

SUMMARY 49TH LEGISLATURE-SECOND REGULAR SESSION

The Arizona Legislature adjourned the Second Regular Session of the 49th Legislature Thursday, April 29, 2010. **STATE BUDGET**

The Association worked on behalf of its members to protect student funding and consistently argued that, to the extent further education cuts are necessary, that the cuts should consider a school's total revenues per-pupil. If the Governor's office or legislature were to base cuts on total revenues, charter schools and underfunded schools districts would be largely spared from debilitating cuts that they will be unable to withstand.

The \$10 million fiscal year cuts are estimated in this document prepared by the Governor's office; however, these numbers are based on October 2009 enrollment. Charter students are funded on current year so if more students enroll, the cut will be smaller, and conversely, if less enroll, the cut will be greater.

The estimated cut is reported as a per-pupil reduction in your school's total payments. Please note that schools offering kindergarten are disproportionately affected due to the elimination of the kindergarten weight. Two years ago, Arizona implemented voluntary full-day kindergarten and approved additional funding by way of a kindergarten Group B weight. The kindergarten weight that will be reduced for FY2011 is approximately \$2,200 per kindergarten student; this reduction is in addition to the additional assistance cut of approximately \$88.

There are two ways to consider cuts to your school; individual per-pupil cuts or overall per-pupil cuts:

(1) Individual per-pupil cuts would be calculated per specific student. For instance, a school serving 400 students of which 40 are kindergarteners would have the following individual per-pupil reductions: kindergarten per-pupil reduction of approximately \$2288 per-kindergartener (\$91,520 total) and \$88 per-pupil for each of the remaining 360 students (\$31,680 total).

OR

(2) Overall per-pupil reductions consider the cuts as an a average across the entire school enrollment. For instance, a school serving 400 students of which 40 are kindergarteners would have an average per-pupil reduction of approximately \$308. This is calculated by dividing the total reduction by the total student count, \$91,520 plus \$31,680 divided by 400.

If you are interested in the cuts to the entire K-12 system, <u>click here</u>. It is important to note that approximately \$2 billion in revenues that are available to districts outside of the Revenue Control Limit (RCL) is not included in these spreadsheets. The extra \$2 billion in revenues is not available to Arizona's charter students or low-wealth district students, and thus, the entire K-12 funding system is not fairly represented in this spreadsheet because not all revenues are reflected in this Excel spreadsheet for district students.

In addition, the Association is closely watching the following legislative actions to find out what impact, if any, they will have on Arizona's charter students.

Immigration:

In the waning days, the discussion turned away from the budget deficit toward Senate Bill 1070, the so called "toughest immigration law in the nation." All eyes, including those of President Obama, pop stars and the national media, are on Arizona as the law has clearly become the catalyst of the immigration debate that is likely to continue over the next several years.

Opponents of SB 1070 have already begun several efforts to derail the bills implementation. A lawsuit recently filed by the National Coalition of Latino Clergy and Christian Leaders alleges SB 1070 violates the US Constitution's supremacy clause. In addition, at least one group (with financial backing) has already filed paperwork to repeal the



law. The group needs 76,000 valid signature filed with the Secretary of State by July 1, 2010 for the measure to be placed on the 2010 November ballot (there are discussions about the timing and whether a delayed signature submittal would cause a delayed implementation of the law until it considered for the 2012 election.)

The Association is closely watching the bill through the summer and working with other education associations to gauge the impact on school leaders. The Association will keep its members updated through our weekly Wednesday emails and will bring in legal experts to advise leaders as school begins in August.

Since many of our nation's leaders and cities and others are speaking out against the law without even reading the law and its trailer bill (HB2162), here is the link for all to review.

http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1070 and http://azleg.gov/DocumentsForBill.asp?Bill_Number=2162

Proposition 100:

This year saw great debate on Proposition 100, the Governor's temporary one cent sales tax increase. With a passage rate of 3-2, media reports wonder if the legislature is out of touch with their constituents since the one-cent sales tax had such a commanding victory.

Ballot Measures:

There are already several ballot initiatives that the legislature has sent to the ballot in the closing hours of the Session. The Association's lobbying team, Veridus, will provide a detailed analysis in the near future. You may want to consider being updated on these initiatives through their website www.veridusaz.com.

- 1. Ban preferential treatment based on sex, ethnicity or national origin.
- 2. Block aspects of federal health care reform.
- 3. Preserves right to vote a secret ballot.
- 4. Transfer \$123 Million from Land Conservation Fund to General Fund.
- 5. Repeal First things First, sweep \$325 Million into the General Fund. 8 cent tobacco tax goes to general fund.
- 6. Create Lt. Governor position to replace Secretary of State.
- 7. Hunting and Fishing to become Constitutional right.
- 8. Requires petition signatures to be turned in 6 months prior to election.
- 9. Medical Marijuana (not referred by Legislature, signatures gathered.)
- 10. Repeal Immigration Reform measure (not referred by Legislature, signatures gathered.)

Other bill provisions are listed below addressing the following:

- Arizona Online Instruction
- Assessment
- Curriculum
- Data Collection
- Student Enrollment
- Operations
- School Finance
- Teachers

ARIZONA ONLINE INSTRUCTION

HB 2129 –	http://www.azleq.gov/DocumentsForBill.asp?Bill_Number=2129
Arizona Online	Removes the requirement that a pupil enrolled in Arizona Online Instruction (AOI) is
Instruction	considered full-time if the pupil's average instructional hours exceed 119 minutes for



Reform	 kindergarten programs, 238 minutes for 1st through 3rd grades, 297 minutes for 4th through 6th grades, 356 minutes for 7th and 8th grades and 300 minutes for 9th through 12th grades. Removes the requirement that a pupil enrolled in AOI will be considered part-time if the pupil's average instructional hours are less than the hours required for a full-time pupil. Defines "full-time student" as: A student who is at least five years old before September 1 of the school year and enrolled in a school kindergarten program that meets at least 346 hours during the school year. A student
	who is at least 6 years .old before September 1 of a school year, who has not graduated from the highest grade taught in the school and who is regularly enrolled in a course of study required by the State Board of Education that meets at least 890 hours. Seventh and eighth grade students or ungraded students who are at least 12, but under 14 years of age on or before September 1, and are enrolled in an instructional program of courses that meets at least 1,068 hours during the school year. For high schools, a student not graduated from the highest grade taught in a school district, or an ungraded student at least 14 years of age on or before September 1, who is enrolled in at least four courses throughout the year that meet at least 900 hours during the school year that will not be counted more than once for the computation of average daily
	membership. Defines "part-time student" as any student who is enrolled in a program that is funded at 85 percent of the base support level that would be calculated for that pupil if that pupil were enrolled as a part-time student in a school district or charter school that does not participate in AOI. The bill further defines part-time student for students in grades one through high school.
SB 1039: Arizona Online Instruction; charter schools; processing fee	 http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1039 Requires the ASBCS to charge a processing fee to any charter school that amends its charter contract to participate in the Arizona Online Instruction (AOI) program. Establishes the Charter Arizona Online Instruction Processing Fund (Fund) consisting of fees collected and administered by the ASBCS. Requires the ASBCS to use monies in the Fund only for the processing of contract amendments for charter schools participating in AOI. Specifies that the monies in the Fund are continuously appropriated. Contains an emergency clause so it is immediately effective

ASSESSMENT

S1040: TEACHER AND PRINCIPAL EVALUATIONS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1040 Requires the State Board of Education to adopt and maintain a model framework charter and district teacher and principal evaluation instrument that uses quantitative data on student academic progress for at least 33-50% of the evaluation outcomes and best practices for professional development and evaluator training.
S1119: TASK FORCE; K-3 ACCOUNTABILITY; ASSESSMENTS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1119 A 12-person Task Force on K-3 Accountability and Assessments is established to examine and recommend best practices in accountability and assessment measures for K-3 and to conduct trial exams of the subject populations. Funding for the task force is from solicitations of public and private donations. An annual report is due to the Legislature and governor by Dec 1.
S1286: SCHOOLS; ACHIEVEMENT	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1286 The requirement that the Dept of Education maintain an achievement profile for each district



PROFILES; LETTER GRADES	school is expanded to include each district as well. The previous classification system (underperforming, performing, highly performing, etc) is replaced with a letter grade of A through D and F. Fifty percent of the criteria for grading schools and districts must be academic performance measures, and 50% of that must consist of a measurement of the 25% of pupils with the lowest academic gain enrolled in the school or district.
HB 2731 HIGH SCHOOLS; GRADUATION; BOARD EXAMINATIONS	 http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2731 Creates the Grand Canyon Diploma and enables high school students to choose different pathways to education. Establishes a board examination system for high school students that supports a "move on when ready" process. Requires the ASBCS to modify previously approved curriculum requirements for charter schools that wish to participate in the board examination system. This is effective for 2012-13 school year.

CURRICULUM

H2281: SCHOOLS; PROHIBITED COURSES; DISCIPLINE	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2281 School districts and charter schools are prohibited from including courses or classes that are designed primarily for students of a particular ethnic group or that advocate ethnic solidarity. Disciplinary rules for students cannot be based on race, color, religion, sex, national origin, or ancestry. After notification and opportunity to correct a violation, the state may withhold state aid from schools that continue to violate these regulations. This is effective January 1, 2011.
S1308: HIGH SCHOOL INSTRUCTION; DATING VIOLENCE	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1308 All public high schools (including charters) are required to include in their curricula instruction on the recognition and prevention of dating violence (defined).

DATA COLLECTION

H2733:	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2733
EDUCATION	By October 31, 2011, the Superintendent of Public Instruction is required to enter into a contract
DEPT; DATA	(length of the contract is blank in the original) with a public or private entity to administer all the
COLLECTION	data collection, compilation and reporting duties of the Department of Education, the State Board
	of Education, the State Board for Charter Schools, the School Facilities Board, the Arizona State
	Schools for the Deaf and Blind, the Arizona Board of Regents, and the Community College
	Districts. Contractor and contract requirements are specified. Also establishes a task force on
	data privatization to design a request for proposals for the data collection process and submit it
	to the Dept of Education by March 31, 2011. The task force self-repeals September 15, 2011.

OPERATIONS

H2080: PUPILS WITH	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2080
CHRONIC HEALTH	School governing board policy related to pupils with chronic health problems cannot be



PROBLEMS	construed as interfering with or overriding the rights of a parent/guardian of a pupil, or as authorizing school personnel to, without prior consent of a pupil's parent/guardian, either authorize absences due to health problems or to administer or prescribe medication.
H2197: SCHOOL BUS INSPECTIONS; RULES	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2197 School bus inspections are no longer required to be conducted by the Dept of Public Safety. Instead inspections are to be conducted pursuant to rules adopted by the Dept of Administration.
H2209: PUBLIC MEETINGS; NOTICES	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2209 Public notices of meetings of public bodies must be conspicuously posted on the public body's website. Removes requirements for public meeting notices to be posted with the Secretary of State, clerk of the county board of supervisors, or city clerk. The requirement for state agencies to annually publish the names of employees designated to assist members of the public is extended to all state agencies (previously applied to state agencies with more than 100 employees).
H2722: CHARTER SCHOOLS; FUNDING; NONRESIDENTS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2722 Charter schools cannot include students who are not Arizona residents in the student count and cannot obtain state funding for those students. Some exceptions (the same exceptions that apply to school districts).
H2725: EDUCATION; OMNIBUS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2725 Various changes to statutes governing education. Allows public universities, public community colleges, municipalities, and private postsecondary educational institutions to sponsor charter schools, if the entity determines, in its sole discretion, that the charter applicant is "sufficiently qualified" to operate a charter school. Charter school students cannot be included in student counts for universities or community colleges. A charter school governing body must make public a copy of its proposed budget, notice of a budget hearing, and a copy of its adopted budget. Placement of special education students in a private school is not subject to rules adopted by the State Board of Education before November 24, 2009. Schools are authorized to sell age appropriate advertising (previous statute limited advertising sales to the exterior of school buses, athletic facilities, and websites). School district open enrollment policies must be posted on the district website and available to the public on request. The Board of Regents is required to develop and implement a common course numbering system for advance placement and international baccalaureate courses offered in high schools.
H2732: SCHOOLS; THIRD GRADE RETENTION	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2732 Prohibits the promotion of students from the third grade if the student's score on the reading portion of the AIMS test demonstrates that the student is far below the third grade level. Includes a list of good cause exemptions. School districts must offer students held back in the third grade at least 3 intervention and remedial strategies developed by the State Board of Education. Establishes a task force on reading assessment to examine third grade reading tests in other states and to develop recommendations for an assessment of reading abilities in grades one and two. The task force must submit a report to the State Board of Education, the Governor, and the Legislature by January 15, 2011. The task force self-repeals September 16, 2011.
S1039: CHARTER SCHOOLS; ONLINE INSTRUCTION; FEE	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1039 The list of items that must be included in the annual report cards issued by schools to parents is reduced by eliminating 10 categories of information, including the school's current



	expenditures per pupil for supplies and support, the transportation services available, the social services available, a description of parental responsibilities, etc. Schools must make the report cards available to parents electronically. AS PASSED SENATE.
S1282: AFFILIATED CHARTER SCHOOLS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1282 The list of situations or conditions that may be used by charter schools to grant preference for admission to certain students is expanded to include students who attended an affiliated charter school (defined).
S1309: PARENTS; RIGHTS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1309 Establishes a parent's bill of rights. Included in the list of enumerated rights: to direct the education, upbringing and moral/religious education of the minor child, to consent in writing before any record of the child's blood or DNA is created and to review all medical records of the child. Schools must provide parents with information outlining procedures by which they may learn about instructional materials, rights to opt out of certain assignments, rights to opt out of sex education classes, etc.

SCHOOL FINANCE

H2385: SCHOOLS; ADM CALCULATION	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2385 For school finance purposes, "average daily attendance" is deleted and replaced with a modified "average daily membership." The Department of Education is required to use the same calculation to determine Group B ADM as Group A ADM. The Dept must compute and aggregate Group A and Group B ADM for the current year no later than April 15 and inform school districts and charter schools of their counts by April 22. Also repeals statutes on determination of student count.
H2386: SCHOOL DISTRICT OVERRIDE ELECTIONS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2386 Various changes relating to school district budget override elections. Session law allowing proposed budget increases of up to 15% of the revenue control limit in FY 2009-2010 is extended an additional year to FY 2010-2011. Also allows school districts that already conducted an election in the FY to conduct another election in March 2010 or March 2011 to submit a proposed budget increase under this session law.
H2663: STOS; CORPORATE TAX CREDIT REQUIREMENTS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2663 Removes most regulations involving student tuition organizations (STOs) and moves them to a new section of law. Impossible to determine real effect without line-by-line comparison.
H2664: STOS; TAX CREDIT REQUIREMENTS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2664 The maximum amount of the contribution to a student tuition organization (STO) that may be made in a taxable year by an individual in increased to \$750 from \$500. For a couple filing jointly, the limit is increased to \$1,500 from \$1,000. Beginning Jan 1 (no year specified), the dollar limits are adjusted according to the average annual change in the Metro Phoenix Consumer Price Index. [Capitol Reports note: the amount of the contribution is a dollar-fordollar credit against the person's or couple's income tax liability.] The credit is not allowed if the taxpayer colludes with others for the direct benefit of the taxpayer's child. Many regulations and reporting requirements are deleted and moved to a new section of law. Effective Jan 1, 2011.



S1284: SCHOOL	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=1284
FINANCE	Requires that to the extent permissible by law, any statutory change in school finance
REVISIONS	statutes shall apply to the entire fiscal year in which the change becomes effective. Other
	various, mostly technical, changes to school finance statutes.

TEACHERS

H2227: SCHOOLS; TEACHER CONTRACTS; ACCEPTANCE	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2227 Decreases the amount of time a teacher has to accept a contract to 10 business days from 30 business days.
H2298: TEACHER CERT; PREPARATION PROVIDERS	http://www.azleg.gov/DocumentsForBill.asp?Bill_Number=2298 The Department of Education rules governing teacher certification must allow a variety of teacher preparation program providers to offer courses of study to teaching candidates with a bachelor's degree from an accredited postsecondary institution.