable about state standards. In response to questions, she indicated that if someone obtains a teaching certificate in another state, the bill will not prevent that person from obtaining certification in Arizona, but when a school hires that person, training in professional development will be needed on the standards.

Ms. White clarified that the bill requires teacher preparation, not professional development.

Chairman Goodale surmised the bill states that since the state invests so much in education, it would be beneficial for universities with teacher preparation courses to teach about the Common Core Standards.

Chris Kotterman, Deputy Director, Government Relations, Arizona Department of Education (ADE), stated that the SBE is charged with supervising certification of individuals who earn a teaching certificate. The state already conducts an evaluation of teacher preparation programs for standards alignment, etc., in certified teacher programs, but this bill may require a more rigorous study of alignment to the Common Core Standards. In response to a question, he related that a certified teacher falls under the reciprocity provisions of SBE rules. The SBE could do this without legislation, but this bill will make teacher preparation providers pursuing a program in the state aware that the programs need to be aligned to the Common Core Standards.

Chairman Goodale stated the only way to obtain better teachers is to have better teacher preparation.

Mr. Allen related that many university graduates were able to teach with Arizona's Instrument to Measure Standards (AIMS) test, etc., so he fears this will have to be repealed later. Also, there is no bill for funding of the Common Core Standards, and he is uncomfortable with placing this language in the statutes. Ms. Miranda responded that school districts are working diligently and doing a good job in professional development training of veteran teachers in the state standards. It would be better to have new teachers prepared for the state standards rather than having to go through professional development training.

Vice-Chairman Coleman announced the names of those who signed up as neutral on HB2563 but did not speak:

Leonard Clark, representing self

Vice-Chairman Coleman announced the names of those who signed up in support of HB2563 but did not speak:

Barry Aarons, Lobbyist, Arizona Association of County School Superintendents
Tim Carter, Yavapai County School Superintendent
Janice Palmer, Governmental Relations Analyst, Arizona School Boards Association
Doreen Zannis, representing self
Geoffrey Esposito, Governmental Relations Analyst, Arizona School Boards Association
Leeann Wieser, President, Arizona Federation of Teachers
Jennifer Loreda, Arizona Education Association

Question was called on the motion that the Miranda six-line amendment to HB2563 dated 2/15/13 (Attachment 10) be adopted. The motion carried.

Vice-Chairman Coleman moved that HB2563 as amended do pass. The motion carried by a roll call vote of 7-1-0-1 (Attachment 11).

HB2581 – overrides; RCL; kindergarten pupils – DO PASS

Vice-Chairman Coleman moved that HB2581 do pass.

Brooke White, Majority Research Analyst, explained that HB2581 phases out, over five years, the counting of fractional kindergarten students from the calculation of maintenance and operations (M&O) overrides approved before January 1, 2014 (Attachment 12).

Kevin Hegarty, Chief Financial Officer, Higley Unified School District, spoke in favor of HB2581. He stated this bill will keep school districts from having a funding “cliff” of about \$16 million statewide. It allows a phase-out over a period of time and will not cost the state. It applies to overrides already voted on by taxpayers and does not allow other school districts to have an election after January 1, 2014, so no one else can participate in this phased-down program.

Vice-Chairman Coleman announced the names of those who signed up in support of HB2581 but did not speak:

Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials
Meghaen Duger, Education Finance Reform Group
Barry Aarons, Lobbyist, Arizona Association of County School Superintendents
Chris Kotterman, Deputy Director, Government Relations, Arizona Department of Education
Tim Carter, Yavapai County School Superintendent
Janice Palmer, Governmental Relations Analyst, Arizona School Boards Association
Doreen Zannis, representing self
Geoffrey Esposito, Governmental Relations Analyst, Arizona School Boards Association
Sabrina Vazquez, Legislative Liaison, Arizona School Administrators
Leeann Wieser, President, Arizona Federation of Teachers
Marcus Dell'Artino, Chandler Unified School District
Sam Polito, Tucson Area School Districts
Jennifer Loreda, Arizona Education Association

Vice-Chairman Coleman announced the names of those who signed up as neutral on HB2581 but did not speak:

Leonard Clark, representing self

Question was called on the motion that HB2581 do pass. The motion carried by a roll call vote of 7-1-0-1 (Attachment 13).

HB2611 – school district superintendent contracts; renegotiation – DO PASS

Vice-Chairman Coleman moved that HB2611 do pass.

Virginia Carico, Majority Assistant Research Analyst, explained that HB2611 revises the time frame a school district governing board may extend or renegotiate a superintendent’s contract from May of the year preceding their final year to no earlier than 15 months before the contract expires (Attachment 14).

Representative Martín Quezada, sponsor, said a constituent noticed that a renegotiation of a superintendent’s contract took place at a time other than when contracts are usually renegotiated. Current statute is meant to prevent boards from renegotiating contracts too far in advance. HB2611 clarifies that a contract can be renegotiated no earlier than 15 months prior to the end of the existing contract, mirroring the intent of the original statute, so all superintendent contracts are renegotiated in the same time period.

Vice-Chairman Coleman announced the names of those who signed up in support of HB2611 but did not speak:

Barry Aarons, Lobbyist, Arizona Association of County School Superintendents

Tim Carter, Yavapai County School Superintendent

Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials

Janice Palmer, Governmental Relations Analyst, Arizona School Boards Association

Geoffrey Esposito, Governmental Relations Analyst, Arizona School Boards Association

Sam Polito, Tucson Area School Districts

Jennifer Loreda, Arizona Education Association

Vice-Chairman announced the names of those who signed up as neutral on HB2611 but did not speak:

Leonard Clark, representing self

Chris Kotterman, Deputy Director, Government Relations, Arizona Department of Education

Doreen Zannis, representing self

Question was called on the motion that HB2611 do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 15).

Without objection, the meeting adjourned at 4:14 p.m.

Linda Taylor, Committee Secretary
March 1, 2013

(Original minutes, attachments and audio on file in the Chief Clerk's Office; video archives available at <http://www.azleg.gov>)