



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fourth Legislature
Second Regular Session

House: 3rd Read 31-29-0-0

Senate: 3rd Read 24-6-0-0

HB 2902: K-12 education; budget reconciliation; 2020-2021

Sponsor: Representative Bowers, LD 25

Transmitted to Governor

Overview

Contains budget reconciliation provisions relating to K-12 education needed for implementing the FY 2021 budget.

History

The Arizona Legislature adopts a budget for each fiscal year (FY) that contains general appropriations. Article IV, Section 20, Part 2, Constitution of Arizona, requires the General Appropriations Act (feed bill) to contain only appropriations for the different state departments, state institutions, public schools and interest on public debt. Statutory changes necessary to reconcile the appropriations made in the feed bill and other changes are drafted into separate bills known as Budget Reconciliation Bills (BRBs). These BRBs are prepared according to subject area.

Provisions

K-12 School Funding Formula

1. Increases charter additional assistance as follows:
 - a) From \$1,843.14 to \$1,875.21 per student count in preschool programs for children with disabilities, kindergarten programs and grades 1-8; and
 - b) From \$2,148.15 to \$2,185.53 per student count in grades 9-12. (Sec. 1)
2. Increases the base level from \$4,150.43 for FY 2020 to \$4,305.73 for FY 2021. (Sec. 2)
3. Increases the state support level per route mile for FY 2021 as follows:
 - a) From \$2.69 to \$2.74 for 0.5 or less approved daily route mileage per eligible student transported;
 - b) From \$2.20 to \$2.24 for more than 0.5 through 1.0 approved daily route mileage per eligible student transported; and
 - c) From \$2.69 to \$2.74 for more than 1.0 approved daily route mileage per eligible student transported. (Sec. 3)
4. Establishes the qualifying tax rate for tax year (TY) 2020 as follows:
 - a) \$1.8371 for a high school district or a common school district within a high school district that does not offer instruction in high school subjects; and
 - b) \$3.6742 for a unified school district, a common school district not within a high school district or a common school district within a high school district that offers instruction in high school subjects. (Sec. 4)
5. Adjusts the state equalization assistance property tax rate in TY 2020 to \$0.4426. (Sec. 4)

Education Revenues Distribution

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
--	--	---	--------------------------------------

6. Requires \$64,100,000 of the monies generated from the 0.6% transaction privilege tax and use tax to be paid in monthly installments to the Superintendent of Public Instruction for basic state aid, rather than to the Classroom Site Fund. (Sec. 5)

District Additional Assistance (DAA) and Charter Additional Assistance (CAA)

7. Reduces the reduction of DAA scheduled for FY 2021 from \$128,734,900 to \$64,367,400. (Sec. 6)
 - a) Eliminates the reduction of DAA scheduled for FY 2022. (Sec. 6)
8. Reduces the reduction of CAA scheduled for FY 2021 from \$6,814,400 to \$3,407,200. (Sec. 7)
 - a) Eliminates the reduction of CAA scheduled for FY 2022. (Sec. 7)
9. Directs the Arizona Department of Education (ADE) to restore funding to DAA and CAA in FY 2022. (Sec. 6, 7)

Results-Based Funding (RBF)

10. Requires ADE to distribute monies from the RBF Fund (Fund) to each school operated by a school district or a charter holder as follows:
 - a) \$225 per student count if:
 - i. Fewer than 60% of enrolled students were eligible for free or reduced-price lunches, or an equivalent measure, at the time the Spring 2019 statewide assessment was administered; and
 - ii. The school performed in the top 13% of all schools statewide on the mathematics and language arts portions of the Spring 2019 statewide assessment.
 - b) \$400 per student count if:
 - i. 60% or more of enrolled students were eligible for free or reduced-price lunches, or an equivalent measure, at the time the Spring 2019 statewide assessment was administered; and
 - ii. The school performed in the top 13% of schools statewide on the mathematics and language arts portion of the Spring 2019 statewide assessment.
 - c) \$225 per student count if:
 - i. 60% or more of enrolled students were eligible for free or reduced-price lunches, or an equivalent measure, at the time the Spring 2019 statewide assessment was administered; and
 - ii. The school performed in the top 27% but not in the top 13% of schools statewide on the mathematics and language arts portions of the Spring 2019 statewide assessment. (Sec. 8)
11. Requires ADE to distribute \$400 per student count from the Fund to each alternative high school if:
 - a) The school performed in the top 27% of schools that had more than 60% of students eligible for free or reduced-price lunches, or an equivalent measure, as demonstrated by the mathematics and language arts portions of the Spring 2019 statewide assessment; and
 - b) The school reports the average percentage of students who obtained a passing score on both the mathematics and language arts portions of the Spring 2019 statewide assessment. (Sec. 8)

Miscellaneous

12. Contains an intent clause. (Sec. 9)
13. Makes conforming changes. (Sec. 2, 6, 7)

<input type="checkbox"/> Prop 105 (45 votes) <input type="checkbox"/> Prop 108 (40 votes) <input type="checkbox"/> Emergency (40 votes) <input type="checkbox"/> Fiscal Note
--