

2013 Legislative Summary

50th Legislature – 1st regular session and Special Session, 2013

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Introduction

After 151 days in session, the 51st Regular Session adjourned Sine Die at 12:29 a.m. on June 14. The overwhelming focus of the legislative session was the Medicaid expansion issue, which was passed with 14 Republican's voting with all of the Democrats. Bills become law on September 13, 2013 unless it contains an emergency clause or delayed effective date.

The Budget

The House and Senate passed a bipartisan budget that included increases for charter schools, including increases to both the base level and additional assistance. We are estimating these increases will provide charters with an additional \$80-\$90 per-pupil increase over current year funding levels. The budget also included the continuation of the \$40 million K-3 Reading funding, \$7 million for the Arizona Department of Education's student data system, and \$2.4 million for the Department to study the potential impact of the Governor's performance funding proposal. [Find our budget breakdown here.](#)

Priority Bills

All three Arizona Charter Schools Association priority bills were approved by the legislature including:

HB2494 — [Charter Schools; Enrollment Preferences](#) - After years of small edits, this section of statute was one long run-on sentence. It is now rewritten it to be much clearer. Enrollment preferences can include grandchildren or legal wards of school or charter holder employees and students or siblings of students who attended another charter school that is managed by the same educational management organization, charter management organization or educational service provider. **ACTION:** Signed by the Governor.

SB1103 — [Charter Schools; Zoning Procedures](#) — A charter school is permitted to authorize a third party to apply to a municipality or county for any zoning application or action. Also, voluntary compliance of a school district in the zoning regulations of a municipality or county does not result in the application of those zoning regulations to a charter school. **ACTION:** Signed by the Governor.

SB1104 — [Charter Schools; Pupils; JTEDS](#) — Currently JTED, or vocational training, funding increases the inequities between district and charter students. For no apparent reason, the law stated a charter student was worth .5 less than a district child attending the same JTED. SB1104 erases that disparity so that the sum of the average daily membership for a student enrolled in both a charter school and a joint technical education district is prohibited from exceeding 1.75, instead of 1.25 for a charter student and 1.75 for a district student. This bill eliminated that disparity. **ACTION:** Signed by the Governor.

Accountability

House Bill 2500 (Chapter 149) — SCHOOLS; TEACHER EVALS; DISMISSALS

[Read the Bill here.](#)

Various changes to the system for evaluating the performance of certified teachers **that school districts are required to establish.** The two actual classroom observations of the teacher must be done annually and must be done by a "qualified evaluator" (defined), who must receive training on teacher evaluations. The second observation may be waived for a "continuing teacher" (defined) in one of the highest performance classifications. The evaluation system must include a plan for the appropriate use of quantitative data of student academic progress in teacher evaluations. A continuing teacher who has been designated in the lowest performance classification for the current school year becomes a "probationary teacher" (defined) and remains probationary until the teacher's performance classification is designated in either of the two highest classifications. A preliminary notice of inadequacy of classroom performance must be accompanied by a performance improvement plan designed to help the teacher correct inadequacies and demonstrate adequate classroom performance. School boards are required to adopt a definition of inadequacy of classroom performance that aligns with the performance classifications, and the definition must be developed in consultation with the district's certified teachers. **Retroactive to July 1, 2013.** AS SIGNED BY GOVERNOR.

ASRS

Senate Bill 1170 (Chapter 110) — RETIREMENT; ASRS; AMENDMENTS

[Read the Bill here.](#)

Various changes to statutes governing the Arizona State Retirement System, including making the statutory formulas for permanent benefit increases apply only to ASRS members whose membership began before the effective date of this legislation. The period of time used in determining employer contributions is determined by the ASRS Board, instead of a rolling 30-year period, and when determining the period the Board is required to seek to improve the funded status whenever the ASRS trust fund is less than 100 percent funded. The bill appropriates \$200,000 from the ASRS Administration Account Fund in FY2013-14 to the ASRS for implementation. **Effective January 1, 2014, with various sections retroactive to July 1, 2013.** AS SIGNED BY GOVERNOR.

Curriculum

House Bill 2425 (Chapter 20) — EDUCATION BOARD; ELL; COMPETENCY TESTS

[Read the Bill here.](#)

This bill eliminates the requirement for the State Board of Education to adopt a competency test in at least the areas of reading, writing and mathematics as a requirement for high school graduation. It repeals alternative high school graduation requirements for a student who fails to achieve a passing score on the competency test. **This bill also specifies that English language learners must take the competency test adopted by the Board.** Eliminates the requirement for the Board to adopt and implement a statewide nationally standardized norm-referenced achievement test in reading, language arts and mathematics. Repeals statute allowing school boards to exempt limited English proficient students from the nationally standardized norm-referenced achievement test and repeals the

exemption from public record requirements for the test. Also, retroactive to January 1, 2013, the Arizona English Language Learners Task Force is eliminated and the State Board of Education succeeds to the authority, powers, duties and responsibilities of the Task Force. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

Senate Bill 1449 (Chapter 252) — SCHOOLS; GRADUATION; PERSONAL FINANCE; ENTREPRENEURSHIP
[Read the Bill here.](#)

The list of academic areas which the State Board of Education is required to prescribe competency requirements for students to graduate from high school is expanded to include personal finance. This bill does not allow the Board to establish a required separate personal finance course for the purpose of high school graduation. **School boards or charter schools are permitted to prescribe a separate personal finance course for high school graduation** or to incorporate personal finance instruction into an existing course, that is in addition to or higher than the course of study and competency requirements prescribed by the Board. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR

JTED

Senate Bill 2499 (Chapter 229) — JTEDS; PER PUPIL FUNDING CALCULATION
[Read the Bill here.](#)

Modifies the maximum average daily membership (ADM) for certain joint technical education district (JTED) students. If a career and technical education course or program is provided on a satellite campus, the sum of the ADM for a student in both the school district and JTED cannot exceed 1.25. A student who attends a course or program at a satellite campus and who is not enrolled in the school district where the campus is located may generate ADM if the student is enrolled in a school district that is a member district in the same JTED. The sum of the ADM of a student enrolled in both the school district and a JTED course or program provided at a community college or at a centralized campus cannot exceed 1.75. The ADM for a student in grades 10 through 12 who is enrolled in a course that meets for at least 150 minutes per class period at a centralized campus cannot exceed 0.75. The sum of the ADM for a student enrolled in both the school district and such a course cannot exceed 1.75 if specified conditions are met. A student enrolled in an accommodation school may be treated as a student of the school district in which he/she physically resides for the purposes of enrollment in a JTED and is included in the calculation of ADM for either the JTED or the accommodation school, or both. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

Miscellaneous

House Bill 2042 (Chapter 83) — SCHOOLS; DIABETES MANAGEMENT
[Read the Bill here.](#)

School districts and charter schools are required to provide any medication administration services specified in a child's diabetes medical management plan. Voluntary diabetes care assistants are authorized to administer insulin or assist the student with self-administration of insulin. The student's parent or guardian is required to provide insulin and all equipment and supplies necessary for insulin administration by voluntary diabetes care assistants. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

House Bill 2156 (Chapter 88) — ELECTIONS; PUBLIC RESOURCES PROHIBITED

[Read the Bill here.](#)

The state and all political subdivisions are prohibited from spending or using public resources to "influence an election" (defined), including the use or expenditure of monies, accounts, credit, equipment, facilities, vehicles, postage, telecommunications, computer hardware and software, webpages and "any other thing of value." **The prohibitions on using municipal, county, school district, charter school, community college or university resources for the purpose of influencing elections are each expanded to specifically include monies, accounts, credit, facilities, vehicles, postage, telecommunications, computer hardware and software, webpages and "any other thing of value."**

Some exceptions, including for "government-sponsored forums or debates" (defined) if the government sponsor remains impartial and the events are purely informational. The Attorney General, county attorney or any resident of the jurisdiction that is alleged to have committed a violation of this prohibition may file an action in superior court to enforce this legislation. **Any person or public entity that knowingly violates this prohibition or aids another person or public entity in violating this prohibition is liable for a civil penalty of up to \$5,000 for each violation.** The court may also order an additional penalty in an amount equaling the value of the public resources unlawfully used. The person determined to be out of compliance is responsible for the payment of all penalties and misused funds, and public funds or insurance payments cannot be used to pay the penalties or misused funds. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

House Bill 2164 (Chapter 6) — DHS; FOOD INSPECTION; EXCEPTION

[Read the Bill here.](#)

The Department of Health Services food safety rules must provide an exemption for food and drink that is offered at any locations that sell only commercially prepackaged food or drink without a limitation on its display area. Previously, the exempt food and drink could only be displayed in an area of less than 10 linear feet. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

House Bill 2170 (Chapter 71): STOPPED SCHOOL BUSES; LIGHTS

[Read the Bill here.](#)

School bus operators are required to display the signal and flashing lights if passengers are getting on or off while the bus is stopped on a private road or driveway. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

House Bill 2217 (Chapter 132): EXTRAORDINARY EDUCATORS SPECIAL PLATES

[Read the Bill here.](#)

This bill creates an Extraordinary Educators special plate if \$32,000 is paid for its implementation to ADOT by December 31, 2016. It establishes the Extraordinary Educators Special Plate Fund (Fund) to be administered by the ADOT Director. Monies in the Fund are continuously appropriated. Not more than five percent of the monies deposited in the Fund are to be used for the cost of administration.

The cost to consumers for this new special plate is \$25 for the original Extraordinary Educators special plate and subsequent renewals, \$8 is an administration fee and \$17 is an annual donation. ADOT is required to deposit all administration fees into the SHF and all annual donations into the Fund. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

House Bill 2317 (Chapter 7) — FINGERPRINT CLEARANCE CARD; EXPIRED USE

[Read the Bill here.](#)

An expired fingerprint clearance card may be used to satisfy the fingerprint requirements of various school personnel if the person signs an affidavit stating that the person submitted a completed application for a new card within 90 days before the expiration date of the expired card, and that the person is not awaiting trial on and has not been convicted of a criminal offense that would make the person ineligible. This bill does not apply to a card that has been denied, suspended or revoked or to a person who has requested a good cause exception hearing. Emergency clause. ***Effective September 13, 2013.*** AS SIGNED BY GOVERNOR.

House Bill 2403 (Chapter 189) — TEACHER EMPLOYMENT CONTRACTS; ELECTRONIC SIGS

[Read the Bill here.](#)

School boards are authorized to transmit and receive teacher contracts in an electronic format and to accept electronic signatures on those contracts. School boards must provide validation to the teacher that an electronically signed contract has been transmitted. Electronic contracts submitted after the end of the current school year and prior to the start of the next school year must be submitted to both the teacher's school district e-mail and personal e-mail in order to notify them of the offer of contract. Teachers are responsible for submitting their personal e-mail to human resources personnel for this purpose. ***Effective September 13, 2013.*** AS SIGNED BY GOVERNOR.

House Bill 2441 (Chapter 174) — SCHOOLS; ELECTRONIC FINGERPRINTING SERVICES

[Read the Bill here.](#)

The Department of Public Safety is authorized to contract for "electronic or internet-based fingerprinting services" (defined) as part of the application for a fingerprint clearance card for teacher certification. The contracted entity may charge the applicant a fee for services. Fingerprints submitted electronically or through an internet-based system must include a completed application for a fingerprint clearance card and the required fee, and must be identity verified in accordance with Dept instructions, including information privacy and security measures established by the Dept. Emergency clause. ***Effective September 13, 2013.*** AS SIGNED BY GOVERNOR.

Senate Bill 1337 (Chapter 240) — SCHOOLS; CPR TRAINING

[Read the Bill here.](#)

School districts and charter schools are authorized to provide students with one or more training sessions in CPR through the use of psychomotor skills in an age-appropriate manner during grades 7 through 12. The training must be based on the most current training developed by a nationally recognized nonprofit organization that provides CPR training. If the instruction results in CPR certification, the instruction must be provided by a certified CPR trainer. A student must be excused from the instruction at the parent's request or if the student provides written documentation of previous training or current CPR certification. ***Effective July 1, 2015.*** AS SIGNED BY GOVERNOR.

Senate Bill 1408 (Chapter 115): ADOPTION STUDY; FINGERPRINT CLEARANCE CARDS

[Read the Bill here.](#)

For the purpose of an adoption social study, a valid fingerprint clearance card satisfies the requirement for a state and federal criminal records check of the prospective adoptive parent. The court is authorized to order an additional state and federal criminal records check for good cause. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

Senate Bill 1450 (Chapter 253): SCHOOL DISTRICTS; FERPA VIOLATIONS; PENALTY

[Read the Bill here.](#)

Any person who suspects that a school district or charter school has knowingly violated the Family Educational Rights and Privacy Act may notify the principal of the charter school or superintendent of the school district. If the matter is not resolved within 60 days of notice, the person may file a complaint with the Superintendent of Public Instruction. If the Superintendent determines there is a knowing violation, the Superintendent must notify the school district or charter school. If the violation is not corrected within 60 days after notice, the Superintendent may inform the Family Policy Compliance Office of the U.S. Department of Education of a possible violation. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

School Finance

House Bill 2202 (Chapter 91) — SCHOOL DISTRICTS; LEASES

[Read the Bill here.](#)

The maximum number of years that school district leases or lease-purchase agreements can last without voter approval is increased to ten, from five. School districts with a certain amount of outstanding bonded indebtedness are no longer prohibited from calling an override election to exceed the capital outlay revenue limit. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.

Senate Bill 1293 (Chapter 105) — SCHOOLS; OUTCOME-BASED FUNDING; SIMULATED PILOT

[Read the Bill here.](#)

The State Board of Education is required to establish a competitive application process for a four-year simulated pilot program for outcome-based funding of schools. School districts and charter schools are required to apply to participate in the simulated pilot program by January 1 of each year of the program, and the Board must select the up to five school districts and up to five charter schools to participate by March 1 of each year. At least one district and one charter school must provide online instruction. The Department of Education is required to conduct an estimated analysis of the simulated funding that participating school districts and charter schools would have received if the school funding formula were to be modified according to specified formulas, and to conduct an estimated analysis of specified simulated requirements for participating schools. School districts and charter schools participating in the program will continue to receive funding as prescribed in statute. Public universities are required to perform various functions to assist with the program. Beginning November 15, 2015, the Board is required to submit an annual report to the Governor and the Legislature summarizing the results of the simulated pilot program. **The pilot program is intended to begin in school year 2014-15, but the Board may delay implementation until required assessments are developed. The simulated pilot program self-repeals September 16, 2020.** AS SIGNED BY GOVERNOR.

Senate Bill 1447 (Chapter 251) — SCHOOLS; DEPT OF ED; OMNIBUS

[Read the Bill here.](#)

This bill had numerous changes relating to school districts and charter schools. All student level data collected pursuant to statute may be used for providing access of student level data to school districts, joint technical education districts (JTEDs), charter schools, community colleges and public universities. The Department of Education is required to adopt policies and procedures to allow access of student level data for currently enrolled students to school districts, JTEDs and charter schools. JTEDs are added to the list of entities that may use the student accountability information system and that may transmit student level and school finance data electronically to the Dept. The Director of the Department of Administration is added to the membership of the Data Governance Commission, and the Commission is required to establish guidelines for the form and format of data elements required for state and federal reporting and interagency data sharing relating to education programs, and to ensure that the guidelines it adopts reduce duplication and administrative requirements for public schools, postsecondary institutions and public agencies. Students must be enrolled in a school or school district using the name that is printed on their birth certificate, other reliable proof of identity or letter from an agency having custody of the student that is provided to the school or district. Charter schools are authorized to provide a preschool program for children with disabilities. **The requirement for the State Board of Education to annually distribute at least 10 percent of the federal monies it receives for preschool programs for children with disabilities to school districts is expanded to include charter schools that provide preschool programs. If a student is enrolled in both a charter school and joint technical education district and resides within the boundaries of a school district participating in the JTED, the average daily membership for that student must be calculated in the same manner prescribed by statute for a student enrolled in both the member school district and a JTED.** School districts are no longer required to certify specified information about buses to the Superintendent of Public Instruction by July 15 of each year, and are instead required to provide the odometer reading for each bus as of the end of the current year and the total bus mileage during the current year. Makes various changes related to school finance, including modifying the formula for the general budget limit for each school district. Increases the range amounts of instruction time scheduled for the year that is counted as 1/2 day of attendance to 356 to 711 hours, from 346 to 691 hours. Adjustments to average daily membership for failure to provide sufficient instructional time to meet the requirements for a full-time student may be made proportionately according to the percentage by which the instructional time provided does not meet the requirement. The Board of Education is required to distribute monies in the Assistance for Education Fund to the Department of Education to fund solutions teams assigned to schools assigned a letter grade of D or F. The space on the individual income tax return form where the taxpayer may designate all or any amount of the taxpayer's refund as a voluntary contribution to public schools is modified so that contributions will fund these solutions teams instead of state aid. The Department of Education is required to publish criteria for a school or school district's exit status from a previous assignment of a letter grade of F. The criteria must prescribe the actions and results necessary to be deemed to have complied with school improvement requirements, including the proper implementation of a school improvement plan. The criteria must be provided to a school or school district if it is assigned a letter grade of F. A unified school district that borders the states of Utah and New Mexico, meets other specified requirements, and that overstated its average daily membership during FY2008-09 through FY2010-11 is required to correct the overstatement over a period of five years, beginning in FY2012-13 and ending in FY2016-17. The repayment amount must be paid in equal installments in each of the four remaining FY. **Effective September 13, 2013.** AS SIGNED BY GOVERNOR.