

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

COMMITTEE ON EDUCATION

Report of Regular Meeting
Wednesday, March 18, 2015
House Hearing Room 4 -- 2:00 p.m.

Convened 5:24 p.m.

Recessed

Reconvened

Adjourned 9:10 p.m.

Members Present

Mr. Bolding
Mr. Coleman
Mr. Montenegro
Mrs. Norgaard
Ms. Otondo
Mr. Thorpe
Mr. Lawrence, Vice Chairman

Members Absent

Mr. Boyer, Chairman

Request to Speak

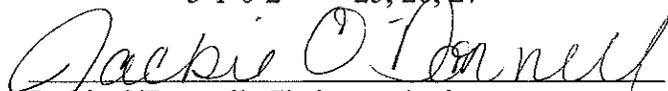
Report – Attachment 1

Presentations

<u>Name</u>	<u>Organization</u>	<u>Attachments (Handouts)</u>
	Pima County JTED	2

Committee Action

<u>Bill</u>	<u>Action</u>	<u>Vote</u>	<u>Attachments (Summaries, Amendments, Roll Call)</u>
SB1076	DP	7-0-0-1	3, 4
SB1126	DPA	6-0-0-2	5, 6, 7
SB1172	DP	5-1-0-2	8, 9, 10
SB1173	DP	4-2-0-2	11, 12
SB1193	DPA S/E	5-1-0-2	13, 14, 15
SB1259	DPA S/E	6-0-0-2	16, 17, 18
SB1306	DPA	6-0-0-2	19, 20, 21, 22
SB1405	FAILED	3-3-0-2	23, 24
SB1406	DPA	5-1-0-2	25, 26, 27



Jackie O'Donnell, Chairman Assistant

Thursday, March 26, 2015

(Original attachments on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov>)

Information Registered on the Request to Speak System

House Education (3/18/2015)

SB1076, teacher student loan program; appropriation

Testified in support:

April Osborn, representing self

Support:

Jeremy Arp, NATIONAL ASSOCIATION OF SOCIAL WORKERS, ARIZONA CHAPTER; Don Isaacson, INDEPENDENT COLLEGES & UNIVERSITIES OF ARIZONA, UNIVERSITY OF PHOENIX (APOLLO GROUP INC); Steven Zylstra, representing self; Jill Humpherys, representing self; Cheyenne Walsh, UNIVERSITY OF PHOENIX (APOLLO GROUP INC); Janice Palmer, AZ School Boards Assn; Gretchen Jacobs, Other

All Comments:

Steven Zylstra, Self: The Arizona Technology Council supports this bill.; April Osborn, Self: The Az Commission for Postsecondary Education administers this program and Dr. April Osborn, Exec. Director will provide data describing the success of the program.; Gretchen Jacobs, Other: On behalf of Rural Arizona Schools Consortium

SB1125, county school superintendent; qualifications; administrators

Support:

Tom Holding, representing self; Jennifer Loreda, Arizona Education Association

Oppose:

Jere Fredenburgh, representing self; Dave Hollenbeck, representing self; Joyce Hill, representing self; Terry Hill, representing self; Ann Heins, representing self; Mickie Niland, representing self; Dawn Monahan, representing self; Patrick OMalley, representing self; Jose Borrajero, representing self

All Comments:

Jere Fredenburgh, Self: restricts candidates; we need 'people' in public office. thank you.; Joyce Hill, Self: This is preposterous legislation. Why should any unelected state officials get to decide who we the voters get to vote for????; Ann Heins, Self: Bill sponsors want to eliminate the public from running to be county school superintendents so that the education elites can always chose their own; Patrick OMalley, Self: Needs serious amending.; Jose Borrajero, Self: This bill, if enacted, will further restrict voters from having a say in education matters.; Jennifer Loreda, Arizona Education Association: AEA supports the flexibility that SB1125 gives to those seeking county school superintendent positions so they do not have to maintain an active teaching certificate in addition to their administrative certificate in order to hold office.

SB1172, schools; information; political activity; prohibition

Testified in support:

Krystal Slivinski, AMERICANS FOR PROSPERITY AZ; Tom Jenney, AMERICANS FOR PROSPERITY AZ

Testified as opposed:

Janice Palmer, AZ School Boards Assn

Support:

Tyler DiGrazia, representing self; Karen Mackean, representing self; Jim Foust, representing self; Tom Holding, representing self; Joyce Hill, representing self; Terry Hill, representing self; joy staveley, Chairman, Coconino County Republican Committee, representing self; Sandi Bartlett, representing self; Ann Heins, representing self; Dawn Monahan, representing self; Patrick OMalley, representing self; Julie Smith, representing self; April Pinger, representing self; John Baunoch, representing self; Mary Ann Baunoch, representing self; Richard Hofelich, representing self; Chalon Hutson, representing self; Garrick Taylor, Arizona Chamber Of Commerce And Industry; F Thomas Fiedler, representing self

Oppose:

Jennifer Loreda, Arizona Education Association; Jen Darland, representing self; Erin Hart, representing self; Barbara Underwood, representing self; Dee Puff, representing self; Jane Rucker, representing self; Patrice Kennedy, representing self; Elizabeth Spilotro, representing self; Julianne Hartzell, representing self; Blake Sacha, representing self; Cheryl Hasebe, representing self; Kathryn Kozak, representing self; Diann Christensen, representing self; Alma Farrell, representing self; Michael Sweedo, representing self; Jeannie Pacheco, representing self; Jean Gray, representing self; Mary Kriste, representing self; Dr. Donald Covery, representing self; Christine Marsh, representing self; Tamra Brady, representing self; Steve Chestnut, representing self; Kathleen Beder, representing self; Andrea Misino, representing self; Jill Humpherys, representing self; John Sparks, representing self; Elizabeth Hatch, Mesa Public Schools; Anne Greenberg, representing self; Elora Diaz, AZ SCHOOL ADMINISTRATORS ASSOC; Meghaen Dell'Artino, Education Fianance Reform Group; Jay Kaprosy, Arizona Charter Schools Association; Alicia Klassen, representing self; Robert Klassen, representing self

All Comments:

Ann Heins, Self: Strong YES; Barbara Underwood, Self: This is a unnecessary bill that wouldn't allow groups to get information to their peers about vital local funding. Communication is a key to uniting School and the community about issues. Barbara Underwood Payson Governing Board President; Dee Puff, Self: Informing the public about issues pertaining to schools is vital. This bill would impose unnecessary barriers on folks who wish to inform their peers about important local funding measures. I urge you to please oppose SB1172.; Jane Rucker, Self: As a parent, I am concerned this imposes unnecessary barriers on districts and parents who seek to inform their peers about vital local funding measures that would have a direct impact on their lives.; Patrice Kennedy, Self: This bill will impose unneeded barriers on districts and community members who want to inform the community about local funding measures that directly impact their lives.; Elizabeth Spilotro, Self: This bill is inappropriately burdensome on local authorities and compromises our Constitutional right to free speech.; Julianne Hartzell, Self: This will place unnecessary barriers on districts and parents who seek to inform their peers about vital local funding measures that would have a direct impact on their lives. And this would prohibit/deny voters from getting necessary info.; Blake Sacha, Self: This bill imposes additional regulations that are not necessary and further disadvantages district public schools.; Cheryl Hasebe, Self: I am a retired educator and a constituent. I am opposed to this bill because it imposes unnecessary barriers on districts and parents who seek to inform their peers about vital local funding

measures that directly impact their lives.; Kathryn Kozak, Self: This imposes unnecessary barriers on districts and parents who seek to inform their peers about vital local funding measures that would have a direct impact on their lives. Keep local control at the local level.; John Baunoch, Self: I encourage you to vote Yes on SB1172. Private information of our children should not be shared with anyone. That is one of the reasons we oppose Common Core.; Mary Ann Baunoch, Self: Records of students should not be distributed to any third party for any reason. Please vote yes on this bill.; Diann Christensen, Self: This is an unnecessary regulation against informing the public of their option to support local schools through overrides. With the state budget in crisis, it would be irresponsible to make this option more difficult for communities to consider.; Alma Farrell, Self: As a governing board member, my district should not be denied to inform anyone about vital local funding measures that would have a direct impact on their lives. Why would you, as a legislator want to deny that to local citizens?; Michael Sweedo, Self: This is an unnecessary bill that will penalize schools for audit findings that ARE NOT FISCALLY related. There is no provision for what happens if the school takes care of the audit finding. Please vote NO on this outrageous bill!; Jeannie Pacheco, Self: This imposes unnecessary barriers on districts and parents who seek to inform their peers about funding measurers that would directly impact their lives.; Jean Gray, Self: I am opposed to this bill because it hampers openness & freedom of information in our governmental process, which are pillars of our democracy. Transparency & openness are key to democracy. Litchfield Elementary SD #79 Governing Board Member.; Mary Kriste, Self: This bill creates unnecessary barriers to districts to inform the public about bonds and overrides. Bad idea.; Tamra Brady, Self: Vote No. This is once again another attempt to depress the passing of override by creating barriers for districts. Let parents inform their peers about vital local funding measures that would directly impact their lives. Let voters be informed.; Steve Chestnut, Self: As superintendent of the Maricopa Unified School District, I know that This imposes unnecessary barriers on districts and parents who seek to inform their peers about vital local funding measures that would have a direct impact on their lives.; Kathleen Beder, Self: Shame on Americans for prosperity. They are willing to give away tax money with no accountability. Start listening to the majority of voters who want you to properly fund public education.; Andrea Misino, Self: You already cut millions from public ed. Don't get in the way of bonds and overrides, too. They're all we have left.; Jill Humpherys, Self: Districts rely on overrides because of insufficient funding from the state. Do not make it more difficult for parents to pass an override. Charters receive additional funds without having to win an election.; John Sparks, Self: This imposes unnecessary barriers on districts and parents who seek to inform their peers about vital local funding measures that would have a direct impact on their lives; F Thomas Fiedler, Self: This long overdue legislation to stop contractors from promoting debt for their own profit. Please pass.; Anne Greenberg, Self: A proposed amendment to limit the First Amendment rights of school employees with positions on proposed or pending legislation should not be allowed into this bill.; Meghaen Dell'Artino, Education Fianance Reform Group: Against the amendment; Jay Kaprosy, Arizona Charter Schools Association: Opposed to amendment re: influencing legislation

SB1173, schools; bonds; overrides; funding sources

Testified in support:

Tom Jenney, AMERICANS FOR PROSPERITY AZ

Testified as opposed:

Janice Palmer, AZ School Boards Assn

Support:

Krystal Slivinski, AMERICANS FOR PROSPERITY AZ; Tyler DiGrazia, representing self; Karen Mackean, representing self; Jim Foust, representing self; Tom Holding, representing self; Joyce Hill, representing self; Terry Hill, representing self; joy staveley, Chairman, Coconino County Republican Committee, representing self; Sandi Bartlett, representing self; Ann Heins, representing self; Dawn Monahan, representing self; Patrick OMalley, representing self; John Baunoch, representing self; Mary Ann Baunoch, representing self; Richard Hofelich, representing self; Chalon Hutson, representing self; Kevin McCarthy, Arizona Tax Research Association; F Thomas Fiedler, representing self

Oppose:

Jennifer Loreda, Arizona Education Association; Barbara Underwood, representing self; Erin Hart, representing self; Jen Darland, representing self; Dee Puff, representing self; Jane Rucker, representing self; Elizabeth Spilotro, representing self; Patrice Kennedy, representing self; Blake Sacha, representing self; Julianne Hartzell, representing self; Cheryl Hasebe, representing self; Kathryn Kozak, representing self; Diann Christensen, representing self; Alma Farrell, representing self; Michael Sweedo, representing self; Jeannie Pacheco, representing self; Jean Gray, representing self; Mary Kriste, representing self; Dr. Donald Covery, representing self; Tamra Brady, representing self; Kathleen Beder, representing self; Andrea Misino, representing self; Erin Reed, representing self; Jill Humpherys, representing self; Judith Simons, representing self; John Sparks, representing self; Brenda Bartels, representing self; Elizabeth Hatch, Mesa Public Schools; Charles Essigs, Director of Government Relations, Arizona Association Of School Business Officials; Karen McClelland, representing self; Linda Polito, Polito Associates; Lois Lamer, representing self; Meghaen Dell'Artino, EDUCATIONAL FINANCIAL REFORM GROUP; Marcus Dell'Artino, CHANDLER UNIFIED SCHOOL DISTRICT NO 80; Anne Greenberg, representing self; Karin Ward, representing self; Elora Diaz, AZ SCHOOL ADMINISTRATORS ASSOC

All Comments:

Barbara Underwood, Self: Please do not deliberately confuse voters. We desperately need overrides and bonding because of our lack of funding from the state. Barbara Underwood Payson Governing Board President.; Jen Darland, Self: If elected legislators simply upheld the will of voters (Prop 301) and honored their oath to the state constitution to fund the development & improvement of public schools, school districts wouldn't need to go out for overrides/bonds.; Dee Puff, Self: As a school board member and voter I'm strongly opposed to this bill. It claims to be in favor of transparency but actually is a deliberate attempt to confuse voters. If AZ adequately funded schools, districts would not need to rely on local funding; Jane Rucker, Self: As a parent, I feel this is a deliberate attempt to confuse voters in the name of transparency, if the state did its job and adequately funded schools, districts wouldn't need to rely on local funding in the first place.; Elizabeth Spilotro, Self: This bill accomplishes nothing more than create confusion for voters and make it harder for districts to communicate effectively with their constituents.; Patrice Kennedy, Self: This is a deliberate attempt, by the legislature, to confuse voters. If the legislature would do its constitutionally mandated job of adequately funding public schools, districts would not have to rely upon local funding.; Blake Sacha, Self: This bill imposes additional regulations that are not necessary and further disadvantages district public schools.; Julianne Hartzell, Self: This seems to be a deliberate attempt to confuse voters in the name of transparency. It won't clarify what the necessary funds are for, but co-mingles dollars therefore confusing the voter rather than providing transparency.; Cheryl Hasebe, Self: This bill is a deliberate attempt to confuse voters in the name of transparency. If AZ did its job and adequately funded schools, districts wouldn't need to rely on local funding. No child has attended a fully funded school in the last 7 yrs. SHAME!; Kathryn Kozak, Self: This is a deliberate attempt to confuse voters. In the name of transparency, if the state did its job and adequately funded schools, districts wouldn't need to rely on local funding in the first place.; John Baunoch, Self: I encourage you to vote Yes on SB1173. This seems like a common sense thing to provide for

the voters of a school district.; Mary Ann Baunoch, Self: Every voter should know the total per pupil funding when they go to vote on bonds and overrides.; Diann Christensen, Self: Students with additional challenges (poverty, disabilities, ESL) do and should receive additional funding, and this will inflate the per-pupil amount for districts serving these students, making it hard to pass overrides. It's confusing to voters.; Alma Farrell, Self: As a Governing Board Member I see this as a deliberate attempt to confuse voters in the name of transparency. If the state did its job & adequately funded schools, districts wouldn't need to rely on local funding.; Michael Sweedo, Self: This is a matter of transparency and this bill ONLY confuses the issues in any election. The requested information is not a part of any election. Please vote NO on this disaster.; Jeannie Pacheco, Self: This is an attempt to confuse voters, if the state did its job and adequately funded schools, districts wouldn't need to rely on local funding.; Jean Gray, Self: Litchfield Elementary School District #79 Governing Board Member; Mary Kriste, Self: This is a deliberate attempt to confuse voters in the name of transparency.; Tamra Brady, Self: If public education was funded adequately, there would be no need for local override campaigning try and equal mandated business charter school funding. Vote No. This bill is a deliberate attempt to confuse voters to further defund public education.; Kathleen Beder, Self: This seems to be vindictive and further demonstrates our state's disregard for 81% of the students attending public schools. Why should you limit overrides since it is a local matter and you want less government intrusion.; Andrea Misino, Self: If the legislature would uphold its constitutionally mandated responsibility to fully fund public schools, they wouldn't need to rely on local funding. SUPPORT PUBLIC DISTRICT EDUCATION - it's the choice of 85% of Arizona families.; Jill Humpherys, Self: School finance is very difficult to understand. Federal funds and other pots of money can only be used in certain ways. This ballot language will confuse the public. Please Vote NO. Districts need overrides to provide the funding the state won't.; Judith Simons, Self: This is no bill to create transparency, it's a way to interfere in districts' managing their finances by confusing voters. Instead of micromanaging deceitfully, the legislature should provide sufficient funding for public education.; John Sparks, Self: This is a deliberate attempt to confuse voters in the name of transparency, if the state did its job and adequately funded schools, districts wouldn't need to rely on local funding in the first place.; Brenda Bartels, Self: As a voter and a school board member, it is unfair that you want the ballot language to include funds that AZ does not contribute! If school were honestly fully funded, they wouldn't need to go to voters for bonds and overrides in the first place.; F Thomas Fiedler, Self: This bill will prevent substantive conflict of interests and is urgently needed. Please pass.; Lois Lamer, Self: With less funding for school facilities, Capital Overrides and Bonds are the ONLY way local communities can improve their schools. Do not make it even more difficult in the rural areas, please.; Anne Greenberg, Self: As written, this bill would serve to mislead voters given that the total amount of funds a district receives is restricted and cannot necessarily be applied to the areas for which a district pursues a bond or override.; Karin Ward, Self: When the district of Beaver Creek went out to bond in 2009, I learned quickly the many layers of accountability required. I did so willingly. I do not see the need for any more requirements. Vote no!; Elora Diaz, AZ SCHOOL ADMINISTRATORS ASSOC: This bill would not provide the exact information needed to inform the voter of the ballot measure in question. We should not create more barriers on districts as they try to obtain funds.

SB1193, zoning; charter schools; land; facilities

Testified in support:

Jay Kaprosy, Arizona Charter Schools Association

Support:

DeAnna Rowe, AZ STATE BOARD FOR CHARTER SCHOOLS

Neutral:

Melanie Chesney, representing self

All Comments:

DeAnna Rowe, AZ STATE BOARD FOR CHARTER SCHOOLS: The Charter Board supports the S/E.; Melanie Chesney, Self: Representing the Office of the Auditor General. Available to speak if necessary.

SB1259, technical correction; liquor licenses (NOW: schools; teacher experience index; understatement)**Support:**

Janice Palmer, AZ School Boards Assn

All Comments:

Janice Palmer, AZ School Boards Assn: Support the striker

SB1306, schools; data privacy**Support:**

Tom Holding, representing self; Joyce Hill, representing self; Terry Hill, representing self; Sandi Bartlett, representing self; Ann Heins, representing self; Dawn Monahan, representing self; Patrick OMalley, representing self; Julie Smith, representing self; John Baunoch, representing self; Mary Ann Baunoch, representing self; Richard Hofelich, representing self; Michael Gardner, MICROSOFT CORPORATION; Cheyenne Walsh, AMAZON.COM; Brian Murray, GOOGLE INC; Aiden Fleming, Arizona Department Of Education; F Thomas Fiedler, representing self

All Comments:

John Baunoch, Self: I encourage you to vote Yes on SB1306. Private information of our children should not be shared with anyone. That is one of the reasons we oppose Common Core.; Michael Gardner, MICROSOFT CORPORATION: For the bill and the Lawrence amendment; Cheyenne Walsh, AMAZON.COM: Amazon supports the bill with the Lawrence committee amendment.; F Thomas Fiedler, Self: Please Pass

SB1405, schools; financial education; course requirements**Testified in support:**

Sharon Lechter, representing self; Angela Totman, representing self; Nora Ellen, representing self; Michelle Hirsch, representing self; JoAnn Holland, representing self; nick lowery, representing self

Testified as opposed:

Elora Diaz, AZ SCHOOL ADMINISTRATORS ASSOC

Oppose:

Jennifer Loredo, Arizona Education Association; Erin Reed, representing self; Lisa Doll, representing self; Jeramy Plumb, representing self; Alma Farrell, representing self; Elizabeth Hatch, Mesa Public Schools; Linda Polito, Polito Associates; Janice Palmer, AZ School Boards Assn

All Comments:

Jennifer Loredo, Arizona Education Association: AEA opposes SB1405 b/c it is an unfunded mandate for schools that requires the State Board to prescribe a separate personal finance course as a high school graduation requirement. This is in addition to any social studies courses already required.; Erin Reed, Self: I am an AZ teacher, one of your constituents and I do not support unfunded mandates. If you are going to impose educational requirements you must fund them.; Lisa Doll, Self: Please vote no. Financial literacy should be added to courses already required. Students barely have time to take classes like CTE and fine arts, this is just one more way to make kids hate school. Work with districts to embed financial in classes; Jeramy Plumb, Self: Financial education courses should not be a "Required Course" and can easily be incorporated into existing curriculum areas. An increase to requirements further limits student opportunities for programs such as CTE, Fine Arts, and other electives.; Alma Farrell, Self: CTE Classes offer high academic classes with real life experiences - this new requirement is not necessary as CTE courses meet high academic requirements; Sharon Lechter, Self: SB 1405 requires a financial education class, leveling the playing field for lower income and minority students...giving them the BEST chance for success. It has been proven that rigorous financial education improves credit scores and reduces debt.; Elora Diaz, AZ SCHOOL ADMINISTRATORS ASSOC: We support personal finance as an optional course but this is another mandate on schools that sets a precedence of the state determining which course requirements are to be included in the minimum course of study.; Nora Ellen, Self: I would like to testify on behalf of this bill. Nora Ellen Chandler City Council; Michelle Hirsch, Self: As an elected member of the Kyrene School District Governing Board, I support this bill and the requirement for students to gain financial literacy and education.; Linda Polito, Polito Associates: Financial education is critical and we support including it in the curriculum but oppose adding an additional graduation requirement and taking away an elective.

SB1406, schools; audit findings; financial penalty

Testified as opposed:

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

Support:

Joyce Hill, representing self; Terry Hill, representing self; Sandi Bartlett, representing self; Ann Heins, representing self; Dawn Monahan, representing self; Julie Smith, representing self; John Baunoch, representing self; Mary Ann Baunoch, representing self; Richard Hofelich, representing self; Krystal Slivinski, AMERICANS FOR PROSPERITY AZ; Tom Jenney, AMERICANS FOR PROSPERITY AZ; F Thomas Fiedler, representing self

Neutral:

Annie DeGraw, TUCSON UNIFIED SCHOOL DISTRICT

Oppose:

Jennifer Loredo, Arizona Education Association; Erin Hart, representing self; Jen Darland, representing self; Barbara Underwood, representing self; Jane Rucker, representing self; Dee Puff, representing self; Elizabeth Spilotro, representing self; Patrice Kennedy, representing self; Julianne Hartzell, representing self; Cheryl Hasebe,

representing self; Kathryn Kozak, representing self; Diann Christensen, representing self; Alma Farrell, representing self; Michael Sweedo, representing self; Jeannie Pacheco, representing self; Jean Gray, representing self; Mary Kriste, representing self; Dr. Donald Covery, representing self; Tamra Brady, representing self; John Sparks, representing self; Elizabeth Hatch, Mesa Public Schools; Elora Diaz, AZ SCHOOL ADMINISTRATORS ASSOC; Linda Polito, Polito Associates; Janice Palmer, AZ School Boards Assn

All Comments:

Jen Darland, Self: Current statute allows for the withholding of funds for USFR violations, as well as FERPA violations. This seems an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature.; Barbara Underwood, Self: Current statute allows for the withholding of funds for USFR violations, as well as FERPA violations. This seems an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature. Payson Board President; Jane Rucker, Self: Current statute allows for the withholding of funds for USFR violations, as well as FERPA violations. This seems an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature.; Dee Puff, Self: As a board member I'm concerned that this bill seeks to penalize districts for minor audit findings that may or may not be financial in nature. Current statute allows for withholding funds for USFR and FERPA violations; SB1406 is unnecessary.; Elizabeth Spilotro, Self: The bill would create outsize financial penalties for what could be minor audit matters.; Patrice Kennedy, Self: This is a detrimental overreach designed to penalize districts for smaller audit findings that may not even be financial in nature. Current statute already allows for withholding of funds for both USFR and FERPA violations.; Julianne Hartzell, Self: There already is current statute relating to this. This seems an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature.; Cheryl Hasebe, Self: Current statute allows withholding of funds for USFR/FERPA violations. This bill seems an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature.; Kathryn Kozak, Self: Current statute allows for the withholding of funds for USFR violations, as well as FERPA violations. This seems an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature.; John Baunoch, Self: I encourage you to vote Yes on SB1406. Everyone should have accountability.; Mary Ann Baunoch, Self: All schools should be open to auditing. It allows for accountability.; Diann Christensen, Self: Minor errors found in auditing shouldn't be punished financially. When districts are cash-strapped, students would pay the price. Statutes with penalties are already in place for important violations. There is no need for this kind of overreach.; Alma Farrell, Self: As a Governing Board member current statute allows for the withholding of funds for USFR violations as well as FERPA violations. This is an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature.; Michael Sweedo, Self: Release of info is a local control matter, and needs to stay that way. Please vote NO on this outrageous disaster.; Jeannie Pacheco, Self: This is an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature. Current statute allows for the withholding of funds for USFR violations as well as FERPA violations.; Jean Gray, Self: Litchfield Elementary School District #79 Governing Board Member; Mary Kriste, Self: The current statute allows for the withholding of funds for USFR and FERPA violations. This may penalize school districts for smaller audit funding that may or may not be financial in nature.; Tamra Brady, Self: Vote No. Current statute already allows for USFR and FERPA violation with holdings. This appears to be an overreach to penalize school districts for smaller audit findings that may or may not be financial. Please stop penalizing public education.; John Sparks, Self: Current statute allows for the withholding of funds for USFR violations, as well as FERPA violations. This seems an overreach to penalize school districts for smaller audit findings that may or may not be financial in nature.; Elora Diaz, AZ SCHOOL ADMINISTRATORS ASSOC: Withholding funds could significantly impact programs and this practice is already established in statute so it is not necessary. See 15-272.; Annie DeGraw, TUCSON UNIFIED SCHOOL DISTRICT: With concerns. TUSD supports accountability but has concerns as to the rigidity of this bill's requirements.; F Thomas Fiedler, Self: Please pass SB1406 out of Committee.

SB1126, schools; daily organized physical activity

Testified in support:

steve gall, representing self

Neutral:

Janice Palmer, AZ School Boards Assn; Elora Diaz, AZ SCHOOL ADMINISTRATORS ASSOC

Oppose:

Cheryl Hasebe, representing self; Erin Reed, representing self

All Comments:

Cheryl Hasebe, Self: I am a retired educator and a constituent. This is a ridiculous bill that will require teachers/ancillary staff (whose \$\$ you've cut). Parents should be responsible to ensure their children get physical activity. Do NOT shove this onto schools!!; steve gall, Self: Our bill costs 0 dollars!!; Erin Reed, Self: I am an AZ teacher, one of your constituents and I do not support unfunded mandates. If you are going to impose requirements on our schools you must fund.



p 480-607-1940 | f 480-607-1923 | 6611 N 64th Pl. | Paradise Valley, AZ 85253

Please Support SB 1405!

Please add your support for SB 1405, a bipartisan bill sponsored by Senator Yee and Senator Begay addressing the critical need to teach Arizona students financial education that passed in the Senate with overwhelming support from both parties.

A report released on February 5, 2015 by FINRA provides *quantitative and definitive evidence that **RIGOROUS financial education at the high school level improves the credit scores and lowers debt delinquencies in young adults.***

In addition:

Since 2005, *income levels have dropped* for 25-34 year olds, but their *debt has risen by 35%*.

ARIZONA ranks *6th highest in teen unemployment* according to the Employment Policies Institute and the US Bureau of Labor Statistics.***

Financial education is a critical *life skill*, essential for the short and long term financial success of Arizona students. It is also education that students are asking for and teachers feel should be required:

- 89% of teachers agree or strongly agree that students should take a financial literacy course or pass a test for high school graduation**
- 86% of students say they would rather learn about money management in class before making mistakes in the real world.*

No matter whether you are a CEO, a janitor, a musician, or a teacher...you must deal with money.

The more you know about how to earn it, keep it and grow it...the better chance you have for leading a successful life. And maybe even more importantly, financial education levels the playing field. *Children from low-income and less educated households benefit the MOST from financial education...as do minorities and women.* (Federal Reserve Bank of Richmond).

Below is a list of topics listed directly in SB1405 that would be covered in a separate financial education course in order to prepare Arizona high school students for the financial world they face:

- Explanations of how education, career choices and family obligations affect future income.
- Analyses of how advertising influences consumer choices.
- The determination of short-term and long-term financial goals and plans, including income, spending, savings and investing.
- Comparisons of the advantages and disadvantages of using various forms of credit.
- The determining factors of a credit score and the contents of a credit report.
- Explanation of the risk, return and liquidity of short-term and long-term saving and investment choices.
- Identification of investment options available to individuals and households
- The review and preparation of personal financial statements.
- The preparation of a personal budget.
- College funding resources.



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- An introduction to entrepreneurship.

The current standards for personal finance are the last 6 bullet points on **page 10** at the end of the 5th strand in economics. **IT IS NOT RIGOROUS! IT IS NOT ENOUGH!**

Please reach out to members of the Arizona Senate letting them know you support SB1405 using the draft message provided here for your convenience. Also included is a Senate Roster on the next page for your convenience.

*2011 Charles Schwab Teens and Money Survey

**2010 National Endowment for Financial Education National Survey

***U.S. Bureau of Labor and Statistics <http://www.bls.gov/cps/cpsaat03.pdf>;



Financial Education in High School

Why:

- \$73,000- the average starting salary teens expect to earn*
- 89% of teachers agree or strongly agree that students should take a financial literacy course or pass a test for high school graduation**
- 25% Unemployment for 16-19 year olds and 13.3% for 20-24 year olds in 2012***
- 86% of students say they would rather learn about money management in class before making mistakes in the real world.*

Curriculum Cost: Free curriculum resources available from a variety of sources.

- MoneySkill Program- *MoneySKILL* is a FREE online reality based personal finance course
<http://www.moneyskill.org/>
- NEFE High School Financial Planning Program- NEFE's High School Financial Planning Program® <http://www.hsfpp.org/>
- FDIC Money Smart Program- The FDIC's Money Smart for Young Adults curriculum helps youth ages 12-20 learn the basics of handling their money and finances.
<http://www.fdic.gov/consumers/consumer/moneysmart/young.html>
- Actuarial Foundation Building Your Future Curriculum- *Building Your Future* helps students easily grasp the essentials of personal finance, gives them multiple opportunities to practice core skills and showcases the real-world impact of the financial decisions they make.
<http://www.actuarialfoundation.org/programs/youth/BuildingYourFuture.shtml>

Instructor Training: Creation of a non-profit business collaborative to train teachers.

Solution: SB 1405

Sponsored by Senator Kimberly Yee

Supported by:

- Financial Literacy Expert Sharon Lechter
- Passed with overwhelming support from both parties in the Senate (25-5)
- Deborah Bateman- Executive VP, Director of Wealth Strategies, National Bank of AZ
- Arizona Council on Economic Education

*2011 Charles Schwab Teens and Money Survey

**2010 National Endowment for Financial Education National Survey

***U.S. Bureau of Labor and Statistics <http://www.bls.gov/cps/cpsaat03.pdf>



HOUSE OF REPRESENTATIVES

SB 1076

teacher student loan program; appropriation
Sponsors: Senators Yee, Begay, Bradley, et al.

X Committee on Education
Committee on Appropriations
Caucus and COW
House Engrossed

OVERVIEW

SB 1076 appropriates \$350,000 in Fiscal Year (FY) 2016 from the General Fund (GF) to the Arizona Commission for Postsecondary Education (ACPE) for the Mathematics, Science and Special Education Teacher Loan Program (Program) and expands its eligibility requirements.

HISTORY

Arizona Revised Statutes (A.R.S.) § 15-1851 requires ACPE to administer the Program in addition to programs listed under the Higher Education Act amendments of 1998. Laws 2007, Chapter 265, established the Mathematics, Science and Special Education Teacher Loan Fund (Fund) in order to grant conditional loans to offset the costs of tuition and other instructional materials to student's pursuing teaching degrees. The loan may be up to \$7,000 dollars a year, excluding all grants, scholarships and tuition benefits, for up to five years (A.R.S. § 15-1782).

To qualify for a loan, an applicant must agree to provide instruction in mathematics, science or special education at a public school in this state or in an elementary school in a geographic area of the state experiencing a teacher shortage. Recipients must begin service one calendar year after attaining a bachelor's degree and must commit to one year of service per year of loan support, plus one additional year. Recipients may postpone this service if they are inducted into military service, begin postgraduate studies or for any circumstance that ACPE approves is out of their control. Students who do not meet the criteria within the contract provided by ACPE must repay the loan plus any interest (A.R.S. § 15-1783).

PROVISIONS

1. Increases the Program's maximum annual loan amount from \$7,000 to \$10,000.
2. Expands loan eligibility to include a student pursuing a teaching certificate at a qualifying postsecondary institution.
3. Determines that a student pursuing a teaching degree or a student enrolled in a teacher certification program, after obtaining a bachelor's degree, is not disqualified from eligibility to the Program.
4. Requires that a recipient begin service one calendar year after receiving a teaching degree or teacher certification program, rather than a bachelor's degree.
5. Appropriates \$350,000 from the GF to ACPE to be deposited in the Fund in FY 2016.
6. Makes technical and conforming changes.

**ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - First Regular Session**

ROLL CALL VOTE

COMMITTEE ON EDUCATION BILL NO. SB 1076

DATE March 18, 2015 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding		✓			
Mr. Coleman		✓			
Mr. Montenegro		✓			
Mrs. Norgaard		✓			
Ms. Otondo		✓			
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		7	0	0	1

APPROVED:



 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman



 COMMITTEE SECRETARY

ATTACHMENT _____



HOUSE OF REPRESENTATIVES

SB 1126

schools; daily organized physical activity

Sponsors: Senators Bradley, Begay, Cajero Bedford, et al.

X Committee on Education

Caucus and COW

House Engrossed

OVERVIEW

SB 1126 permits a school district governing board or charter school governing body to adopt policies to require students in grades K-5 to engage in daily organized physical activity.

HISTORY

Arizona Revised Statutes § 15-203 directs the Arizona State Board of Education (SBE) to set policies and regulate the public school system, supervise teacher and administrator certification and set minimum course requirements for students matriculating in the public school system. SBE adopted the current physical education standards in 2009 which were fully implemented by public schools in the 2011 school year. The standards are utilized in all public schools and include:

- Demonstrating competency in motor skills and movement patterns needed to perform a variety of physical activities.
- Demonstrating an understanding of movement concepts, principles, strategies and tactics as these apply to the learning and performance of physical activities.
- Participating regularly in physical activity both during and beyond the structured physical education class.
- Exhibiting responsible personal and social behavior that respects self and others in physical activity settings.
- Achieving and maintaining a health-enhancing level of physical fitness.
- Valuing physical activity for health, enjoyment, challenge, self-expression and/or social interaction.

In January 2015, SBE released new draft standards for physical education (www.azed.gov/health-nutrition/physical-ed-standard/).

PROVISIONS

1. Permits the governing body of a school district or charter school that provides K-5 instruction to adopt policies to require K-5 students to engage in daily organized physical activity outside or inside the classroom.
 - a. Allows physical education classes to satisfy the physical activity requirement.
 - b. Determines that unstructured recess time that occurs immediately before or after lunch does not satisfy the physical activity requirement.
 - c. Exempts Arizona Online Instruction students.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1126

(Reference to Senate engrossed bill)

- 1 Page 1, line 4, strike the second semicolon; strike line 5
- 2 Line 11, after "SATISFY" strike remainder of line; strike line 12, insert
- 3 "POLICIES ADOPTED PURSUANT TO SUBSECTION A."
- 4 Line 14, after "SATISFY" strike remainder of line, insert "POLICIES ADOPTED
- 5 PURSUANT TO SUBSECTION A."
- 6 Amend title to conform

JAY LAWRENCE

1126-p1-lawrence
3/17/15
8:22 AM
H:ajs

Attachment 6

Adopted # of Verbals _____
Failed _____ Withdrawn _____
Not Offered _____ Analysts Initials _____

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

ROLL CALL VOTE

COMMITTEE ON EDUCATION BILL NO. SB 1126

DATE March 18, 2015 MOTION: DPA

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding					✓
Mr. Coleman		✓			
Mr. Montenegro		✓			
Mrs. Norgaard		✓			
Ms. Otondo		✓			
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		6	0	0	2

APPROVED: 

 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman


 COMMITTEE SECRETARY

ATTACHMENT _____



HOUSE OF REPRESENTATIVES

SB 1172

schools; information; political activity; prohibition

Sponsors: Senators Yee, Lesko, Ward, et al.

X Committee on Education

Caucus and COW

House Engrossed

OVERVIEW

SB 1172 prohibits school districts and charter schools from releasing student information to a person or group for the purposes of engaging in political activity.

HISTORY

Arizona Revised Statutes (A.R.S.) § 15-1045 requires all collection, maintenance and disclosure of student educational records compiled by the Arizona Department of Education to comply with the Family Education Rights and Privacy Act (FERPA). FERPA is a federal law designed to protect the privacy of student data (20 U.S. Code § 1232g). According to the U.S. Department of Education (ED), FERPA generally prohibits the improper disclosure of information that would identify a student. FERPA applies to all educational agencies and institutions that receive federal funding. A school is prohibited under FERPA from disclosing information about a student that would identify them to a third party unless the student or parent has provided written consent, with exceptions. If a violation occurs, the student may file a complaint with the Family Policy Compliance Office of ED. On determination that a violation has occurred, the school is informed and must take steps to come back into compliance (www.ed.gov).

A.R.S. § 15-142 permits school district governing boards and charter school governing bodies to release student directory information, including names, addresses and telephone numbers, to persons that inform students of educational or occupational opportunities or to official recruiting representatives of the state militia and U.S. armed services.

A.R.S. § 15-511 prohibits a person acting on behalf of a school district or charter school from using school resources for the purposes of influencing the outcomes of elections, though the school district may distribute informational materials related to proposed budget override and bond elections.

PROVISIONS

1. Prohibits a school district or charter school from releasing information, including student directory information or information that would violate FERPA, to any person or group for the purposes of engaging in political activity, including activity relating to a bond or override election
2. Prohibits a school district or charter school from accepting monetary compensation or gifts, other than fees permitted by law, for the production of records or in return for providing restricted information under this Act.
3. Makes technical and conforming changes.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1172

(Reference to Senate engrossed bill)

1 Page 1, between lines 1 and 2, insert:

2 "Section 1. Section 15-511, Arizona Revised Statutes, is amended to
3 read:

4 15-511. Use of school district or charter school resources or
5 employees to influence elections; prohibition; civil
6 penalty; definitions

7 A. A person acting on behalf of a school district or a person who aids
8 another person acting on behalf of a school district shall not spend or use
9 school district or charter school resources, including the use or expenditure
10 of monies, accounts, credit, facilities, vehicles, postage,
11 telecommunications, computer hardware and software, web pages, personnel,
12 equipment, materials, buildings or any other thing of value of the school
13 district or charter school, for the purpose of influencing the outcomes of
14 elections OR TO ADVOCATE SUPPORT FOR OR OPPOSITION TO PENDING OR PROPOSED
15 LEGISLATION. Notwithstanding this section, a school district may distribute
16 informational reports on a proposed budget override election as provided in
17 section 15-481, subsections B and C or informational reports on a proposed
18 bond election as provided in section 15-491, subsection D if those
19 informational reports present factual information in a neutral manner, except
20 for those arguments presented as prescribed in section 15-481, subsection B,
21 paragraph 9. Nothing in this section precludes a school district from
22 reporting on official actions of the governing board.

23 B. This section does not prohibit the use of school district or
24 charter school resources, including facilities and equipment, for
25 government-sponsored forums or debates if the government
26 impartial and the events are purely informational and
27 opportunity to all viewpoints. The rental and use of a public facility by a
3 private person or entity that may lawfully attempt to
29 of an election is permitted if it does not occur at t
30 as a government-sponsored forum or debate.

Attachment 9

Adopted _____	# of Verbals _____
Failed _____	Withdrawn <input checked="" type="checkbox"/>
Not Offered _____	Analysts Initials _____

1 C. An employee of a school district or charter school who is acting as
2 an agent of or working in an official capacity for the school district or
3 charter school may not give pupils written materials to influence the outcome
4 of an election or to advocate support for or opposition to pending or
5 proposed legislation.

6 D. Employees of a school district or charter school may not use the
7 authority of their positions to influence the vote or political activities of
8 any subordinate employee.

9 E. Notwithstanding section 15-342, paragraph 8, a school district
10 shall not spend monies for membership in an association that attempts to
11 influence the outcome of an election.

12 F. Nothing contained in this section shall be construed as denying the
13 civil and political liberties of any person as guaranteed by the United
14 States and Arizona Constitutions.

15 G. The attorney general shall publish and distribute to school
16 districts and charter schools a detailed guideline regarding activities
17 prohibited under this section. The attorney general may distribute these
18 guidelines through a website or electronically.

19 H. The attorney general or the county attorney for the county in which
20 an alleged violation of this section occurred may initiate a suit in the
21 superior court in the county in which the school district or charter school
22 is located for the purpose of complying with this section.

23 I. For each violation of this section, the court may impose a civil
24 penalty not to exceed five thousand dollars plus any amount of misused funds
25 subtracted from the school district budget against a person who knowingly
26 violates or a person who knowingly aids another person in violating this
27 section. The person determined to be out of compliance with this section
28 shall be responsible for the payment of all penalties and misused
29 funds. School district funds or insurance payments shall not be used to pay
30 these penalties or misused funds. All misused funds collected pursuant to
31 this section shall be returned to the school district or charter school whose
32 funds were misused.

1 J. An attorney acting on behalf of a public school may request a legal
2 opinion of the county attorney or attorney general as to whether a proposed
3 use of school district resources would violate this section.

4 K. All penalties collected by the court for a suit initiated in
5 superior court by the attorney general shall be paid to the office of the
6 attorney general for the use and reimbursement of costs of prosecution
7 pursuant to this section. All penalties collected by the court for a suit
8 initiated in superior court by a county attorney shall be paid to the county
9 treasurer of the county in which the court is held for the use and
10 reimbursement of costs of prosecution pursuant to this section.

11 L. For the purposes of this section:

12 1. "Government-sponsored forum or debate" means any event, or part of
13 an event or meeting, in which the government is an official sponsor, which is
14 open to the public or to invited members of the public, and whose purpose is
15 to inform the public about an issue or proposition that is before the voters.

16 2. "Influencing the outcomes of elections" means supporting or
17 opposing a candidate for nomination or election to public office or the
18 recall of a public officer or supporting or opposing a ballot measure,
19 question or proposition, including any bond, budget or override election and
20 supporting or opposing the circulation of a petition for the recall of a
21 public officer or a petition for a ballot measure, question or proposition in
22 any manner that is not impartial or neutral.

23 3. "Misused funds" means school district monies or resources used
24 unlawfully pursuant to this section."

25 Renumber to conform

26 Amend title to conform

JAY LAWRENCE

1172-p1-lawrence
3/16/15
3:40 PM
H:ajs

**ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - First Regular Session**

ROLL CALL VOTE

COMMITTEE ON _____ EDUCATION _____ BILL NO. SB 1172

DATE March 18, 2015 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding					✓
Mr. Coleman		✓			
Mr. Montenegro		✓			
Mrs. Norgaard		✓			
Ms. Otondo			✓		
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		5	1	0	2

APPROVED: _____
 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman

Jackie O'Donnell
 COMMITTEE SECRETARY

ATTACHMENT _____



HOUSE OF REPRESENTATIVES

SB 1173

schools; bonds; overrides; funding sources
Sponsors: Senators Yee, Griffin, Lesko, et al.

X Committee on Education

Caucus and COW

House Engrossed

OVERVIEW

SB 1173 requires school district bond and override election informational materials to include a statement of the total amount of per pupil funding received by a school district.

HISTORY

Arizona Revised Statutes (A.R.S.) § 15-481 requires a school district governing board to order an override election if a proposed school district budget exceeds the aggregate limit for the budget year. Within 40 days of the election, the county school superintendent is required to prepare and provide an informational report on the proposed increase to the budget to the voters within the school district which includes:

- The total amount of the current year's budget, the total amount of the proposed budget and the total amount of the alternate budget.
- The length of time of the override and the percent of the school district's Revenue Control Limit that the district is requesting.
- The total amount of revenues to fund the increase that derives from a property tax levy in the school district.
- The dollar amount and purpose for the proposed budget increase.

A.R.S. § 15-491 outlines the procedures for a school district bond initiative. The school district governing board or the voters are authorized to call for an election to locate or change the location of school buildings, purchase or sell school sites or buildings or to build school buildings. Within 35 days of the election, the school district governing board is required to provide a publicity pamphlet to the voters that includes:

- A summary of the school district's most recent submitted capital plan.
- A list of each proposed capital improvement that will be funded with bond proceeds.
- A description of the proposed cost of each improvement.
- The tax rate associated with each of the proposed capital improvements.

PROVISIONS

1. Requires school district budget override election informational reports and bond election publicity pamphlets to include the total amount of funds the school district received from state, local and federal funding sources per pupil for the Fiscal Year.
2. Makes technical changes.

**ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - First Regular Session**

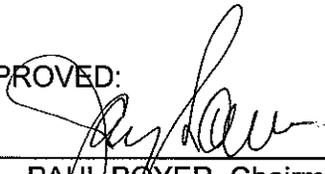
ROLL CALL VOTE

COMMITTEE ON EDUCATION BILL NO. SB 1173

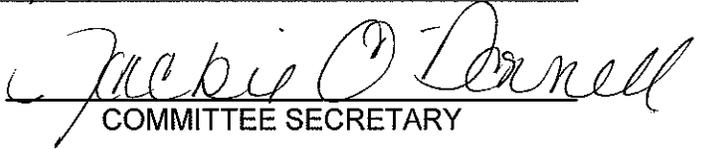
DATE March 18, 2015 MOTION: OP

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding					✓
Mr. Coleman			✓		
Mr. Montenegro		✓			
Mrs. Norgaard		✓			
Ms. Otondo			✓		
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		4	2	0	2

APPROVED:



 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman



 COMMITTEE SECRETARY

ATTACHMENT 



HOUSE OF REPRESENTATIVES

SB 1193

zoning; charter schools; land; facilities

Sponsors: Senator Ward

X Committee on Education

Caucus and COW

House Engrossed

OVERVIEW

SB 1193 requires land and facilities that are owned, leased or operated by a charter school to be zoned the same as public schools.

Summary of the Proposed Strike-Everything Amendment to SB 1193

The proposed strike-everything amendment to SB 1193 requires charter school sponsors to consider progress towards academic performance expectations as one of the most important factors in determining charter renewal and submit an annual report to the Office of the Auditor General (OAG).

HISTORY

Arizona Revised Statutes § 15-183 requires an applicant seeking to establish a charter school to submit an application to a prospective sponsor that includes a detailed education plan, detailed business plan, detailed operational plan and any other materials required by the sponsor. The charter school sponsor may contract with a public body, private person or private organization to establish a charter school. A charter school may be sponsored by any of the following:

- A school district governing board.
 - Only for charter schools that began operations before July 1, 2013.
- The Arizona State Board of Education or State Board for Charter Schools.
- A university, community college or group of community colleges.

Charters are effective for 15 years from the first day of the Fiscal Year specified in the charter. At least 18 months prior to the charter expiration, the charter school receives notification from the sponsor and may apply for a renewal of the charter. The charter sponsor may deny the request for renewal if the charter holder has failed to meet or make sufficient progress towards the academic or operational performance expectations set forth in the performance framework, complete the obligations of the charter or comply with law. Additionally, charter sponsors are required to review the charter in five-year intervals and may revoke the charter at any time for breaches of the charter or failure to comply with the performance framework expectations.

PROVISIONS

1. Requires charter sponsors to consider making sufficient progress toward the academic performance expectations in the sponsor's performance framework as one of the most important factors in determining whether to renew or revoke a charter holder.
2. Requires charter sponsors to make an annual report to OAG by December 1 that includes:
 - a. The current number of charters authorized and the number of schools operated by authorized charter holders.

SB 1193

- b. The academic and operational performance of the sponsor's charter portfolio as measured by the sponsor's adopted performance framework.
 - c. The number of new charters approved, the number of charter schools closed and the reason for closures.
 - d. The sponsor's application, amendment, renewal and revocation processes, charter contract template and current performance framework.
3. Directs OAG to review all submitted annual reports for compliance.
 4. Instructs OAG to provide the report with OAG's findings to the Governor, Legislature and Secretary of State and make it publically available by December 31 each year.
 5. Directs the Legislature to consider revoking a sponsor's authority to sponsor charter schools if OAG finds significant non-compliance or reports a sponsor's failure to submit the report.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1193

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 15-183, Arizona Revised Statutes, is amended to
3 read:

4 15-183. Charter schools; application; requirements; immunity;
5 exemptions; renewal of application; reprisal; fee;
6 funds

7 A. An applicant seeking to establish a charter school shall submit a
8 written application to a proposed sponsor as prescribed in subsection C of
9 this section. The application, application process and application time
10 frames shall be posted on the sponsor's website and shall include the
11 following, as specified in the application adopted by the sponsor:

- 12 1. A detailed educational plan.
13 2. A detailed business plan.
14 3. A detailed operational plan.
15 4. Any other materials required by the sponsor.

16 B. The sponsor of a charter school may contract with a public body,
17 private person or private organization for the purpose of establishing a
18 charter school pursuant to this article.

19 C. The sponsor of a charter school may be either a school district
20 governing board, the state board of education, the state board for charter
21 schools, a university under the jurisdiction of the Arizona board of regents,
22 a community college district with enrollment of more than fifteen thousand
23 full-time equivalent students or a group of community college districts with
24 a combined enrollment of more than fifteen thousand full-time equivalent
25 students, subject to the following requirements:

26 1. For charter schools that submit an application for s
27 school district governing board:

Attachment 14
Adopted # of Verbals _____
Failed _____ Withdrawn _____
Not Offered _____ Analysts Initials _____

1 (a) An applicant for a charter school may submit its application to a
2 school district governing board, which shall either accept or reject
3 sponsorship of the charter school within ninety days. An applicant may
4 submit a revised application for reconsideration by the governing board. If
5 the governing board rejects the application, the governing board shall notify
6 the applicant in writing of the reasons for the rejection. The applicant may
7 request, and the governing board may provide, technical assistance to improve
8 the application.

9 (b) In the first year that a school district is determined to be out
10 of compliance with the uniform system of financial records, within fifteen
11 days of the determination of noncompliance, the school district shall notify
12 by certified mail each charter school sponsored by the school district that
13 the school district is out of compliance with the uniform system of financial
14 records. The notification shall include a statement that if the school
15 district is determined to be out of compliance for a second consecutive year,
16 the charter school will be required to transfer sponsorship to another entity
17 pursuant to subdivision (c) of this paragraph.

18 (c) In the second consecutive year that a school district is
19 determined to be out of compliance with the uniform system of financial
20 records, within fifteen days of the determination of noncompliance, the
21 school district shall notify by certified mail each charter school sponsored
22 by the school district that the school district is out of compliance with the
23 uniform system of financial records. A charter school that receives a
24 notification of school district noncompliance pursuant to this subdivision
25 shall file a written sponsorship transfer application within forty-five days
26 with the state board of education, the state board for charter schools or the
27 school district governing board if the charter school is located within the
28 geographic boundaries of that school district. A charter school that
29 receives a notification of school district noncompliance may request an
30 extension of time to file a sponsorship transfer application, and the state
31 board of education, the state board for charter schools or a school district
32 governing board may grant an extension of not more than an additional thirty

1 days if good cause exists for the extension. The state board of education
2 and the state board for charter schools shall approve a sponsorship transfer
3 application pursuant to this paragraph.

4 (d) A school district governing board shall not grant a charter to a
5 charter school that is located outside the geographic boundaries of that
6 school district.

7 (e) A school district that has been determined to be out of compliance
8 with the uniform system of financial records during either of the previous
9 two fiscal years shall not sponsor a new or transferring charter school.

10 (f) Notwithstanding any other law, a school district governing board
11 shall not grant a charter to a new charter school that begins initial
12 operations after June 30, 2013 or convert an existing district public school
13 to a charter school that begins initial operations after June 30, 2013.

14 2. The applicant may submit the application to the state board of
15 education or the state board for charter schools. Notwithstanding any other
16 law, neither the state board for charter schools nor the state board of
17 education shall grant a charter to a school district governing board for a
18 new charter school that begins initial operations after June 30, 2013 or for
19 the conversion of an existing district public school to a charter school that
20 begins initial operations after June 30, 2013. The state board of education
21 or the state board for charter schools may approve the application if the
22 application meets the requirements of this article and may approve the
23 charter if the proposed sponsor determines, within its sole discretion, that
24 the applicant is sufficiently qualified to operate a charter school and that
25 the applicant is applying to operate as a separate charter holder by
26 considering factors such as whether:

27 (a) The schools have separate governing bodies, governing body
28 membership, staff, facilities and student population.

29 (b) Daily operations are carried out by different administrators.

30 (c) The applicant intends to have an affiliation agreement for the
31 purpose of providing enrollment preferences.

1 (d) The applicant's charter management organization has multiple
2 charter holders serving varied grade configurations on one physical site or
3 nearby sites serving one community.

4 (e) It is reconstituting an existing school site population at the
5 same or new site.

6 (f) It is reconstituting an existing grade configuration from a prior
7 charter holder with at least one grade remaining on the original site with
8 the other grade or grades moving to a new site. The state board of education
9 or the state board for charter schools may approve any charter schools
10 transferring charters. The state board of education and the state board for
11 charter schools shall approve any charter schools transferring charters from
12 a school district that is determined to be out of compliance with the uniform
13 system of financial records pursuant to this section, but may require the
14 charter school to sign a new charter that is equivalent to the charter
15 awarded by the former sponsor. If the state board of education or the state
16 board for charter schools rejects the preliminary application, the state
17 board of education or the state board for charter schools shall notify the
18 applicant in writing of the reasons for the rejection and of suggestions for
19 improving the application. An applicant may submit a revised application for
20 reconsideration by the state board of education or the state board for
21 charter schools. The applicant may request, and the state board of education
22 or the state board for charter schools may provide, technical assistance to
23 improve the application.

24 3. The applicant may submit the application to a university under the
25 jurisdiction of the Arizona board of regents, a community college district or
26 a group of community college districts. A university, a community college
27 district or a group of community college districts shall not grant a charter
28 to a school district governing board for a new charter school that begins
29 initial operations after June 30, 2013 or for the conversion of an existing
30 district public school to a charter school that begins initial operations
31 after June 30, 2013. A university, a community college district or a group
32 of community college districts may approve the application if it meets the

1 requirements of this article and if the proposed sponsor determines, in its
2 sole discretion, that the applicant is sufficiently qualified to operate a
3 charter school.

4 4. Each applicant seeking to establish a charter school shall submit a
5 full set of fingerprints to the approving agency for the purpose of obtaining
6 a state and federal criminal records check pursuant to section 41-1750 and
7 Public Law 92-544. If an applicant will have direct contact with students,
8 the applicant shall possess a valid fingerprint clearance card that is issued
9 pursuant to title 41, chapter 12, article 3.1. The department of public
10 safety may exchange this fingerprint data with the federal bureau of
11 investigation. The criminal records check shall be completed before the
12 issuance of a charter.

13 5. All persons engaged in instructional work directly as a classroom,
14 laboratory or other teacher or indirectly as a supervisory teacher, speech
15 therapist or principal shall have a valid fingerprint clearance card that is
16 issued pursuant to title 41, chapter 12, article 3.1, unless the person is a
17 volunteer or guest speaker who is accompanied in the classroom by a person
18 with a valid fingerprint clearance card. A charter school shall not employ a
19 teacher whose certificate has been surrendered or revoked, unless the
20 teacher's certificate has been subsequently reinstated by the state board of
21 education. All other personnel shall be fingerprint checked pursuant to
22 section 15-512, or the charter school may require those personnel to obtain a
23 fingerprint clearance card issued pursuant to title 41, chapter 12,
24 article 3.1. Before employment, the charter school shall make documented,
25 good faith efforts to contact previous employers of a person to obtain
26 information and recommendations that may be relevant to a person's fitness
27 for employment as prescribed in section 15-512, subsection F. The charter
28 school shall notify the department of public safety if the charter school or
29 sponsor receives credible evidence that a person who possesses a valid
30 fingerprint clearance card is arrested for or is charged with an offense
31 listed in section 41-1758.03, subsection B. Charter schools may hire
32 personnel that have not yet received a fingerprint clearance card if proof is

1 provided of the submission of an application to the department of public
2 safety for a fingerprint clearance card and if the charter school that is
3 seeking to hire the applicant does all of the following:

4 (a) Documents in the applicant's file the necessity for hiring and
5 placement of the applicant before receiving a fingerprint clearance card.

6 (b) Ensures that the department of public safety completes a statewide
7 criminal records check on the applicant. A statewide criminal records check
8 shall be completed by the department of public safety every one hundred
9 twenty days until the date that the fingerprint check is completed or the
10 fingerprint clearance card is issued or denied.

11 (c) Obtains references from the applicant's current employer and the
12 two most recent previous employers except for applicants who have been
13 employed for at least five years by the applicant's most recent employer.

14 (d) Provides general supervision of the applicant until the date that
15 the fingerprint card is obtained.

16 (e) Completes a search of criminal records in all local jurisdictions
17 outside of this state in which the applicant has lived in the previous five
18 years.

19 (f) Verifies the fingerprint status of the applicant with the
20 department of public safety.

21 6. A charter school that complies with the fingerprinting requirements
22 of this section shall be deemed to have complied with section 15-512 and is
23 entitled to the same rights and protections provided to school districts by
24 section 15-512.

25 7. If a charter school operator is not already subject to a public
26 meeting or hearing by the municipality in which the charter school is
27 located, the operator of a charter school shall conduct a public meeting at
28 least thirty days before the charter school operator opens a site or sites
29 for the charter school. The charter school operator shall post notices of
30 the public meeting in at least three different locations that are within
31 three hundred feet of the proposed charter school site.

1 8. A person who is employed by a charter school or who is an applicant
2 for employment with a charter school, who is arrested for or charged with a
3 nonappealable offense listed in section 41-1758.03, subsection B and who does
4 not immediately report the arrest or charge to the person's supervisor or
5 potential employer is guilty of unprofessional conduct and the person shall
6 be immediately dismissed from employment with the charter school or
7 immediately excluded from potential employment with the charter school.

8 9. A person who is employed by a charter school and who is convicted
9 of any nonappealable offense listed in section 41-1758.03, subsection B or is
10 convicted of any nonappealable offense that amounts to unprofessional conduct
11 under section 15-550 shall immediately do all of the following:

12 (a) Surrender any certificates issued by the department of education.

13 (b) Notify the person's employer or potential employer of the
14 conviction.

15 (c) Notify the department of public safety of the conviction.

16 (d) Surrender the person's fingerprint clearance card.

17 D. An entity that is authorized to sponsor charter schools pursuant to
18 this article has no legal authority over or responsibility for a charter
19 school sponsored by a different entity. This subsection does not apply to
20 the state board of education's duty to exercise general supervision over the
21 public school system pursuant to section 15-203, subsection A, paragraph 1.

22 E. The charter of a charter school shall do all of the following:

23 1. Ensure compliance with federal, state and local rules, regulations
24 and statutes relating to health, safety, civil rights and insurance. The
25 department of education shall publish a list of relevant rules, regulations
26 and statutes to notify charter schools of their responsibilities under this
27 paragraph.

28 2. Ensure that it is nonsectarian in its programs, admission policies
29 and employment practices and all other operations.

30 3. Ensure that it provides a comprehensive program of instruction for
31 at least a kindergarten program or any grade between grades one and twelve,
32 except that a school may offer this curriculum with an emphasis on a specific

1 learning philosophy or style or certain subject areas such as mathematics,
2 science, fine arts, performance arts or foreign language.

3 4. Ensure that it designs a method to measure pupil progress toward
4 the pupil outcomes adopted by the state board of education pursuant to
5 section 15-741.01, including participation in the Arizona instrument to
6 measure standards test and the nationally standardized norm-referenced
7 achievement test as designated by the state board and the completion and
8 distribution of an annual report card as prescribed in chapter 7, article 3
9 of this title.

10 5. Ensure that, except as provided in this article and in its charter,
11 it is exempt from all statutes and rules relating to schools, governing
12 boards and school districts.

13 6. Ensure that, except as provided in this article, it is subject to
14 the same financial and electronic data submission requirements as a school
15 district, including the uniform system of financial records as prescribed in
16 chapter 2, article 4 of this title, procurement rules as prescribed in
17 section 15-213 and audit requirements. The auditor general shall conduct a
18 comprehensive review and revision of the uniform system of financial records
19 to ensure that the provisions of the uniform system of financial records that
20 relate to charter schools are in accordance with commonly accepted accounting
21 principles used by private business. A school's charter may include
22 exceptions to the requirements of this paragraph that are necessary as
23 determined by the district governing board, the university, the community
24 college district, the group of community college districts, the state board
25 of education or the state board for charter schools. The department of
26 education or the office of the auditor general may conduct financial, program
27 or compliance audits.

28 7. Ensure compliance with all federal and state laws relating to the
29 education of children with disabilities in the same manner as a school
30 district.

31 8. Ensure that it provides for a governing body for the charter school
32 that is responsible for the policy decisions of the charter school.

1 Notwithstanding section 1-216, if there is a vacancy or vacancies on the
2 governing body, a majority of the remaining members of the governing body
3 constitute a quorum for the transaction of business, unless that quorum is
4 prohibited by the charter school's operating agreement.

5 9. Ensure that it provides a minimum of one hundred eighty
6 instructional days before June 30 of each fiscal year unless it is operating
7 on an alternative calendar approved by its sponsor. The superintendent of
8 public instruction shall adjust the apportionment schedule accordingly to
9 accommodate a charter school utilizing an alternative calendar.

10 F. A charter school shall keep on file the resumes of all current and
11 former employees who provide instruction to pupils at the charter school.
12 Resumes shall include an individual's educational and teaching background and
13 experience in a particular academic content subject area. A charter school
14 shall inform parents and guardians of the availability of the resume
15 information and shall make the resume information available for inspection on
16 request of parents and guardians of pupils enrolled at the charter school.
17 This subsection does not require any charter school to release personally
18 identifiable information in relation to any teacher or employee, including
19 the teacher's or employee's address, salary, social security number or
20 telephone number.

21 G. The charter of a charter school may be amended at the request of
22 the governing body of the charter school and on the approval of the sponsor.

23 H. Charter schools may contract, sue and be sued.

24 I. The charter is effective for fifteen years from the first day of
25 the fiscal year as specified in the charter, subject to the following:

26 1. At least eighteen months before the expiration of the charter, the
27 sponsor shall notify the charter school that the charter school may apply for
28 renewal and shall make the renewal application available to the charter
29 school. A charter school that elects to apply for renewal shall file a
30 complete renewal application at least fifteen months before the expiration of
31 the charter. A sponsor shall give written notice of its intent not to renew
32 the charter school's request for renewal to the charter school at least

1 twelve months before the expiration of the charter. The sponsor shall make
2 data used in making renewal decisions available to the school and the public
3 and shall provide a public report summarizing the evidence basis for each
4 decision. The sponsor may deny the request for renewal if, in its judgment,
5 the charter holder has failed to do any of the following:

6 (a) Meet or make sufficient progress toward the academic performance
7 expectations set forth in the performance framework.

8 (b) Meet the operational performance expectations set forth in the
9 performance framework or any improvement plans.

10 (c) Complete the obligations of the contract.

11 (d) Comply with this article or any provision of law from which the
12 charter school is not exempt.

13 2. A charter operator may apply for early renewal. At least nine
14 months before the charter school's intended renewal consideration, the
15 operator of the charter school shall submit a letter of intent to the sponsor
16 to apply for early renewal. The sponsor shall review fiscal audits and
17 academic performance data for the charter school that are annually collected
18 by the sponsor, review the current contract between the sponsor and the
19 charter school and provide the qualifying charter school with a renewal
20 application. On submission of a complete application, the sponsor shall give
21 written notice of its consideration of the renewal application. The sponsor
22 may deny the request for early renewal if, in the sponsor's judgment, the
23 charter holder has failed to do any of the following:

24 (a) Meet or make sufficient progress toward the academic performance
25 expectations set forth in the performance framework.

26 (b) Meet the operational performance expectations set forth in the
27 performance framework or any improvement plans.

28 (c) Complete the obligations of the contract.

29 (d) Comply with this article or any provision of law from which the
30 charter school is not exempt.

31 3. A sponsor shall review a charter at five-year intervals using a
32 performance framework adopted by the sponsor and may revoke a charter at any

1 time if the charter school breaches one or more provisions of its charter or
2 if the sponsor determines that the charter holder has failed to do any of the
3 following:

4 (a) Meet or make sufficient progress toward the academic performance
5 expectations set forth in the performance framework.

6 (b) Meet the operational performance expectations set forth in the
7 performance framework or any improvement plans.

8 (c) Comply with this article or any provision of law from which the
9 charter school is not exempt.

10 4. IN DETERMINING WHETHER TO RENEW OR REVOKE A CHARTER HOLDER, THE
11 SPONSOR MUST CONSIDER MAKING SUFFICIENT PROGRESS TOWARD THE ACADEMIC
12 PERFORMANCE EXPECTATIONS SET FORTH IN THE SPONSOR'S PERFORMANCE FRAMEWORK AS
13 ONE OF THE MOST IMPORTANT FACTORS.

14 ~~4.~~ 5. At least sixty days before the effective date of the proposed
15 revocation, the sponsor shall give written notice to the operator of the
16 charter school of its intent to revoke the charter. Notice of the sponsor's
17 intent to revoke the charter shall be delivered personally to the operator of
18 the charter school or sent by certified mail, return receipt requested, to
19 the address of the charter school. The notice shall incorporate a statement
20 of reasons for the proposed revocation of the charter. The sponsor shall
21 allow the charter school at least sixty days to correct the problems
22 associated with the reasons for the proposed revocation of the charter. The
23 final determination of whether to revoke the charter shall be made at a
24 public hearing called for such purpose.

25 J. The charter may be renewed for successive periods of twenty years.

26 K. A charter school that is sponsored by the state board of education,
27 the state board for charter schools, a university, a community college
28 district or a group of community college districts may not be located on the
29 property of a school district unless the district governing board grants this
30 authority.

31 L. A governing board or a school district employee who has control
32 over personnel actions shall not take unlawful reprisal against another

1 employee of the school district because the employee is directly or
2 indirectly involved in an application to establish a charter school. A
3 governing board or a school district employee shall not take unlawful
4 reprisal against an educational program of the school or the school district
5 because an application to establish a charter school proposes the conversion
6 of all or a portion of the educational program to a charter school. For the
7 purposes of this subsection, "unlawful reprisal" means an action that is
8 taken by a governing board or a school district employee as a direct result
9 of a lawful application to establish a charter school and that is adverse to
10 another employee or an education program and:

11 1. With respect to a school district employee, results in one or more
12 of the following:

13 (a) Disciplinary or corrective action.

14 (b) Detail, transfer or reassignment.

15 (c) Suspension, demotion or dismissal.

16 (d) An unfavorable performance evaluation.

17 (e) A reduction in pay, benefits or awards.

18 (f) Elimination of the employee's position without a reduction in
19 force by reason of lack of monies or work.

20 (g) Other significant changes in duties or responsibilities that are
21 inconsistent with the employee's salary or employment classification.

22 2. With respect to an educational program, results in one or more of
23 the following:

24 (a) Suspension or termination of the program.

25 (b) Transfer or reassignment of the program to a less favorable
26 department.

27 (c) Relocation of the program to a less favorable site within the
28 school or school district.

29 (d) Significant reduction or termination of funding for the program.

30 M. Charter schools shall secure insurance for liability and property
31 loss. The governing body of a charter school that is sponsored by the state
32 board of education or the state board for charter schools may enter into an

1 intergovernmental agreement or otherwise contract to participate in an
2 insurance program offered by a risk retention pool established pursuant to
3 section 11-952.01 or 41-621.01 or the charter school may secure its own
4 insurance coverage. The pool may charge the requesting charter school
5 reasonable fees for any services it performs in connection with the insurance
6 program.

7 N. Charter schools do not have the authority to acquire property by
8 eminent domain.

9 O. A sponsor, including members, officers and employees of the
10 sponsor, is immune from personal liability for all acts done and actions
11 taken in good faith within the scope of its authority.

12 P. Charter school sponsors and this state are not liable for the debts
13 or financial obligations of a charter school or persons who operate charter
14 schools.

15 Q. The sponsor of a charter school shall establish procedures to
16 conduct administrative hearings on determination by the sponsor that grounds
17 exist to revoke a charter. Procedures for administrative hearings shall be
18 similar to procedures prescribed for adjudicative proceedings in title 41,
19 chapter 6, article 10. Except as provided in section 41-1092.08, subsection
20 H, final decisions of the state board of education and the state board for
21 charter schools from hearings conducted pursuant to this subsection are
22 subject to judicial review pursuant to title 12, chapter 7, article 6.

23 R. The sponsoring entity of a charter school shall have oversight and
24 administrative responsibility for the charter schools that it sponsors. In
25 implementing its oversight and administrative responsibilities, the sponsor
26 shall ground its actions in evidence of the charter holder's performance in
27 accordance with the performance framework adopted by the sponsor. The
28 performance framework shall be publicly available, shall be placed on the
29 sponsoring entity's website and shall include:

30 1. The academic performance expectations of the charter school and the
31 measurement of sufficient progress toward the academic performance
32 expectations.

1 2. The operational expectations of the charter school, including
2 adherence to all applicable laws and obligations of the charter contract.

3 3. Intervention and improvement policies.

4 S. Charter schools may pledge, assign or encumber their assets to be
5 used as collateral for loans or extensions of credit.

6 T. All property accumulated by a charter school shall remain the
7 property of the charter school.

8 U. Charter schools may not locate a school on property that is less
9 than one-fourth mile from agricultural land regulated pursuant to section
10 3-365, except that the owner of the agricultural land may agree to comply
11 with the buffer zone requirements of section 3-365. If the owner agrees in
12 writing to comply with the buffer zone requirements and records the agreement
13 in the office of the county recorder as a restrictive covenant running with
14 the title to the land, the charter school may locate a school within the
15 affected buffer zone. The agreement may include any stipulations regarding
16 the charter school, including conditions for future expansion of the school
17 and changes in the operational status of the school that will result in a
18 breach of the agreement.

19 V. A transfer of a charter to another sponsor, a transfer of a charter
20 school site to another sponsor or a transfer of a charter school site to a
21 different charter shall be completed before the beginning of the fiscal year
22 that the transfer is scheduled to become effective. An entity that sponsors
23 charter schools may accept a transferring school after the beginning of the
24 fiscal year if the transfer is approved by the superintendent of public
25 instruction. The superintendent of public instruction shall have the
26 discretion to consider each transfer during the fiscal year on a case by case
27 basis. If a charter school is sponsored by a school district that is
28 determined to be out of compliance with this title, the uniform system of
29 financial records or any other state or federal law, the charter school may
30 transfer to another sponsoring entity at any time during the fiscal year. A
31 charter holder seeking to transfer sponsors shall comply with the current
32 charter terms regarding assignment of the charter. A charter holder

1 transferring sponsors shall notify the current sponsor that the transfer has
2 been approved by the new sponsor.

3 W. Notwithstanding subsection V of this section, a charter holder on
4 an improvement plan must notify parents or guardians of registered students
5 of the intent to transfer the charter and the timing of the proposed
6 transfer. On the approved transfer, the new sponsor shall enforce the
7 improvement plan but may modify the plan based on performance.

8 X. Notwithstanding subsection Y of this section, the state board for
9 charter schools shall charge a processing fee to any charter school that
10 amends its contract to participate in Arizona online instruction pursuant to
11 section 15-808. The charter Arizona online instruction processing fund is
12 established consisting of fees collected and administered by the state board
13 for charter schools. The state board for charter schools shall use monies in
14 the fund only for the processing of contract amendments for charter schools
15 participating in Arizona online instruction. Monies in the fund are
16 continuously appropriated.

17 Y. The sponsoring entity may not charge any fees to a charter school
18 that it sponsors unless the sponsor has provided services to the charter
19 school and the fees represent the full value of those services provided by
20 the sponsor. On request, the value of the services provided by the sponsor
21 to the charter school shall be demonstrated to the department of education.

22 Z. Charter schools may enter into an intergovernmental agreement with
23 a presiding judge of the juvenile court to implement a law related education
24 program as defined in section 15-154. The presiding judge of the juvenile
25 court may assign juvenile probation officers to participate in a law related
26 education program in any charter school in the county. The cost of juvenile
27 probation officers who participate in the program implemented pursuant to
28 this subsection shall be funded by the charter school.

29 AA. The sponsor of a charter school shall modify previously approved
30 curriculum requirements for a charter school that wishes to participate in
31 the board examination system prescribed in chapter 7, article 6 of this
32 title.

1 BB. If a charter school decides not to participate in the board
2 examination system prescribed in chapter 7, article 6 of this title, pupils
3 enrolled at that charter school may earn a Grand Canyon diploma by obtaining
4 a passing score on the same board examinations.

5 CC. Notwithstanding subsection Y of this section, a sponsor of charter
6 schools may charge a new charter application processing fee to any applicant.
7 The application fee shall fully cover the cost of application review and any
8 needed technical assistance. Authorizers may approve policies that allow a
9 portion of the fee to be returned to the applicant whose charter is approved.

10 DD. A charter school may choose to provide a preschool program for
11 children with disabilities pursuant to section 15-771.

12 EE. Pursuant to the prescribed graduation requirements adopted by the
13 state board of education, the governing body of a charter school operating a
14 high school may approve a rigorous computer science course that would fulfill
15 a mathematics course required for graduation from high school. The governing
16 body may approve a rigorous computer science course only if the rigorous
17 computer science course includes significant mathematics content and the
18 governing body determines the high school where the rigorous computer science
19 course is offered has sufficient capacity, infrastructure and qualified
20 staff, including competent teachers of computer science.

21 FF. A charter school may permit the use of school property, including
22 school buildings, grounds, buses and equipment, by any person, group or
23 organization for any lawful purpose, including A recreational, educational,
24 political, economic, artistic, moral, scientific, social, religious or other
25 civic or governmental purpose. The charter school may charge a reasonable
26 fee for the use of the school property.

27 GG. A charter school and its employees, including the governing body,
28 or chief administrative officer, are immune from civil liability with respect
29 to all decisions made and actions taken to allow the use of school property,
30 unless the charter school or its employees are guilty of gross negligence or
31 intentional misconduct. This subsection does not limit any other immunity
32 provisions that are prescribed by law.

1 HH. SPONSORS AUTHORIZED PURSUANT TO THIS SECTION SHALL MAKE AN ANNUAL
2 REPORT TO THE AUDITOR GENERAL ON OR BEFORE OCTOBER 1 OF EACH YEAR. THE REPORT
3 SHALL INCLUDE:

4 1. THE CURRENT NUMBER OF CHARTERS AUTHORIZED AND THE NUMBER OF SCHOOLS
5 OPERATED BY AUTHORIZED CHARTER HOLDERS.

6 2. THE ACADEMIC AND OPERATIONAL PERFORMANCE OF THE SPONSOR'S CHARTER
7 PORTFOLIO AS MEASURED BY THE SPONSOR'S ADOPTED PERFORMANCE FRAMEWORK.

8 3. THE NUMBER OF NEW CHARTERS APPROVED AND THE NUMBER OF CHARTER
9 SCHOOLS CLOSED AND REASON FOR THE CLOSURE IN THE PRIOR YEAR.

10 4. THE SPONSOR'S APPLICATION, AMENDMENT, RENEWAL AND REVOCATION
11 PROCESSES, CHARTER CONTRACT TEMPLATE AND CURRENT PERFORMANCE FRAMEWORK AS
12 REQUIRED BY THIS SECTION.

13 II. THE AUDITOR GENERAL SHALL REVIEW THE SUBMITTED ANNUAL REPORT
14 REQUIRED IN SUBSECTION HH FOR COMPLIANCE. THE AUDITOR GENERAL SHALL PROVIDE
15 THE SPONSORS' REPORTS WITH ITS FINDINGS TO THE GOVERNOR, LEGISLATURE AND THE
16 SECRETARY OF STATE AND MAKE IT PUBLICLY AVAILABLE ON OR BEFORE DECEMBER 31 OF
17 EACH YEAR. IF THE AUDITOR GENERAL FINDS SIGNIFICANT NON-COMPLIANCE OR REPORTS
18 A SPONSOR'S FAILURE TO SUBMIT, THE LEGISLATURE SHALL CONSIDER REVOKING THE
19 SPONSOR'S AUTHORITY TO SPONSOR CHARTER SCHOOLS."

20 Amend title to conform

JAY LAWRENCE

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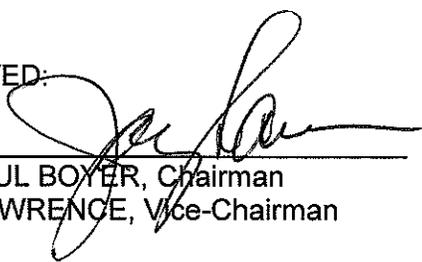
ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - First Regular Session

ROLL CALL VOTE

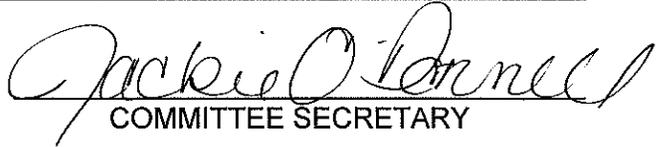
COMMITTEE ON _____ EDUCATION _____ BILL NO. SB 1193

DATE March 18, 2015 MOTION: DPA SE

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding					✓
Mr. Coleman		✓			
Mr. Montenegro		✓			
Mrs. Norgaard		✓			
Ms. Otondo			✓		
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		5	1	0	2

APPROVED: 

 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman


 COMMITTEE SECRETARY

ATTACHMENT _____



HOUSE OF REPRESENTATIVES

SB 1259

NOW: board of regents; report; posting
Sponsor: Senator Shooter

-
- X Committee on Education
Caucus and COW
House Engrossed
-

OVERVIEW

SB 1259 requires the Arizona Board of Regents to display the annual report on the state progress of the universities in a prominent location on its website.

Summary of the Proposed Strike-Everything Amendment to SB 1259

The proposed strike-everything amendment to SB 1259 permits school districts that meet specified requirements to submit corrections to their Teacher Experience Index (TEI) and receive adjusted state aid in Fiscal Year (FY) 2015.

HISTORY

Arizona K-12 schools determine their budget capacity through a statutory funding formula that attempts to equalize per-pupil funding. The funding formula is composed of transportation funding, capital funding and a base level funding amount per student. The Base Support Level (BSL) is a component of the funding a school receives for maintenance and operations and is calculated by multiplying the Base Level by the school's weighted student count, adjustments for performance pay and TEI. TEI funding is computed to provide additional monies to school districts with teacher experience levels that are higher than the state average. The formula increases a district's BSL by 2.25% for each year that the district's average teacher experience exceeds that of the state average. Districts with below average teacher experience levels do not receive any funding increase, but are not penalized by a funding decrease.

School districts must submit TEI information by October 15 of each year to the Arizona Department of Education (ADE). Upon receiving their preliminary TEI from ADE, districts may submit corrections between February 1 and March 1. ADE is required to report each school district's final TEI for the fiscal year by March 15. ADE may recalculate a school district's allocation if it is determined that the submitted data resulted in an overstatement of TEI for the fiscal year.

PROVISIONS

1. Permits, as session law, a school district to submit corrections to TEI data, revise its FY 2015 budget and receive adjusted state aid if the following conditions exist:
 - a. The school district's Average Daily Membership was between 135 and 150 in School Year 2014.
 - b. The school district is a common school district.
 - c. The TEI in FY 2014 was greater than 1.1 and the current TEI is 1.0 or less.
 - d. The school district received basic state aid in FYs 2014 and 2015.
 - e. The school district submitted the required TEI data by October 15, 2014, and the TEI is greater than 1.0.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1259

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. School districts; teacher experience index; submission of
3 corrected data

4 A. Notwithstanding sections 15-905 and 15-915 and section 15-941,
5 subsection C, Arizona Revised Statutes, a school district for which the
6 fiscal year 2014-2015 teacher experience index is less than or equal to
7 1.0000 may submit corrections to teacher experience index data that are
8 required pursuant to section 15-941, Arizona Revised Statutes, if all of the
9 following conditions exist:

10 1. The school district's average daily membership for the 2013-2014
11 school year was less than one hundred fifty but more than one hundred
12 thirty-five.

13 2. The school district is a common school district.

14 3. The teacher experience index for the school district pursuant to
15 section 15-941, Arizona Revised Statutes, for fiscal year 2013-2014 was
16 greater than 1.1000 and the current teacher experience index for the school
17 district for fiscal year 2014-2015 is less than or equal to 1.0000.

18 4. The school district received basic state aid in fiscal year
19 2013-2014 and is receiving basic state aid for fiscal year 2014-2015.

20 5. The school district has completed the submission of teacher
21 experience index data required to be submitted on or before October 15, 2014
22 under section 15-941, Arizona Revised Statutes, and the resulting preliminary
23 teacher experience index as prescribed in section 15-941, subsection C,
24 Arizona Revised Statutes, is greater than 1.0000.

25 B. If all the conditions prescribed in subsection A of
26 are met and the resulting teacher experience index is

Attachment 17

Adopted <input checked="" type="checkbox"/>	# of Verbals _____
Failed _____	Withdrawn _____
Not Offered _____	Analysts Initials _____

House Amendments to S.B. 1259

- 1 the school district may revise its budget to reflect this increase and state
- 2 aid shall be adjusted accordingly."
- 3 Amend title to conform

PAUL BOYER

1259-se-boyer
3/16/15
3:04 PM
H:ajs

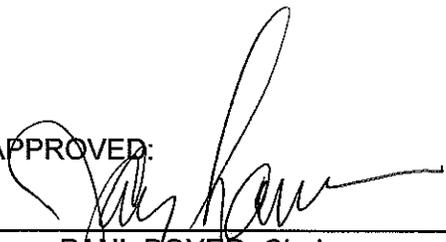
ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - First Regular Session

ROLL CALL VOTE

COMMITTEE ON _____ EDUCATION _____ BILL NO. SB 1259

DATE March 18, 2015 MOTION: DPA SE

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding		✓			
Mr. Coleman					✓
Mr. Montenegro		✓			
Mrs. Norgaard		✓			
Ms. Otondo		✓			
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		6	0	0	2

APPROVED: 

 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman



 COMMITTEE SECRETARY

ATTACHMENT _____



HOUSE OF REPRESENTATIVES

SB 1306

schools; data privacy

Sponsors: Senators Ward, Yee; Allen, et al.

X Committee on Education

Caucus and COW

House Engrossed

OVERVIEW

SB 1306 makes changes to the Arizona Department of Education's (ADE) education data system privacy and confidentiality requirements.

HISTORY

Laws 2010, Chapter 334, established the Data Governance Commission (Commission) to identify, examine and evaluate the needs of public institutions that provide instruction to K-12 grades and postsecondary students. The Commission establishes guidelines relating to managed data access, technology, privacy and security and provides recommendations on technology spending, access privileges and access management and the control of data confidentiality and data security for stored and transmitted data (Arizona Revised Statutes (A.R.S.) § 15-249.01).

A.R.S. 15-1041 establishes the Student Accountability Information System (SAIS) to enable school districts, joint technical education districts and charter schools to transmit student level data and school finance data electronically to ADE. Statute requires any disclosure of educational records compiled by ADE to comply with the Family Educational Rights and Privacy Act (FERPA), a federal law that protects the privacy of student education records (ed.gov). Additionally, A.R.S. § 15-1045 requires ADE to maintain the database to limit the use of information to comply with statutory obligations, ensure that personally identifiable information is confidential and not public record, employ proper security measure to ensure the confidentiality and integrity of the education database and secure data from breaches and identity theft.

A.R.S. § 15-1042 defines *student level data* as all data elements that are compiled and submitted for each student in the state that are necessary for the completion of the statutory requirements of ADE and the Arizona State Board of Education (SBE) relating to the calculation of funding for public education, the determination of student academic progress as measured by student testing programs in this state, state and federal reporting requirements and other duties prescribed to ADE or SBE by law. *Student level data* does not include data elements related to student behavior, discipline, criminal history, medical history, religious affiliation, personal physical descriptors or family information not authorized by the parent or guardian of the pupil or otherwise required by law.

PROVISIONS

Data Governance Commission

1. Directs the Commission to create, publish and make publicly available on ADE's website a data dictionary with definitions of individual student data elements in the education data system, including the following:

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Attachment 19

- a. Elements that are required to be reported by state and federal education mandates.
 - b. Elements that have been proposed for inclusion in the education data system with a statement regarding the purpose or reason for the proposed collection.
 - c. Elements that are collected or maintained without a currently identified purpose.
2. Requires the Commission to review and approve data elements to be included in the education data system.
 - a. Requires any new student data collection to be announced to the general public and posted for at least a 60 day review and comment period.
 3. Expands the information required in the Commission's annual report to include the following:
 - a. New data elements proposed for inclusion in the education data system.
 - b. Changes to existing data collections required for any reason, including changes to federal reporting requirements.
 - c. An explanation of exceptions granted by ADE regarding the release of student level data out of state.
 - d. The results of any privacy or security audit conducted within the previous year, except information that would pose a threat to the security or confidentiality of the education data system or the secure transmission of data between school districts, charter schools and ADE.

Data Confidentiality

4. Directs ADE to develop criteria for the approval of data requests from state and local agencies, the Legislature and researchers.
 - a. Directs ADE to release masked student level data unless otherwise allowed by law or if ADE determines the request to qualify for an exception under FERPA.
5. Replaces references to the ADE *education database* with *education data system*.
6. Deletes existing requirements for ADE database maintenance.
7. Reinserts the requirement for personally identifiable information and student level data contained in the education data system to be confidential and not public record.
8. Directs ADE to create a unique pupil identifier for each student in the education data system.
9. Directs ADE to develop, publish and make publically available policies and procedures to comply with all relevant state and federal privacy laws, including FERPA.
10. Instructs ADE's developed policies to require:
 - a. Access to student level data in the education data system be limited to:
 - i. Authorized ADE staff that require access to perform assigned duties required by law, interagency data sharing agreements or other legal obligations.
 - ii. School district and charter school administrators, teachers and personnel who require access to perform assigned duties.
 - iii. Students and the parents of the student, except that accessible information is limited to data about that student.
 - iv. The authorized staff of other state agencies in the state or political subdivisions as required by law or prescribed by interagency data sharing agreements.
 - v. Researchers conducting approved studies.

- b. ADE only use aggregated data that does not contain personally identifiable information in public reports and in response to public records requests, except as provided by law.
 - c. Students and parents be notified of private rights concerning educational records under federal and state law.
11. Prohibits ADE from transferring student level data deemed confidential to any federal agency or state or local agency, unless allowed by law.
 12. Requires ADE to develop and implement a detailed security plan that includes the following:
 - a. Procedures for authorizing access to the education data system and student level data.
 - b. Standards for compliance with federal and state privacy laws and regulations.
 - c. Privacy and security audits.
 - d. Planning for a possible breach of data security, including notification procedures to entities that own data that may be affected by the data breach.
 - e. Data retention and destruction policies consistent with the Arizona State Library, Archives and Public Records (ASLAPR) adopted guidelines.
 - f. Compliance with statewide technology security standards adopted by the Arizona Department of Administration, at a minimum.
 13. Directs ADE to ensure that any contracts with private vendors governing databases, assessments or instructional supports that contain student level data include express provisions for safeguarding privacy and security and civil penalties for noncompliance.
 14. Prohibits school districts and charter schools from reporting the following student level data to ADE:
 - a. Juvenile delinquency records.
 - b. Criminal records, except incident data required for school safety purposes.
 - c. Medical and health records.
 15. Prohibits school districts and charter schools from collecting the following data for any student:
 - a. Political affiliation.
 - b. Religious affiliation.
 - c. Biometric information, except as allowed by law.
 - d. Firearms ownership.

ADE Chief Privacy Officer and Chief Data Officer

16. Directs the Superintendent of Public Instruction to appoint a chief privacy officer to assume primary responsibility for agency private policy.
17. Enumerates the following duties of the chief privacy officer:
 - a. Ensure the use of technology sustains and does not erode privacy protections.
 - b. Ensure that student level data contained in the education data system is handled in full compliance with applicable state and federal laws.
 - c. Evaluate, in conjunction with the chief data officer, legislative and regulatory proposals involving the collection, use and disclosure of student data by ADE.
 - d. Conduct, in conjunction with the chief data officer, a privacy impact assessment on proposed ADE rules and on the privacy of student data, including the type of personal information collected and the number of students affected.

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- e. Coordinate with the Attorney General and chief data officer to ensure programs, policies and procedures affecting civil rights, civil liberties and privacy considerations are addressed in an integrated and comprehensive manner.
 - f. Establish and operate a process for parents to file complaints of possible privacy violations and provide redress procedures.
 - g. Ensure that all privacy-related incidents are properly reported, investigated and mitigated as appropriate.
 - h. Work with the chief data officer to provide training, education and outreach to build a culture of privacy throughout ADE.
 - i. Conduct investigations and submit reports relating to the administration of programs and operations of ADE regarding privacy matters.
18. Grants the chief privacy officer access to all records, reports, audits, reviews, documents, papers, recommendations and other materials available to ADE that are necessary to complete the responsibilities of the office.
19. Directs the chief information officer of ADE to appoint a chief data officer.
20. Enumerates the following duties of the chief data officer:
- a. Coordinate with the chief privacy officer to fulfill the duties of the office.
 - b. Establish policies and procedures to ensure the efficient and secure collection, storage, maintenance and disposition of all data collected in the education data system according to applicable laws.
 - c. Establish policies necessary for implementing fair information practice principles to enhance privacy protections.
 - d. Work with the chief privacy officer and other officials in engaging stakeholders about the quality, usefulness, openness and privacy of data.
 - e. Establish and operate, in coordination with the chief information officer, a privacy incident response program.

Miscellaneous

21. Authorizes ADE to assess fees for requests for the production of data or for the assembly of data that is otherwise confidential and not public record into aggregated reports that are not already available.
22. Allows a student's parent or legal guardian to request to review a copy of the student's educational record, including data submitted to the education data system, using statutory processes.
23. Eliminates the requirement for ADE to grant a school district, Joint Technical Education District or charter school an extension to student level data submission deadlines and the authority for ADE to allow for an alternative method of submission if the school or district shows good cause and the school or district will continue receiving monies for educating students.
24. Requires student immunization records to be maintained according to ASLAPR standards rather than as part of a mandatory permanent student record.
25. Repeals the Arizona E-Learning Task Force.
26. Defines terms for all statutes pertaining to SAIS.
27. Makes technical and conforming changes.

PROPOSED
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1306
(Reference to Senate engrossed bill)

1 Page 16, between lines 9 and 10, insert:

2 "Sec. 9. Section 15-2403, Arizona Revised Statutes, is amended to
3 read:

4 15-2403. Empowerment scholarship accounts; administration;
5 audit; rules

6 A. The treasurer may contract with private financial management firms
7 to manage Arizona empowerment scholarship accounts with the supervision of
8 the treasurer.

9 B. The department shall conduct or contract for annual audits of
10 empowerment scholarship accounts to ensure compliance with section 15-2402,
11 subsection B, paragraph 4. The department shall also conduct or contract for
12 random, quarterly and annual audits of empowerment scholarship accounts as
13 needed to ensure compliance with section 15-2402, subsection B, paragraph 4.

14 C. The department may remove any parent or qualified student from
15 eligibility for an Arizona empowerment scholarship account if the parent or
16 qualified student fails to comply with the terms of the contract or
17 applicable laws, rules or orders or knowingly misuses monies or knowingly
18 fails to comply with the terms of the contract with intent to defraud and
19 shall notify the treasurer. The department shall notify the treasurer to
20 suspend the account of a parent or qualified student and shall notify the
21 parent or qualified student in writing that the account has been suspended
22 and that no further transactions will be allowed or disbursements made. The
23 notification shall specify the reason for the suspension and state that the
24 parent or qualified student has ten days, not including weekends, to respond
25 and take corrective action. If the parent or qualified student refuses to
26 fail to contact the department, furnish any information
27 that may be required for reinstatement within the ten day period, the
28 department may remove the parent or qualified student from the account.
29 subsection.

Attachment 20

Adopted	_____	# of Verbals	_____
Failed	<input checked="" type="checkbox"/>	Withdrawn	_____
Not Offered	_____	Analysts Initials	_____

1 D. A parent may appeal the department's decision pursuant to title 41,
2 chapter 6, article 10.

3 E. The department may refer cases of substantial misuse of monies to
4 the attorney general for investigation if the department obtains evidence of
5 fraudulent use of an account.

6 F. The department shall make quarterly transfers of the amount
7 calculated pursuant to section 15-2402, subsection C to the treasurer for
8 deposit into the empowerment scholarship account of each qualified student,
9 except the department may make transfers according to another transfer
10 schedule if the department determines a transfer schedule other than
11 quarterly transfers is necessary for the operation of the empowerment
12 scholarship account.

13 G. The department shall determine a period that is between July 1 and
14 May 1 of each year during which it will accept applications for the following
15 fiscal year. On or before May 30 of each year, the department shall furnish
16 to the joint legislative budget committee an estimate of the amount required
17 to fund empowerment scholarship accounts for the following fiscal year. The
18 department shall include in its budget request for the following fiscal year
19 the amount estimated in section 15-2402, subsection C for each qualified
20 student.

21 H. The department may adopt rules and policies necessary for the
22 administration of empowerment scholarship accounts, including:

23 1. Policies for conducting or contracting for examinations of the use
24 of account monies.

25 2. Conducting or contracting for random, quarterly and annual reviews
26 of accounts.

27 3. Establishing or contracting for the establishment of an online
28 anonymous fraud reporting service.

29 4. Establishing an anonymous telephone hotline for fraud reporting.

30 5. Policies that require a surety bond or insurance for account
31 holders.

1 I. The department shall contract with an independent third party for
2 the purposes of determining if a qualified student is eligible to receive
3 educational therapies or services pursuant to section 15-2402, subsection B,
4 paragraph 4, subdivision (c).

5 J. THE DEPARTMENT SHALL PUBLISH AN ANNUAL EMPOWERMENT SCHOLARSHIP
6 ACCOUNT REPORT ON OR BEFORE DECEMBER 1 AND SHALL POST THE REPORT ON THE
7 DEPARTMENT'S WEBSITE. THE ANNUAL REPORT SHALL LIST THE FOLLOWING:

8 1. THE NUMBER OF STUDENTS ENROLLED IN THE PROGRAM IN THE PREVIOUS
9 FISCAL YEAR.

10 2. THE TOTAL AMOUNT AWARDED DURING THE PREVIOUS FISCAL YEAR.

11 3. THE NUMBER OF STUDENTS WHO RECEIVED AN EMPOWERMENT SCHOLARSHIP
12 ACCOUNT AND AFTER ENROLLING IN A PRIVATE SCHOOL, RETURN TO THE PUBLIC SCHOOL
13 SYSTEM WITHIN THE SAME YEAR IN WHICH THE EMPOWERMENT SCHOLARSHIP ACCOUNT WAS
14 AWARDED.

15 4. THE AMOUNT OF MONIES AWARDED THROUGH THE PROGRAM FOR STUDENTS WHO
16 RETURNED TO THE PUBLIC SCHOOL SYSTEM WITHIN THE FIRST YEAR AFTER THE
17 EMPOWERMENT SCHOLARSHIP ACCOUNT WAS AWARDED.

18 5. INFORMATION REGARDING FRAUDULENT ACTIVITY, INCLUDING THE AMOUNT OF
19 MONIES SPENT FRAUDULENTLY, AS WELL AS THE NUMBER OF CASES REFERRED TO THE
20 ATTORNEY GENERAL'S OFFICE FOR INVESTIGATION.

21 6. THE AMOUNT OF MONIES THAT THE DEPARTMENT CLASSIFIED AS DISALLOWED
22 SPENDING OR MISUSE OF MONIES.

23 7. THE NUMBER OF RENEWALS.

24 8. THE NUMBER OF STUDENTS REMOVED FROM THE PROGRAM.

25 9. THE NUMBER OF STUDENTS EXITING THE PROGRAM."

26 Renumber to conform

27 Amend title to conform

LISA A. OTONDO

1306-p2-otondo
3/17/15
11:13 AM
H:1aa

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1306

(Reference to Senate engrossed bill)

1 Page 1, between lines 9 and 10, insert:

2 "Sec. 9. Title 15, chapter 9, article 8, Arizona Revised Statutes, is
3 amended by adding section 15-1046, to read:

4 15-1046. School service providers; privacy information;
5 definitions

6 A. A SCHOOL SERVICE PROVIDER SHALL DO ALL OF THE FOLLOWING:

7 1. PROVIDE CLEAR AND EASY TO UNDERSTAND INFORMATION ABOUT THE TYPES OF
8 STUDENT PERSONAL INFORMATION THAT THE SCHOOL SERVICE PROVIDER COLLECTS AND
9 ABOUT HOW THE SCHOOL SERVICE PROVIDER USES AND SHARES THIS STUDENT PERSONAL
10 INFORMATION.

11 2. PROVIDE PROMINENT NOTICE BEFORE MAKING MATERIAL CHANGES TO ITS
12 PRIVACY POLICIES FOR SCHOOL SERVICES.

13 3. FACILITATE ACCESS TO AND CORRECTION OF STUDENT PERSONAL INFORMATION
14 BY STUDENTS AND PARENTS OR GUARDIANS EITHER DIRECTLY OR THROUGH THE RELEVANT
15 SCHOOL DISTRICT, CHARTER SCHOOL OR TEACHER.

16 4. OBTAIN CONSENT BEFORE USING STUDENT PERSONAL INFORMATION IN A
17 MANNER THAT IS INCONSISTENT WITH THE PROVIDER'S PRIVACY POLICY FOR THE
18 APPLICABLE SCHOOL SERVICE IN EFFECT AT THE TIME OF COLLECTION. IF THE
19 STUDENT PERSONAL INFORMATION WAS COLLECTED DIRECTLY FROM STUDENTS, THE SCHOOL
20 SERVICE PROVIDER SHALL OBTAIN CONSENT FROM THE STUDENT'S PARENT OR GUARDIAN
21 OR THE STUDENT. IN ALL OTHER CASES, CONSENT MAY BE OBTAINED FROM THE SCHOOL
22 DISTRICT, CHARTER SCHOOL OR TEACHER.

23 5. MAINTAIN A COMPREHENSIVE INFORMATION SECURITY PROGRAM THAT IS
24 REASONABLY DESIGNED TO PROTECT THE SECURITY, PRIVACY, CONFIDENTIALITY AND
25 INTEGRITY OF STUDENT PERSONAL INFORMATION AND THAT USES APPROPRIATE
26 ADMINISTRATIVE, TECHNOLOGICAL AND PHYSICAL SAFEGUARDS.

27 6. REQUIRE ANY THIRD PARTY INVOLVED ON THE PROVIDERS' BEHALF TO ADHERE
28 TO AND IMPLEMENT THE REQUIREMENTS OF THIS SECTION.

29 7. DELETE A STUDENT'S PERSONAL INFORMATION WITHIN A REASONABLE
30 OF TIME IF THE RELEVANT SCHOOL DISTRICT, CHARTER SCHOOL

Attachment 21

Adopted <input checked="" type="checkbox"/>	# of Verbals _____
Failed _____	Withdrawn _____
Not Offered _____	Analysts Initials _____

1 THE DELETION OF THE DATA UNDER THE CONTROL OF THE SCHOOL DISTRICT, CHARTER
2 SCHOOL OR TEACHER UNLESS THE SCHOOL SERVICE PROVIDER HAS OBTAINED CONSENT
3 FROM THE STUDENT'S PARENT OR GUARDIAN OR THE STUDENT TO RETAIN INFORMATION
4 RELATED TO THAT STUDENT OR THE STUDENT HAS TRANSFERRED TO ANOTHER SCHOOL
5 DISTRICT, CHARTER SCHOOL OR TEACHER AND THAT SCHOOL DISTRICT, CHARTER SCHOOL
6 OR TEACHER HAS REQUESTED THAT THE SERVICE PROVIDER RETAIN INFORMATION RELATED
7 TO THAT STUDENT.

8 B. IF THE SCHOOL SERVICE IS OFFERED TO A SCHOOL DISTRICT OR CHARTER
9 SCHOOL OR A TEACHER IN A SCHOOL DISTRICT OR CHARTER SCHOOL, THE INFORMATION
10 PRESCRIBED IN SUBSECTION A, PARAGRAPHS 1 AND 2 OF THIS SECTION MAY BE
11 PROVIDED TO THE SCHOOL DISTRICT, CHARTER SCHOOL OR TEACHER.

12 C. A SCHOOL SERVICE PROVIDER MAY COLLECT, USE AND SHARE STUDENT
13 PERSONAL INFORMATION ONLY FOR THE PURPOSES AUTHORIZED BY THE SCHOOL DISTRICT,
14 CHARTER SCHOOL OR TEACHER, OR WITH THE CONSENT OF THE STUDENT'S PARENT OR
15 GUARDIAN OR THE STUDENT. THIS PROHIBITION DOES NOT APPLY TO THE PURCHASE,
16 MERGER OR OTHER TYPE OF ACQUISITION OF A SERVICE PROVIDER OR ANY ASSETS OF A
17 SERVICE PROVIDER BY ANOTHER ENTITY PROVIDED THE SUCCESSOR ENTITY CONTINUES TO
18 BE SUBJECT TO THE PROVISIONS OF THIS SECTION WITH RESPECT TO PREVIOUSLY
19 ACQUIRED STUDENT PERSONAL INFORMATION TO THE EXTENT THAT THE SERVICE PROVIDER
20 WAS REGULATED BY THIS SECTION.

21 D. A SCHOOL SERVICE PROVIDER MAY NOT DO ANY OF THE FOLLOWING:

22 1. SELL STUDENT PERSONAL INFORMATION.

23 2. USE OR SHARE ANY STUDENT PERSONAL INFORMATION FOR THE PURPOSE OF
24 TARGETING ADVERTISEMENTS TO STUDENTS.

25 3. USE STUDENT PERSONAL INFORMATION TO CREATE A PERSONAL PROFILE OF A
26 STUDENT OTHER THAN FOR SUPPORTING PURPOSES AUTHORIZED BY THE SCHOOL DISTRICT,
27 CHARTER SCHOOL OR TEACHER, OR WITH THE CONSENT OF THE STUDENT'S PARENT OR
28 GUARDIAN OR THE STUDENT. FOR THE PURPOSES OF THIS SECTION "CREATE A PERSONAL
29 PROFILE" DOES NOT INCLUDE THE COLLECTION AND RETENTION OF ACCOUNT RECORDS OR
30 INFORMATION THAT REMAINS UNDER THE CONTROL OF THE STUDENT, PARENT, SCHOOL OR
31 SCHOOL DISTRICT.

1 E. IF A SCHOOL SERVICE PROVIDER ENTERED INTO A SIGNED, WRITTEN
2 CONTRACT WITH A SCHOOL DISTRICT, CHARTER SCHOOL OR TEACHER BEFORE THE
3 EFFECTIVE DATE OF THIS SECTION, THE SCHOOL SERVICE PROVIDER IS NOT REQUIRED
4 TO COMPLY WITH THIS SECTION WITH RESPECT TO THAT CONTRACT UNTIL THE NEXT
5 RENEWAL DATE OF THE CONTRACT.

6 F. THIS SECTION DOES NOT PROHIBIT:

7 1. USING STUDENT PERSONAL INFORMATION FOR THE PURPOSES OF ADAPTIVE
8 LEARNING, PERSONALIZED LEARNING OR CUSTOMIZED EDUCATION.

9 2. USING STUDENT PERSONAL INFORMATION FOR MAINTAINING, DEVELOPING,
10 SUPPORTING, IMPROVING OR DIAGNOSING THE SCHOOL SERVICE'S SITE SERVICE OR
11 APPLICATION.

12 3. PROVIDING RECOMMENDATIONS FOR SCHOOL, EDUCATIONAL, OTHER LEARNING
13 OR EMPLOYMENT PURPOSES WITHIN A SCHOOL SERVICE'S SITE, SERVICE OR APPLICATION
14 WITHOUT THE RESPONSE BEING DETERMINED IN WHOLE OR IN PART BY PAYMENT OR OTHER
15 CONSIDERATION FROM A THIRD PARTY.

16 4. RESPONDING TO A STUDENT'S REQUEST FOR INFORMATION OR FOR FEEDBACK
17 WITHOUT THE INFORMATION OR RESPONSE BEING DETERMINED IN WHOLE OR IN PART BY
18 PAYMENT OR OTHER CONSIDERATION FROM A THIRD PARTY.

19 5. DISCLOSING STUDENT PERSONAL INFORMATION:

20 (a) TO ENSURE LEGAL OR REGULATORY COMPLIANCE OR PROTECT AGAINST
21 LIABILITY.

22 (b) TO PROTECT THE SECURITY OR INTEGRITY OF ITS SITE, SERVICE OR
23 APPLICATION.

24 (c) TO RESPOND TO OR PARTICIPATE IN JUDICIAL PROCESS.

25 (d) TO PROTECT THE SAFETY OF USERS OR OTHERS OR SECURITY OF THE SCHOOL
26 SERVICE'S SITE, SERVICE OR APPLICATION.

27 (e) TO A SERVICE PROVIDER PROVIDED THE SCHOOL DISTRICT:

28 (i) CONTRACTUALLY PROHIBITS THE SERVICE PROVIDER FROM USING ANY
29 STUDENT PERSONAL INFORMATION FOR ANY PURPOSE OTHER THAN PROVIDING THE
30 CONTRACTED SERVICE TO, OR ON BEHALF OF, THE SCHOOL SERVICE.

31 (ii) PROHIBITS THE SERVICE PROVIDER FROM DISCLOSING ANY STUDENT
32 PERSONAL INFORMATION PROVIDED BY THE SCHOOL SERVICE TO SUBSEQUENT THIRD

1 PARTIES UNLESS THE DISCLOSURE IS EXPRESSLY PERMITTED BY SUBSECTION F,
2 PARAGRAPHS 1, 2, 3, 4 AND 5.

3 (iii) REQUIRES THE SERVICE PROVIDER TO COMPLY WITH THE REQUIREMENTS OF
4 THIS ACT.

5 6. THIS ACT SHALL NOT BE CONSTRUED TO IMPEDE THE ABILITY OF STUDENTS
6 TO DOWNLOAD, EXPORT OR OTHERWISE SAVE OR MAINTAIN THEIR OWN STUDENT DATA OR
7 DOCUMENTS.

8 G. FOR THE PURPOSES OF THIS SECTION:

9 1. "SCHOOL SERVICE" MEANS A WEBSITE, MOBILE APPLICATION OR ONLINE
10 SERVICE THAT IS DESIGNED AND MARKETED FOR USE IN ELEMENTARY OR SECONDARY
11 SCHOOLS, THAT IS USED AT THE DIRECTION OF TEACHERS OR OTHER SCHOOL EMPLOYEES
12 AND THAT COLLECTS, MAINTAINS OR USES STUDENT PERSONAL INFORMATION. SCHOOL
13 SERVICE DOES NOT INCLUDE A WEBSITE, MOBILE APPLICATION OR ONLINE SERVICE THAT
14 IS DESIGNED AND MARKETED FOR USE BY INDIVIDUALS OR ENTITIES GENERALLY, EVEN
15 IF THE WEBSITE, MOBILE APPLICATION OR ONLINE SERVICE IS ALSO MARKETED TO
16 ELEMENTARY OR SECONDARY SCHOOLS.

17 2. "SCHOOL SERVICE PROVIDER" MEANS AN ENTITY THAT OPERATES A SCHOOL
18 SERVICE.

19 3. "STUDENT" MEANS A STUDENT WHO IS ENROLLED IN A SCHOOL DISTRICT OR
20 CHARTER SCHOOL IN THIS STATE.

21 4. "STUDENT PERSONAL INFORMATION" MEANS INFORMATION COLLECTED THROUGH
22 A SCHOOL SERVICE THAT PERSONALLY IDENTIFIES AN INDIVIDUAL STUDENT OR
23 INFORMATION COLLECTED AND MAINTAINED ABOUT AN INDIVIDUAL STUDENT AND THAT IS
24 LINKED TO PERSONALLY IDENTIFIABLE INFORMATION.

25 5. "TARGETED ADVERTISING" MEANS SENDING ADVERTISEMENTS TO A STUDENT
26 WHERE THE ADVERTISEMENT IS SELECTED BASED ON INFORMATION OBTAINED OR INFERRED
27 FROM THAT STUDENT'S ONLINE BEHAVIOR, USAGE OF APPLICATIONS OR STUDENT
28 PERSONAL INFORMATION. TARGETED ADVERTISING DOES NOT INCLUDE:

29 (a) ADVERTISING TO A STUDENT AT AN ONLINE LOCATION BASED UPON THAT
30 STUDENT'S CURRENT VISIT TO THAT LOCATION WITHOUT THE COLLECTION AND RETENTION
31 OF A STUDENT'S ONLINE ACTIVITIES OVER TIME.

32 (b) ADAPTIVE LEARNING, PERSONALIZED LEARNING OR CUSTOMIZED EDUCATION."

House Amendments to S.B. 1306

1 Renumber to conform

2 Page 16, after line 11, insert:

3 "Sec. 11. Short title

4 Section 9, as added by this act may be cited as the "Student User

5 Privacy in Education Rights Act" or "S.U.P.E.R. Act."

6 Amend title to conform

JAY LAWRENCE

1306-p1-lawrence

3/17/15

9:23 AM

H:ajs

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

ROLL CALL VOTE

COMMITTEE ON _____ EDUCATION _____ BILL NO. SB 1306

DATE March 18, 2015 MOTION: OPA

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding					✓
Mr. Coleman		✓			
Mr. Montenegro		✓			
Mrs. Norgaard		✓			
Ms. Otondo		✓			
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		6	0	0	2

APPROVED:


 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman


 COMMITTEE SECRETARY

ATTACHMENT _____



HOUSE OF REPRESENTATIVES

SB 1405

schools; financial education; course requirements

Sponsors: Senators Yee; Begay

X Committee on Education

Caucus and COW

House Engrossed

OVERVIEW

SB 1405 directs the Arizona State Board of Education (SBE) to include a separate personal finance course in the high school competency requirements for graduation.

HISTORY

Arizona Revised Statutes (A.R.S.) § 15-701.01 requires SBE to prescribe a minimum course of study and competency requirements for the graduation of students from high school. These requirements include academic standards in at least the areas of reading, writing, mathematics, science and social studies. The standards prescribed for social studies must include personal finance.

A school district governing board or charter school may prescribe a separate personal finance course or incorporate personal finance instruction into an existing course for the graduation of students from high school (A.R.S. § 15-720.02). A separate personal finance course must include each of the following:

- Explanations on how education, career choices and family obligations affect future income.
- Analyses of how advertising influences consumer choices.
- The determination of short-term and long-term financial goals and plans, including income, spending, saving and investing.
- Comparisons of the advantages and disadvantages of using various forms of credit and the determining factors of credit history.
- Explanations of the risk, return and liquidity of short-term and long-term saving and investment choices.
- Identification of investment options available to individuals and households.

PROVISIONS

1. Requires SBE to prescribe a separate personal finance course required for high school graduation.
2. Specifies that, in addition to the current requirements of a personal finance course, the course must include each of the following:
 - a. The determining factors of a credit score and the contents of a credit report.
 - b. The review and preparation of personal financial statements.
 - c. The preparation of a personal budget.
 - d. College funding resources.
 - e. An introduction to entrepreneurship.
 - f. Risk management, including insurance and fraud protection.
3. Makes technical and conforming changes.

**ARIZONA HOUSE OF REPRESENTATIVES
Fifty-second Legislature - First Regular Session**

ROLL CALL VOTE

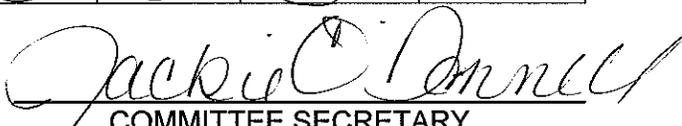
COMMITTEE ON _____ EDUCATION _____ BILL NO. SB 1405

DATE March 18, 2015 MOTION: Failed

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding					✓
Mr. Coleman			✓		
Mr. Montenegro		✓			
Mrs. Norgaard			✓		
Ms. Otondo			✓		
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		3	3	0	2

APPROVED: 

 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman


 COMMITTEE SECRETARY

ATTACHMENT _____



HOUSE OF REPRESENTATIVES

SB 1406

schools; audit findings; financial penalty

Sponsors: Senators Yee, Burges, Kavanagh, et al.

X Committee on Education

Caucus and COW

House Engrossed

OVERVIEW

SB 1406 permits up to 10% of the monthly apportionment of state aid to be withheld from a school district or charter school that fails to take corrective action to comply with the findings of an audit.

HISTORY

The Arizona Department of Education (ADE) is authorized to conduct financial, compliance or Average Daily Membership (ADM) audits of school districts and charter schools (Arizona Revised Statutes (A.R.S.) § 15-239). ADE is permitted to adjust funding for actions that took place within the audit window that resulted in an overpayment, underpayment or miscalculation.

The Office of the Auditor General (OAG) is permitted to conduct financial, program, compliance or ADM audits of school districts and charter schools. Additionally, OAG is required to conduct annual performance audits and monitor school districts to determine the percentage of dollars spent in the classroom (A.R.S. § 41-1279.03). School districts are randomly selected each year for performance audits and are required to notify OAG whether the district agrees or disagrees with the findings and recommendations of the audit and whether the district will implement the findings and recommendations. OAG reviews the district's progress towards implementing the findings and recommendation every six months for the two years and may continue to review a district's progress after two years for recommendations that have not been implemented.

PROVISIONS

1. Requires the Arizona State Board of Education (SBE) or the Superintendent of Public Instruction (SPI) to notify a school district or charter school and charter sponsor that has failed to take corrective action to comply with audit findings.
2. Permits SBE or the SPI to direct ADE to withhold up to 10% of the monthly apportionment of state aid for a school district or charter school that has failed to take corrective action to comply with the findings of an audit within 60 days of notification.
3. Directs ADE to notify the charter school's sponsor of the withholding.
4. Requires ADE to adjust the school district's or charter school's apportionment accordingly.
5. Requires ADE to restore the full amount of state aid payments when SBE or the SPI determines that the school district or charter school is in compliance with audit findings.
6. Makes technical changes.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1406

(Reference to Senate engrossed bill)

- 1 Page 2, line 10, after "NOTIFY" insert "THE SCHOOL DISTRICT OR"
- 2 Amend title to conform

JAY LAWRENCE

1406-p1-lawrence
3/17/15
8:47 AM
H:ajs

Attachment 26

Adopted # of Verbals _____
Failed _____ Withdrawn _____
Not Offered _____ Analysts Initials _____

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

ROLL CALL VOTE

COMMITTEE ON EDUCATION BILL NO. SB 1406

DATE March 18, 2015 MOTION: DPA

	PASS	AYE	NAY	PRESENT	ABSENT
Mr. Bolding					✓
Mr. Coleman		✓			
Mr. Montenegro		✓			
Mrs. Norgaard		✓			
Ms. Otondo			✓		
Mr. Thorpe		✓			
Mr. Lawrence, Vice-Chairman		✓			
Mr. Boyer, Chairman					✓
		5	1	0	2

APPROVED: 

 PAUL BOYER, Chairman
 JAY LAWRENCE, Vice-Chairman


 COMMITTEE SECRETARY

 ATTACHMENT _____