

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

COMMITTEE ON EDUCATION

Minutes of Meeting
Monday, March 3, 2014
House Hearing Room 3 -- 2:00 p.m.

Vice-Chairman Coleman called the meeting to order at 4:14 p.m. and attendance was noted by the secretary.

Members Present

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

Members Absent

Mr. Boyer

Committee Action

SB1101 – DP (8-0-0-1)	SB1288 – DPA (6-1-0-2)
SB1237 – DP FAILED (2-6-0-1)	SB1304 – DP (7-0-0-2)
SB1242 – DP (8-0-0-1)	

CONSIDERATION OF BILLS

SB1242 – critical languages; economic development; pilot – DO PASS

Chairman Goodale moved that SB1242 do pass.

Hannah Mitchell, Majority Research Intern, explained that SB1242 is an emergency measure that requires the Arizona State Board of Education (SBE) to establish a critical language and economic development pilot program, if sufficient monies are provided (Attachment 1).

President Andy Biggs, sponsor, stated that this program mirrors the model utilized in Utah, where 100 schools originally participated; now over 200 schools are participating and there is a waiting list. It is anticipated that Utah will turn out 12,000 fluent Chinese speakers per year, which will be a benefit in working with what will soon be one of the most dominant economies in the world. Referring to the provision stating that English Language Learner (ELL) students cannot participate in this program, he explained that is because of the confusion that can occur if someone not proficient in a secondary language begins to learn a tertiary language. If a student passes the Arizona English Language Learner Assessment (AZELLA), the student is eligible to participate in this program.

In response to questions, President Biggs related that the program is designed for three schools to offer Chinese courses, two schools to offer Spanish courses and two schools to offer additional critical languages, which include Arabic, Farsi and Japanese. Schools will apply to offer specific languages and the Arizona Department of Education (ADE) will make the selection. In reference to the language *if funding is available*, he noted that he discussed SB1242 with the Superintendent of Public Instruction John Huppenthal; a small amount of money is needed that, hopefully, will be included in the budget.

Discussion followed about the provision prohibiting ELL students and native speakers of the critical language from participating in the pilot program.

Chairman Goodale commented that this program is desperately needed for the world's commodity program.

Ms. Miranda brought up the fact that Arizona is an English-only state. President Biggs responded that issue did arise in the Senate. He talked to attorneys about the constitutionality of the pilot program and it was determined that this legislation meets the constitutional provisions.

Ms. Miranda commented that a huge population of ELL students needs resources; however, this is also a good idea. President Biggs said last year an additional \$2 million was placed in the Senate budget proposal to improve ELL programs, but the funding was removed. There is a need for more students to speak other languages fluently; also, students in these types of programs tend to remain in school longer and develop the capacity to succeed in college as well.

Mrs. Carter noted that students from Cave Creek Unified School District did an amazing job testifying on this bill in the Senate, to which President Biggs agreed. Mrs. Carter related that Cave Creek Unified School District was one of the first school districts to have a full Spanish immersion program starting in kindergarten and moving forward; now those students are in high school and exceeding academic expectations. She stated that there is a challenge relating to reciprocity for highly-qualified teachers in this area who move from other states to Arizona, as well as Chinese nationals from overseas. She asked if President Biggs is willing to work on an amendment to give ADE the flexibility to address those teachers' needs in terms of certification. President Biggs responded that in Utah, instructors had to be recruited from China and other places and a reciprocity program was created, which he would be glad to explore.

Mrs. Carter indicated that there are only two alternative certification options, the intern certificate and the emergency certificate. It may mean creating a new certificate, so it would be beneficial to check with Utah to see if certificates other than those two can be used.

Chris Kotterman, Arizona Department of Education, in support of SB1242, clarified that the provision precluding ELL students from participating is to make it clear that the bill is not an attempt to circumvent the Structured English Immersion (SEI) model of instruction. It is possible for a student to learn English in a bilingual environment; however, a child enrolling in school is administered the Primary Home Language Other Than English (PHLOTE), and if the form indicates there is a substantial likelihood the student operates in an environment that is not primarily English, the student is administered the AZELLA. If the student passes the AZELLA, the student is placed in a standard K-12 classroom; if not, the student is placed in an SEI

classroom for a four-hour block of instruction. If the parent declines the SEI model after being notified of the student's score, then the student can be placed in the standard classroom. This bill precludes native speakers from the pilot program, which he surmised is to allow the program to be evaluated on the merits of bilingual instruction. He respectfully requested that the Members not allow the debate about the SEI model, which is complex, to stop a potentially beneficial pilot program.

Mr. Kotterman advised that ADE has been working on highly-qualified issues relative to teachers from out of the country, specifically Chinese.

Discussion followed about certification of highly-qualified foreign teachers, after which Mrs. Carter asked if Senator Biggs is willing to give the SBE the authority to create a rubric to address that concern. President Biggs answered that he would entertain language, after making sure the SBE and Superintendent agree.

Ms. Otondo asked if other programs have been looked into, e.g., the Monterey Institute of International Studies, teacher exchange programs, etc.

Aiden Fleming, Arizona Department of Education, in support of SB1242, stated that ADE is aligned with Arizona State University and the University of Arizona, and the Chinese government is interested in teacher and student exchange programs. This bill focuses on K-6 because that is where it is proven to do the most good. In Utah, \$2.2 million was dedicated to a program that delivers fluent speakers at an advanced level who can go into a foreign country and work at a diplomat level, so the type of investment is small in comparison to output and what it can do for national security, economic development and cultural understanding. The Chinese government has been begging ADE to create exchanges and wants to sign agreements to train Arizona teachers to speak fluent Chinese to teach students. This bill needs to pass to get that started. Everything is lined up and Superintendent Huppenthal and President Biggs brought this forward on ADE's behalf. He urged the Members' support.

Names of persons who signed up as neutral on HB1242 but did not speak:
Doreen Zannis, representing self

Names of persons who signed up in support of HB1242 but did not speak:
John Lewis, Mayor, Town of Gilbert, representing self
Leah Hubbard Rhineheimer, Town Of Gilbert
Heather Wilkey, Lobbyist, Town of Gilbert

Question was called on the motion that HB1242 do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 2).

SB1101 – appropriation; ADE; economic education grants – DO PASS

Chairman Goodale moved that SB1101 do pass.

Hannah Mitchell, Majority Research Intern, explained that SB1101 appropriates \$150,000 from the state General Fund (GF) to the Arizona Department of Education (ADE) in fiscal year

(FY) 2015 to issue a grant to a statewide council on economic education to provide professional development in economic education (Attachment 3).

Senator Kimberly Yee, sponsor, stated that this grant program already exists in ADE, but it has only a small amount of money. The \$150,000 will be used for statewide professional development of teachers in personal finance. In response to a question, she indicated that the grant program complies with Arizona academic standards as defined in statute.

Gretchen Martinez, Arizona Chamber of Commerce and Industry, in support of SB1101, stated that financial literacy and economic education are vital to the future of economic security in Arizona. An economic education can be delivered efficiently by supporting the teachers who can pass the lessons on to their students.

Debbie Henney, representing self, in favor of SB1101, said she is a professor of economics at Mesa Community College. Through involvement with the Arizona Council on Economic Education, she worked with K-12 teachers across the state, who indicated that economics is the one subject they are least prepared to teach. She has taught economics in many facilities where teachers are at first intimidated by the subject matter, but leave excited to pass the lessons on to their students. She noted that Darcy White was not able to stay, but asked that she convey that even though Ms. White was an international relations major and had exposure to economics post-secondary, she never felt comfortable enough to teach it until she attended professional development classes. Also, a recent graduate of Arizona State University was going to speak about the support he received from his teacher who participated in this professional development.

Elena Zee, President, Arizona Council on Economic Education, representing self, in support of SB1101, related that the Council is a 501(c)(3) nonprofit organization dedicated to financial literacy and economic education. She provided written testimony from several teachers in support (Attachment 4). She noted that thousands of Arizona teachers are asking for resources and training to teach economics and personal finance to students. The \$150,000 can help train 750 teachers who can teach 112,000 students in metropolitan and rural areas of the state. She added that April is Financial Literacy Month and a full-day workshop on money will be conducted at the Phoenix branch of the Federal Reserve Bank of San Francisco for elementary, middle school and high school teachers; she invited the Members to visit.

Francis Fritz, representing self, in support of SB1101, related that while conducting research during his doctoral studies over the last four years, he found a great need for this program. The concern is whether or not teachers are being prepared to prepare students for the future.

Vice-Chairman Coleman announced the names of those who signed up in support of SB1101 but did not speak:

Garrick Taylor, Arizona Chamber of Commerce and Industry

Nancy Burt, representing self

Michael Ippolito, representing self

William Davis, representing self

Darcy White, representing self

Chris Kotterman, Arizona Department of Education, in support of SB1101, advised that the Arizona College and Career Ready Standards apply to mathematics and English only. Social studies standards were adopted in 2005, which encompass economics and personal finance.

Vice-Chairman Coleman announced the names of those who signed up as neutral on SB1101 but did not speak:

Doreen Zannis, representing self

Mrs. Carter asked if language is needed to ensure the funding is equally distributed across the state. Senator Yee responded that ADE will distribute the grant through a request for proposal (RFP) process; numerous vendors will apply and factored in will be the needs of the various areas.

Mr. Kotterman acknowledged that ADE will issue an RFP for a vendor to provide professional development training that will include criteria to ensure there is equity in distribution across the state or to target certain areas, which is typically derived from the legislation; therefore, ADE welcomes input from the Members and Senator Yee.

In response to a question, Ms. Zee explained the calculation used to arrive at the number of teachers who can be trained and students those teachers can teach for the \$150,000.

Question was called on the motion that SB1101 do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 5).

SB1237 – empowerment scholarship accounts; revisions – ~~DP~~ FAILED

Chairman Goodale moved that SB1237 do pass.

Aaron Wonders, Majority Research Analyst, explained that SB1237 makes revisions to the Empowerment Scholarship Accounts (ESA) program (Attachment 6).

Senator Kimberly Yee, sponsor, indicated that she introduced SB1237 on behalf of the Arizona Department of Education (ADE); it is primarily a cleanup bill relating to the ESA program.

Aiden Fleming, Arizona Department of Education, in support of SB1237, indicated that the bill cleans up last year's language to make it more readable. There is no policy change.

Chris Kotterman, Arizona Department of Education, in support of SB1237, related that last year, ADE opposed the expansion proposed by the Goldwater Institute and proponents who intended to add the charter school additional assistance amount to every ESA account in order to increase the overall amount. That bill passed the Legislature and there was some disagreement between the Joint Legislative Budget Committee (JLBC) and others about the language. ADE, as an Executive agency, interpreted the language to mean that the intent of the Legislature was to add the charter school additional assistance to each ESA account. This bill is a technical correction to codify that practice and clarify what the Legislature intended.

Mr. Fleming said if the student left a district school, the bill adds the additional assistance weight. Depending on whether it is K-8 or 9-12, the amount varies. For a group A child, the

amount was previously \$3,600 to \$3,700; now it is around \$4,900 to \$5,000. This does not take into account 90 percent of what the school district would have received, so there is still a state savings. The school district does not retain the 10 percent of the charter school amount and the exact savings would have to be determined by JLBC. In response to questions, he related the following:

- The amendment allows ADE to make other than a quarterly disbursement because some parents home school their children and purchase the curriculum up front, which may cost more than the first quarterly disbursement.
- Now that students of military parents, students from *D* and *F* schools and foster children can participate in the program, those children have access to therapies that would have only been available previously to special needs children, so the bill clarifies that vision therapy would be for children with visual impairment, etc.
- The reason for the third-party evaluation is once an ESA contract is signed, the student leaves the public school system and no longer has an individualized education plan (IEP), so if a disability does develop, i.e., a speech delay or a specific learning disability turns into autism, ADE can evaluate the student and provide the money that is needed on an annual basis. ADE and school districts believe a third-party evaluation is the best way to ensure those children's needs are met. The language does not restrict anyone who already had a third-party or school evaluation in which a disability was identified from receiving services in other areas; in fact, parents will have more freedom to seek additional therapies.
- ADE retains four percent of the ten percent savings portion for administrative purposes, which is capped at \$200,000; however, ADE takes in more because of the increase in eligibility and more students entering the program, so excess funds are available for third-party evaluations.

Mr. Kotterman added that school districts currently conduct the evaluations, but if ADE is able to use administrative funds for that purpose, it will save school districts from having to reevaluate students who left the system. He acknowledged that there will also potentially be kindergartners who will need to be evaluated.

Janice Palmer, Arizona School Boards Association (ASBA), opposed SB1237. She stated this has been cited as a technical bill, but changing the 90 percent of school district funding for ESA children to charter school additional assistance for every single ESA member is significant. There were two specific areas where charter school additional assistance was to be provided: for incoming kindergartners and children previously in a charter school who move to an ESA. With 700 current ESA students, unless each one is a kindergartner or previously attended a charter school, this bill will place an additional burden on the state GF. In the worst case scenario, the cost is about \$700,000.

Mr. Fleming, in response to a question, related that there is no fiscal note on the bill; Mrs. Carter requested a fiscal note. Discussion followed about the potential cost to the GF.

Mrs. Carter asked for a breakout of the different groups accessing the ESA program, which Mr. Fleming agreed to provide.

Discussion continued about the financial implications to the GF.

Mr. Fleming reiterated that this bill makes technical corrections to a program that has been in statute since last year and respectfully disagreed with Ms. Palmer. Mr. Kotterman added that he respects Ms. Palmer's opinion about the issue of additional assistance, but ADE would not have included a provision in the bill on ESA administration if it was not sincerely believed to be the intent of the Legislature. This is not an attempt by ADE to make a significant policy change under the guise of a technical correction.

Ms. Palmer stated that while she agrees that there was no ill intent from ADE, it is a significant enough policy issue that it is being reviewed by ASBA attorneys. ADE is interpreting the language that all ESA participants should receive charter school additional assistance; ASBA believes kindergartners and children previously in a charter school who moved to ESA qualify, but the remaining students will continue to use school district numbers, which is about a \$1,000 difference at 90 percent of the amount. She indicated that the ASBA is concerned there will be further litigation.

Vice-Chairman Coleman questioned if the bill should be held until the fiscal note is obtained.

Senator Yee indicated that she will ask the Chairman of the Committee on Appropriations to hold hearing the bill until the fiscal note is obtained and encouraged the Members to pass SB1237. In response to a question, she indicated that she is willing to work on an amendment after seeing the fiscal note.

Names of those who signed up in support of HB1237 but did not speak:

Joseph Borrajero, representing self
Josh Kredit, Lobbyist, Center for Arizona Policy
Jonathan Butcher, representing self

Names of those who signed up in opposition to HB1237 but did not speak:

Doreen Zannis, representing self
Eleanor Eisenberg, League of Women Voters of Arizona
Robert Klassen, representing self
Kathryn Knecht, representing self
Susan Carlson, representing self
Leonard Clark, representing self
Linda Polito, Tucson Area Schools
Leeann Wieser, Lobbyist, Arizona Federation of Teachers Union
Sam Polito, Tucson Area School Districts
Charles Essigs, Director of Government Relations, Arizona Association of School Business Officials

Question was called on the motion that HB1237 do pass. The motion failed by a roll call vote of 2-6-0-1 (Attachment 7).

SB1288 – school letter classification; science scores – DO PASS AMENDED

Chairman Goodale moved that SB1288 do pass.

Aaron Wonders, Majority Research Analyst, explained that SB1288 allows the Arizona Department of Education (ADE) to add a plus symbol to school and school district letter grades for sufficient scores on the science portion of the Arizona's Instrument to Measure Standards (AIMS) test (Attachment 8). The Boyer 11-line amendment to SB1288 dated 02/27/14 (Attachment 9) removes the ability for ADE to issue plus symbols and requires science scores to be included as a separate academic performance indicator when calculating letter grades.

Senator Kimberly Yee, sponsor, commented that the amendment significantly changes the bill. When SB1288 was heard in the Senate Education Committee, ADE testified that the same goal can be accomplished through a weight in the school's letter grade. Currently, the weights are primarily on reading and mathematics; this approach takes science into consideration to emphasize the importance of science as a critical core subject area.

In response to questions, she indicated that the science scores will be factored into the letter grade. It will not have the same level of weight as English, reading and mathematics; it will be one of the smaller factors. The plus symbol as originally proposed was a way to add a bonus and was suggested by individuals from the science community; however, ADE thought it would be difficult to monitor and for parents to understand.

Chris Kotterman, Arizona Department of Education, said the plus symbol could have been noted as only science, but the issue raised at ADE was that there could be a situation where a school that is almost a *C* school at the lower range of *B* does well in science and receives a *B+*, which may be confusing to parents when it is actually closer to a *C*. With the amendment, a school that performs well in science will receive bonus points similar to bonus points received for English Language Learner (ELL) reclassification, etc.

Mrs. Carter requested a report on how schools are doing in science only, which Mr. Kotterman agreed to provide.

Mrs. Carter said when parents are deciding what school to send their child to, if a school receives a letter grade of *A*, it is perceived by the parents as 90 percent when that is not how ADE creates the cut scores. Mr. Kotterman agreed and explained how cut scores are calculated, adding that the bonus points serve to incentivize certain areas in which schools do well; it is not a standard full letter grade.

Discussion followed about bonus points. Mr. Kotterman clarified that if the bill passes with the amendment, ADE will formulate a plan and work in consultation with the SBE to make it as equitable as possible so all schools will have a chance to succeed.

Sabrina Vasquez, Arizona School Administrators (ASA), when asked the ASA's position on the bill, stated that the ASA has not taken a position because SB1288 is not perceived as negatively impacting school administrators.

Janice Palmer, Arizona School Boards Association (ASBA), said the ASBA did not take a position on the bill because it is not expected to adversely impact schools since it is an add-on item. Also, the SBE has a task force based on the *A* through *F* accountability system that meets

with practitioners on implementation, which has been a quality process, and she is confident that will continue with this legislation.

Vice-Chairman Coleman announced the names of those who signed up as neutral on SB1288 but did not speak:

Doreen Zannis, representing self

Names of those who signed up in support of SB1288 but did not speak:

Michael Haener, Partner, Arizona BioIndustry Association

Gretchen Martinez, Lobbyist, Arizona Chamber of Commerce and Industry

Barry Broome, representing self

Steven Zylstra, Arizona Technology Council

Chairman Goodale moved that the Boyer 11-line amendment to SB1288 dated 02/27/14 (Attachment 9) be adopted. The motion carried.

Chairman Goodale moved that HB1288 as amended do pass. The motion carried by a roll call vote of 6-1-0-2 (Attachment 10).

SB1304 – charter schools; state board; continuation. – DO PASS

Chairman Goodale moved that SB1304 do pass.

Hannah Mitchell, Majority Research Intern, explained that SB1304 continues the Arizona State Board for Charter Schools (SBCS) for 10 years (Attachment 11).

Senator Kimberly Yee, sponsor, said she is honored to serve as a legislative member of the SBCS and she knows the great work the director and her team do to ensure charter schools in Arizona are accountable, not only to parents and students, but to taxpayer dollars. The Committee of Reference from the Senate and House Education Committees voted for a 10-year renewal.

DeAnna Rowe, Director, State Board for Charter Schools, in favor of SB1304, said the SBCS is looking forward to a 10-year continuation. Following the recommendations of the Auditor General's Office, the SBCS has been working diligently, and when the six-month update is released next month, the Members will find that significant progress has been made in many areas toward those recommendations.

Chairman Coleman announced the names of those who signed up as neutral on SB1304 but did not speak:

Leonard Clark, representing self

Names of those who signed up in support of SB1304 but did not speak:

Helen Heiden, Arizona Chamber of Commerce and Industry

Eileen Sigmund, Arizona Charter Schools Association

Chris Kotterman, Lobbyist, Arizona Department of Education

Gary Bae, K12, Inc.

Gretchen Martinez, Lobbyist, Arizona Chamber of Commerce and Industry

Kelly McManus, Lobbyist, Stand for Children
Barry Aarons, Lobbyist, Arizona Association of County School Superintendents

Question was called on the motion that SB1304 do pass. The motion carried by a roll call vote of 7-0-0-2 (Attachment 12).

Without objection, the meeting adjourned at 6:40 p.m.

Linda Taylor, Committee Secretary
March 31, 2014

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