

## 2009 ASBA LEGISLATIVE WRAP-UP BRIEF

The First Regular Session of the 49<sup>th</sup> Legislature adjourned sine die at 7:30 a.m. on July 1, 2009. The general effective date for non-emergency bills is September 30, 2009. Appropriations bills and bills with an emergency clause are effective immediately upon the signature of the Governor. Final versions of the bills are available at the Arizona State Legislature Web Page: [www.azleg.gov](http://www.azleg.gov).

### BILLS PASSED

#### **HB 2001 Scholarships; disabled or displaced students (Murphy) Chapter 1, Second Special Session; Laws 2009**

Under current law, a corporate and individual income tax credit is available for contributions made to school tuition organizations.

##### **Provisions:**

- Limits to \$5 million for any fiscal year corporate and premium tax credits.
- Allows a credit against the premium tax liability incurred by an insurer for the amount of voluntary cash contributions made by the insurer during the tax year to a school tuition organization.
- Stipulates provisions for the procedures and limitations to the allowable tax credit.
- Requires the Department of Insurance, with the cooperation of the Department of Revenue to adopt rules necessary for the administration of the tax credit.
- Establishes, beginning July 1, 2009, a corporate income tax credit for the amount of voluntary cash contributions made by a taxpayer to a school tuition organization.
- Establishes requirements for the approval process of the income tax credits.
- Allows any amount of the credit to be carried forward for five taxable years if the allowable amount of the credit exceeds the taxpayer's tax liability.
- Prohibits the taxpayer from designating the contribution for the direct benefit of any specific student.
- Requires an school tuition organization to use at least 90 percent of the contributions for education scholarships or tuition grants for qualified students who either:
  - Previously received a grant or scholarship from either of the state Programs for disabled or displaced students in a foster care home in order to attend a qualifying school.
  - Previously attended a public school for at least the first 100 days of the prior year and transferred to a qualifying school.
  - Received a scholarship or tuition grant under one of the above provisions and continues to attend a qualified school.
- Requires the Department of Revenue to adopt rules necessary for the administration of the tax credits.
- Defines *custodian*, *qualified school*, *qualified student* and *school tuition organization*.

#### **HB 2006 Schools; juvenile probation officers (Konopnicki) Chapter 14, Laws 2009**

Under current law, the School Safety Program utilizes school resource officers to teach law-related education programs to students.

##### **Provisions:**

- Allows school districts and charter schools to enter into intergovernmental agreements with the presiding judge of a juvenile court to allow juvenile probation officers to participate in the School Safety Program.
- Stipulates the school district or charter school must pay the costs of the juvenile probation officers.

#### **HB 2029 School district balances; allocations (Kavanagh) Chapter 6, Laws 2009**

Under current law, school districts and charter schools receive their state aid allocations in ten apportionments throughout the fiscal year, on the 15th of every month except for August and November.

##### **Provisions:**

- Requires ADE, on October 15<sup>th</sup>, to distribute an amount to school districts that reflects what they would have received on May 15 minus their ending cash balances (adjusted for allowed carry forwards and impact aid).
- Provides 2% interest over five months for any costs districts incur because of warrants issued.

#### **HB 2031 Schools; contractors; fingerprint clearance cards (Kavanagh) Chapter 75, Laws 2009**

Under current law, school districts must require the submission of a full set of fingerprints of any contractor, subcontractor or vendor who is contracted to provide services on school property on a regular basis.

##### **Provisions:**

- Clarifies the requirement that contractors, subcontractors, vendors or any of their employees must have a valid fingerprint clearance card if they provide services on a regular basis at an individual school.

- Requires districts to adopt policies by December 31, 2009 regarding the fingerprint clearance cards, which may exempt persons who “as part of the normal job duties of the persons” and not likely to have independent access or unsupervised contact with students; must implement within 60 days of adoption.
- Clarifies A.R.S. 15-550 on unprofessional conduct, in which a person isn’t entitled to due process laws of 15-539, subsection G if a teacher or applicant fails to immediately report being arrested or charged with an unappealable offense.

**HB 2081 Income tax credit review schedule (Lesko) Chapter 32, Laws 2009**

Under current law, the Joint Legislative Income Tax Credit Review Committee is comprised of five members of the House Ways and Means Committee, and five members of the Senate Finance Committee.

**Provisions:**

- Establishes a new Income Tax Credit Review schedule so income tax credits will automatically be reviewed in five year intervals.

**HB 2099 Charter schools; zoning (Crandall) Chapter 98, Laws 2009**

Under current law, charter schools are classified as public schools for the purposes of the assessment of zoning fees, site plan fees and development fees.

**Provisions:**

- Classifies charter schools as public schools for the purposes of zoning.
- Requires municipalities and counties to allow a charter school to be established and operate at a location or in a facility in which schools operated by school districts are not prohibited by zoning regulations, except that a county or municipality may adopt zoning regulations that prohibit a charter school from operating in an existing single family residence that is located on property of less than an acre.
- States a charter school is subject to the same level of oversight and the same ordinances, limitations and requirements, if any, that would be applicable to a school that is operated by a school district.
- Clarifies the construction and development of the charter school facility shall be subject to the building codes, including life and safety building codes, of the municipality, county or state.

**HB 2103 State treasurer; independent legal counsel (Crump) Chapter 162, Laws 2009**

Under current law, the Attorney General is the chief legal officer of the state, providing legal advice, services, and representation for schools, agencies, and local governments.

**Provisions:**

- Adds legal advisors to the list of persons the State Treasurer may consult with in regards to the investment of monies.
- Exempts the State Treasurer from the requirement of employing the Attorney General as legal counsel.

**HB 2110 Public retirement plans; federal changes (Boone) Chapter 35, Laws 2009**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- Makes changes to PSPRS, EORP and CORP to conform the public retirement plans to federal regulations.

**HB 2118 ASRS; LTD amendments (Boone) Chapter 36, Laws 2009**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions (taken from the Arizona State Retirement System summary):**

- Plan Design
  - Removes the 80% cap on retirement benefits.
- Service Purchase
  - Requires, beginning July 1, 2010, a member to have five years of service credit in ASRS before initiating a service purchase.
  - Expands the Service Purchase Program to time worked for the government of a United States commonwealth, insular area, or overseas possession.
  - Repeals the sunset clause from Laws 2007, Chapter 244 (HB 2148 ASRS; active military service credit) that allowed members who are called into US military service and who become disabled to purchase their military time even if they do not return to service for the same State employer.
- Return to Work (RTW)
  - Requires a member to submit an application for re-retirement after terminating RTW employment.
  - Permits a member who RTW with a suspension of benefits to choose a different annuity option from their first retirement if the member resumed work for at least 60 consecutive months.
  - Requires an election to continue receiving benefits while working to be irrevocable for the remainder of employment.
  - Eliminates the requirement that a RTW teacher must be certificated.

- Requires a retiree who RTW without a resumption of membership to acknowledge the provisions of the RTW program in writing and file it with the employer within 30 days.
- Dual Membership
  - Allows a retiree to immediately RTW in a non-ASRS position (i.e., not suspend retirement benefits) if the retiree RTW in a position that is:
    1. a true change from their pre-retirement position,
    2. does not require participation in ASRS, and
    3. either:
      - a) requires participation in another retirement plan and the member makes those contributions (or if EORP, waives coverage) or
      - b) permits the member to contribute to another plan and the member actually does participate.
- Dual Employment
  - Permits, beginning January 1, 2010, contributions from a second employer only if the 20/20 Rule is met for that employer unless the employee has been dually employed with the same employer between January 1, 2005 and December 31, 2009 and continues or resumes that employment before January 1, 2012 and the employee does not leave the second employment for more than 30 consecutive days during the employee's service year.
  - Excludes compensation from a second employer for which contributions are not remitted from the pension calculation.
- Employer Termination Incentive Programs (ERTIP)
  - Limits exceptions to ERTIP definition to increases due only to promotion and removes reclassifications and merit increases.
  - Removes the requirement that in order to qualify as an ERTIP an agreement to terminate must be in writing and instead broadens to include anything of value provided by an employer that are conditioned on the member's termination.
  - Clarifies that enhanced payments of vacation, sick, or compensatory leave will count as incentives.
- Employer Administration
  - Requires an employer that employs and makes contributions for a person who works for a third-party organization (and doesn't meet ASRS membership), if the ASRS or a court determines that ASRS must pay a benefit to the person, to pay any unfunded liability resulting to ASRS after ASRS subtracts the person's account balance from the present value of the benefit.
- Long-Term Disability Program
  - Cross-references the LTD Program definitions with the DB Plan statutes.
  - Clarifies the LTD contribution rate calculation statute to provide consistency between the DB Plan and LTD Program rates.
  - Clarifies LTD Program offset statute to include amounts paid to the member *and* the member's dependents.
  - Clarifies the use of the word "benefit" throughout the LTD statute.
- Administration
  - Exempts ASRS employees from State Personnel Management and Personnel Board provisions and the State classification and compensation limitations.
- Retiree Accumulated Sick Leave (RASL) Program [Department of Administration]
  - Requires an employee, in order to be eligible for a RASL payment from ADOA, to:
    1. Establish an effective retirement date that is within 31 days after termination of employment.
    2. Elect defined retirement benefits within 31 days after termination of employment.
    3. Have non-forfeited sick leave time available for use at the time of termination.
  - Enables an employee or officer to receive a RASL payment in a lump sum.
- Miscellaneous
  - Clarifies charter city transfers statute by stating that a member extinguishes all rights in the retirement system from which the member is transferring.
  - Clarifies that non-retired survivor benefits are triggered by a member's death regardless of whether the member was employed at the time of death.
  - Eliminates extraneous statutory language relating to the Rural Health Insurance Subsidy that expires on June 30, 2009.
  - Other technical and conforming changes.

**HB 2287 Tax credits; withholding tax reduction (Yarbrough) Chapter 167, Laws 2009**

Under current law, Arizona Revised Statutes requires an employer to withhold Arizona income tax from compensation paid to employees for services performed in Arizona for application toward Arizona income tax liability

**Provisions:**

- Allows employers to reduce withholding tax amounts for employees who plan to make contributions to public schools, school tuition organizations or charitable organizations.
- Requires the employee to make a written request that the employer reduce the withholding amount and must contain the name and address of the school, STO or charitable organization receiving the donation.
- Requires the employer to make the donation to the public school, STO or charitable organization on behalf of the employee within 15 days after the end of each calendar quarter.
- States that the employee is responsible for the accuracy of the amount of the reduction.
- Requires the employer within 30 days of the end of each calendar year or within 15 days of termination, to give a statement to the employee and the Department of Revenue that provides the amount withheld and paid on behalf of the employee during that year.
- Effective January 1, 2010.

**HB 2288 Premium tax credit; STO contribution (Yarbrough) Chapter 168, Laws 2009**

Under current law, corporations and individuals can receive a tax credit for contributions to school tuition organizations.

**Provisions:**

- Eliminates the sunset date of June 30, 2011 for the corporate income tax credit for contributions to STOs.
- Permits a credit for an insurer against premium tax liabilities incurred for the amount of voluntary cash contributions made to a school tuition organization.
- Defines the amount of the allowable tax credit as the total amount of the insurer's contributions for the tax year that is preapproved by the Department of Revenue.
- Applies the current statutory requirements relating to credit for contributions to STOs to:
  - Insurers claiming a credit under this language
  - STOs that receive contributions from insurers
  - Schools that qualify to receive scholarship monies from insurers
  - Students who receive scholarships from monies contributed by insurers
- Allows a tax credit to be carried forward as a credit against the insurer's subsequent year's tax liability for up to 5 years.
- Forbids a tax credit if the insurer designates the STO contribution for the direct benefit of a specific student.
- Instructs the Department of Insurance and Department of Revenue to adopt rules and forms for the administration of the premium tax credit.

**HB 2332 Schools; energy contracts (Boone) Chapter 101, Laws 2009**

Under current law, a school district may enter into a guaranteed energy cost savings contract with a qualified provider if it determines that the amount it would spend on the energy cost savings measures recommended in the proposal would not exceed the amount to be saved in energy and operational costs.

**Provisions:**

- Allows a school district to retain the cost savings achieved by a guaranteed energy cost saving contract, and use the cost savings to pay for the contract and project implementation.
- Requires a qualified provider to submit a copy of the approved study to the School Facilities Board and Department of Commerce Energy Office;
- Eliminates the requirement for an energy audit to be performed on a facility one year after the energy savings measure was installed and every three years after.
- Requires a school district to report the name, qualified provider, total cost and expected energy savings of all projects carried out to the DOC Energy Office; Repeals the provisions relating to school districts and reporting after June 30, 2013.
- Allows a school district to utilize a simplified energy performance contract for projects less than \$500,000.
- Authorizes school districts and qualified providers to modify energy baselines for significant changes in the nature or intensity of energy use.
- Requires the qualified provider of an energy cost savings measure to submit an annual report that measures and verifies savings for the first three years that the measures are in effect. This report is required in addition to the annual reconciliation of savings report.
- Requires school districts to report information regarding all guaranteed energy cost savings contracts to the DOC Energy Office (name of project, the qualified provider, total cost of project and expected energy and cost savings).
- Expands the definition of *energy cost savings*
- Defines *life cycle cost, energy efficient buildings components, renewable energy equipment, combined heat and power systems, portable electric spa, residential pool pump, and residential pool pump motor.*
- Exempts property that is procured through an energy performance contract, simplified energy performance contract or renewable energy power purchase contract from requiring approval by an election.

- Authorizes school districts to establish an energy and water savings account consisting of a designated pool of capital investment monies to fund energy or water savings projects in school facilities.
  - Monies may be deposited in the fund from companies that provide utility, energy or water services to the school pursuant to a contract, as well as energy related rebate or grant monies and other sources, including clean renewable energy bonds and funding from the American Recovery and Reinvestment Act.
- Requires the Auditor General and the Arizona Department of Education to prescribe the designation of the accounts in the Uniform System of Financial Records and the appropriate related forms.
- Requires monies deposited in the account to serve as a designated pool of capital investment monies to pay for energy or water savings measures in school facilities.
- Requires any contract entered into to contain an agreement between the qualified provider and the school district that each party has performed a reasonable investigation to determine that the measures in the contract will result in stated energy or water savings.
- Authorizes a repayment schedule to be extended in the contract up to the expected life of the energy or water savings measures or 25 years, whichever is shorter.
- Outlines the expenditures that are authorized to be funded through an account including:
  - Projects or measures that save energy or water in a school facility, including technical assistance by a qualified provider or a utility, energy or water service company.
  - Repayment of capital investment monies to the qualified provider plus reasonable carrying charges.
- Specifies that the carrying charges on monies repaid to investor-owned utilities must match the rate of return most recently approved by the Arizona Corporation Commission.
- Requires school districts to procure and contract for energy or water savings measures or services with monies distributed from the accounts after the qualified provider has computed and the school district has reviewed the estimated amount of energy savings to be achieved monthly and annually over the life of the measure, as well as a monthly repayment schedule, which must result in lower energy or water costs, including installation, for the school district.
- Stipulates that a school district must transfer monthly payments from the maintenance and operation portion of the school's budget to repay any unpaid balance of the capital investment, plus a reasonable carrying charge. The amount transferred to the account must be included in the calculation of the general budget limit.
- Stipulates that the school may discontinue the monthly deposit in the account when the capital investments and any reasonable carrying charges have been repaid. Any monies remaining may be transferred to the maintenance and operation portion of the school's budget.
- Stipulates that energy utility, water utility, public service corporations or agricultural improvement districts are not obligated to invest monies or contract with school districts.
- Adds reporting requirements from school districts to the SFB and requires the SFB submit an annual report by Dec. 31 of each year regarding the projects entered into by schools.
- Modifies the existing guidelines for the standard appraisal of solar energy devices on property to specify that it applies grid-tied photovoltaic systems, applies to devices designed primarily for on-site consumption and the device adds no value to property on which the device is installed.

**HB 2346 Charter schools; leased property (Mason) Chapter 87, Laws 2009**

Under current law, an exemption is permitted for property tax of any educational, charitable and religious associations or institutions not used or held for profit.

**Provisions:**

- Allows leased property to any non-profit charter school to be classified for property tax purposes as class nine, with an assessment ratio of 1% of assessed value.
- Clarifies that property owned by a non-profit charter school used for educational purposes is exempt from property tax.

**HB 2357 Public education; students' religious liberties (Crandall) Chapter 88, Laws 2009**

Under current law, students are protected by the First Amendment.

**Provisions:**

- Forbids a public educational institution from discriminating against students or parents on the basis of a religious viewpoint or religious expression.
- States if an assignment requires a student's viewpoint to be expressed in coursework, artwork or other written or oral assignments, a public educational institution shall not penalize or reward a student on the basis of religious content or a religious viewpoint.
- States students in public educational institutions may pray or engage in religious activities or religious expression before, during and after the school day in the same manner and to the same extent that students may engage in nonreligious activities or expression.

- Permits students in public educational institutions to wear clothing, accessories and jewelry that display religious messages or religious symbols in the same manner and to the same extent that other types of clothing, accessories and jewelry that display messages or symbols are permitted.
- Clarifies no permission is given for the state or any of its political subdivisions to do either of the following:
  - Require any person to participate in prayer or in any other religious activity
  - Violate the constitutional rights of any person
- Stipulates no limit on the authority of any public educational institution to do any of the following:
  - Maintain order and discipline on the campus of the public educational institution in a content and viewpoint neutral manner
  - Protect the safety of students, employees and visitors of the public educational institution
  - Adopt and enforce policies and procedures regarding student speech at school provided that the policies and procedures do not violate the rights of students as guaranteed by the United States and Arizona Constitutions and laws
  - Adopt and enforce policies and procedures that prohibit students from wearing any type of clothing, accessories and jewelry that is worn with the intent to convey affiliation with a criminal street gang
- Creates a procedure for a student or a student's parent to submit a complaint in writing with the specific facts of the alleged violation, prior to taking legal action
  - The student or student's parent must submit a written complaint to the school principal; principal has 15 days to respond in writing.
  - If the principal's action does not satisfy the student or student's parent, a written complain can be submitted to the Superintendent who has 25 days to respond in writing.
  - If the student or parent is still unsatisfied, legal action can be pursued.
- Defines *public educational institution*.

#### **HB 2360 General obligation bond requirements (Murphy) Chapter 140, Laws 2009**

Under current law, political subdivisions may issue general obligation bonds to be repaid with property tax revenues.

##### **Provisions:**

- States if a political subdivision is asking for voter approval of a bond issue and it will exceed the political subdivision's constitutional debt limit when it is combined with current debt, then a statement in bold faced type must be placed in the publicity pamphlet.
- Requires examples in the publicity pamphlet show the estimated impact of the binds on the average residential and commercial properties b a valuation growth factor that is 50% of the rate used for the growth of aggregate secondary assessed value instead on constant value.
- Requires political subdivisions to state not only the maximum number of years the bonds issue may run but also the minimum number of years the bond issue may run from their issuance date.
- Requires the ballot for any authorization for general obligation bonds to contain a statement that the bonds will result in an increase of property taxes in an amount sufficient to pay the annual debt service of the bonds.
- Modifies the requirement that no election is required if the weighted average maturity of the refunding bonds are at least 75 percent of the weighted average maturity of the all the bonds being refinanced.

#### **HB 2432 School board membership; family members (B. Miranda) Chapter 90, Laws 2009**

Under current law, school district governing boards are responsible for creating policies for the management of the district.

##### **Provisions:**

- Prohibits, prospectively, persons related as immediate family (married or children of individuals) who have the same household of residence within 4 years prior from:
  - Serving simultaneously on a 5-member school district governing board of the same school district.
  - Being simultaneous candidates for nomination or election to the same 5-member school district governing board.

#### **HCM 2006 State land; natural resources (Jones) Transmitted to Secretary of State**

Under current law, the Federal Land Policy and Management Act of 1976 declared as part of a federal land use policy that public lands be managed in a manner which recognizes the Nation's need for domestic sources of minerals, food timber, and fiber from the public lands.

##### **Provisions:**

- Requests that the United States Congress:
  - Abstain from passing new legislation that would withdraw any Arizona lands from mining opportunities.
  - Avoid enacting any wilderness designations in Arizona unless there is unanimous support from Arizona's Congressional Delegation.
- Requests that the Bureau of Land Management and the United States Forrest Service not limit public access to public lands for mining, grazing, recreation, or other uses.

- Directs the Secretary of State to transmit copies of the requests.

### **SB 1006 Education; budget reconciliation (Burns) Chapter 6, First Special Session, Laws 2009**

Under current law, the Legislature is responsible of establishing the state budget for each fiscal year.

#### **Provisions:**

- Does not allow an override of the Constitutional Aggregate Expenditure Limit.
- Reduces soft capital by \$21 million.
- Contains language that states "to the extent possible, the base support level reductions required by this section shall be taken against administrative costs, rather than classroom instruction."
- Allows districts to spend their soft capital monies for any purpose.
- Exempts small school districts (those with students under 600 students) from the base level cuts and soft capital cuts.
- Cuts \$13 million to the Building Renewal Grant.
- Reduces \$7 million from the Early Childhood Development Fund.
- Reduces \$2.99 million from the Early Graduation Scholarship Fund.
- Reduces funding to charter schools by \$4 million.
- Reduces funding to the Department of Education by \$9.58 million.
- Contains other provisions related to funding for community colleges and universities.

### **SB 1009 Board of fingerprinting; hearings (L. Gray) Chapter 21, Laws 2009**

Under current law, all certificated employees in a school district must have a valid fingerprint clearance card.

#### **Provisions:**

- Allows the Board of Fingerprinting to deny a good cause exception to an applicant for employment if the applicant fails to appear at the good cause hearing.
- Adds vulnerable adult abuse to those crimes the Board of Fingerprinting may ask for evidence on in making a determination at a good cause exception hearing.

### **SB 1011 Sex offenders; probation; monitoring (L. Gray) Chapter 125E, Laws 2009**

Under current law, certain convicted sex offenders must register their address with the state.

#### **Provisions:**

- Establishes the Federal Sex Offender Registration Notification Act Study Committee with specified members.
- Requires, on or before December 31, 2009, the Study Committee to submit a report regarding its findings.
- Requires registered level three sex offenders to be placed on global position system or electronic monitoring if serving a term of probation.
- Contains an emergency clause.

### **SB 1047 Child safety (L. Gray) Chapter 126, Laws 2009**

Under current law, abuse is defined as the infliction or allowing of physical injury, impairment of bodily function or disfigurement or the infliction of or allowing another person to cause serious emotional damage.

#### **Provisions:**

- Adds to the current definitions of *abuse* provisions related to unreasonable confinement and allowing a child to enter a structure in which volatile chemicals are contained.
- Adds provisions related to prenatal exposure to drugs to the definition of *neglect*.
- Lengthens the time in which a CPS worker has to enter a new case to 45 days from 21 days.
- Makes changes to the procedure for requesting a hearing in a CPS case.

### **SB 1049 Fingerprint clearance cards (L. Gray) Chapter 8E, Laws 2009**

Under current law, before any prospective adoptive parent may petition to adopt a child the person shall be certified by the court as acceptable to adopt children.

#### **Provisions:**

- Establishes a Level 1 fingerprint clearance card and specifies who must obtain it, in order to comply with the Adam Walsh Child Protection and Safety Act.

### **SB 1168 Storage; firearms; motor vehicles (Pearce) Chapter 177, Laws 2009**

Under current law, deadly weapon is defined as anything that is designed for lethal use, including a firearm.

#### **Provisions:**

- States a property owner, tenant, public or private employer or business entity shall not establish, maintain or enforce a policy or rule that prohibits a person from lawfully transporting or lawfully storing any firearm that is in the person's locked and privately owned motor vehicle or in a locked compartment on the person's privately owned motorcycle and not visible from the outside of the motor vehicle or motorcycle.
- Clarifies the above does not apply if:

- The possession of the firearm is prohibited by federal or state law
- The motor vehicle is owned or leased by a public or private employer or business entity and is used by an employee in the course of the employment
- The property owner, tenant, public or private employer or business entity provides a parking lot, parking garage or other area designated for parking motor vehicles, that:
  - is secured by a fence or other physical barrier
  - limits access by a guard or other security measure
  - provides temporary and secure firearm storage
- The property owner, tenant, public or private employer or business entity is a nuclear generating station that provides a secured and gated or fenced parking lot, parking garage or other area designated for parking motor vehicles and provides temporary and secure firearm storage.
- The parking lot, parking garage or other area designated for parking motor vehicles is on an owner occupied single family detached residence or a tenant occupied single family detached residence.
- The property owner, tenant, public or private employer or business entity is a current United States Department of Defense contractor and the property is located in whole or in part on a military base
- The property owner, tenant, public or private employer or business entity provides alternative parking in a location reasonably proximate to the primary parking area for individuals who desire to transport or store a firearm in the individual's motor vehicle and does not charge an extra fee for such parking.

### **SB 1196 Education omnibus (Huppenthal) Chapter 95, Laws 2009**

Under current law, Title 15 of the Arizona Revised Statutes governs public schools in Arizona.

#### **Provisions:**

- States for a district that has expenditures in excess of the lesser of their budget or budget limit, the penalty is a reduction of the district's spending limit in the following year equal to the overexpenditure.
- Allows schools to apply to ADE for a further ADM adjustment due to natural disasters, such as a fire, flood, earthquake, hazardous material event, etc.
- Adds the category *Developmental Delay* for children from 3-9 (Group B weight of .003); eliminates *Preschool moderate delay* and *Preschool speech/language delay*.
- Eliminates the cap on the number of districts and charter schools that can operate Technology Assisted Project Based Instruction (TAPBI) programs and changes the name to Arizona Online Instruction (AOI).
- Changes the funding for the renamed AOI programs to 85% of the normal Base Support Level for part-time students and 95% of the normal Base Support Level for full-time students.
- Allows a school district that has been approved by the SFB for a new school, but does not receive monies due to the new school construction moratorium, to lease state trust lands for a school site and be reimbursed by the state.
- Allows a school district governing board that offers post-employment benefits to deposit monies for these benefits in an "Other Post Employment Benefits (OPEB)" fund or trust account.
- Requires a trustee, board of trustees, or insurance pool that contracts with a school district governing board or charter school for the purposes of providing a common self-insurance program to comply with all open meeting and public records laws, as well as subject to all accounting, auditing, and reporting requirements that insurance pools operated by two or more public agencies are subject to.
- Authorizes the Arizona State Retirement System (ASRS) to establish a supplemental employee deferral plan to provide public employees (not state employees) an opportunity to save tax-deferred monies for retirement in addition to the state defined benefit plan.
- Allows a school district governing board to submit up to three names to the county school superintendent for consideration in appointing someone to fill a vacant seat on the board within 30 days of notification of the vacancy; County Superintendent is not required to appoint from the submitted list.
- Allows a school district governing board to achieve a quorum, if it has vacancies, with a majority of the remaining members but prohibits a single member from being a quorum.
- Allows school districts and charter schools to give enrollment preference and reserve capacity for students:
  - In a district: whose parents are employed by or at a school within the district
  - In a charter school: of the school's employees, members of the governing board, or employees, directors, officers, partners or board members of the charter holder
- Repeals current district mismanagement provisions and replaces them with a more workable process, including items to be considered, for the State Board of Education to determine if a district should be subject to an Alternative Operation Plan.
- Exempts school districts and charter schools from municipal tax on the storage, use or consumption of personal property.
- Changes the Building Renewal Report due date from September 1 to October 15.
- Requires ADE to collect, evaluate and assess existing studies and findings on national rankings and overall quality of Arizona schools.

- Establishes the Task Force for Measuring Academic Gains of K-3 Pupils to develop measures and tasks associated with measures of academic gains in math, reading and language for students in kindergarten through third grade.
- Requires the State Board of Education (SBE) to establish a minimum score on one or more nationally recognized college entrance exam, if data on the exams can be accessed for free, to satisfy the AIMS graduation requirement if a student has taken and failed to pass one or more portions of AIMS and adopt rules regarding alternative certification for teachers of non-traditional foreign languages to allow for an accredited test to substitute for the educational coursework requirement for certification.
- Allows the School Facilities Board (SFB) to contract directly with construction project managers, as well as other private services related to land acquisition and development and assessments for school buildings and access school district utility bills for data related to energy usage.
- Requires identity verified fingerprint clearance cards for students in a teacher preparation program, participants in field experience or student teaching, and tutors.
- Allows Santa Cruz Valley UHS and Red Mesa Unified to repay state aid for overexpenditures over a 5-year period.
- Allows Blue Ridge and Snowflake Unified Districts to petition the State Board of Education for a 3-year extension to repay monies from an ADM audit.

### **SB 1197 Task force; special education (Huppenthal) Chapter 62E, Laws 2009**

Under current law, special education instruction is subject to federal and state law.

#### **Provisions:**

- Creates a nine-member Task Force to examine, evaluate, and make recommendations concerning the best practices for managing the behavior and discipline of pupils with disabilities.
- Requires the State Board of Education to appoint the members of the Task Force.
- Directs the Task Force to submit a written report of its findings to the Governor and Legislature by August 20, 2009.
- Requires each school district governing board and charter school governing body, by June 30, 2010, to hold a public meeting to review and consider the adoption of the best practice recommendations submitted by the Task Force.
- Repeals the Task Force on September 15, 2010.

### **SB 1246 CPS information (Paton) Chapter 154, Laws 2009**

Under current law, court proceedings relating to dependent children, permanent guardianship and termination of parental rights are open to the public.

#### **Provisions:**

- States a court proceeding relating to child abuse, abandonment or neglect that has resulted in a fatality or near fatality is open to the public unless closed for another statutory reason.
- States court records of a proceeding involving the disclosure of CPS information regarding a case of child abuse, abandonment or neglect that has resulted in a fatality or near fatality are open for public inspection.
- Clarifies in considering whether to allow public inspection of records, the court may review the records in camera and redact any information that is essential to protect the privacy, well-being or safety interests of persons involved.
- Requires the court to redact information if an inspection is granted, to protect privacy or safety and to comply with confidentiality laws that may apply to the information.

### **SB 1303 Open meeting law; minutes; notice (Tibshraeny) Chapter 27, Laws 2009**

Under current law, meetings of public bodies are subject to numerous open meeting law requirements.

#### **Provisions:**

- Requires that statutorily required electronic postings remain on the local government's applicable website for at least one year after the date of the posting.
- Clarifies that governing bodies of charter schools are also required to file a statement with the Arizona Secretary of State stating where all public notices of their meetings will be posted.
- Clarifies that the 24 meeting notice requirement includes Saturdays if the public has access to the physical posted location in addition to any website posting, but excludes Sundays and holidays.

### **SB 1386 Charter schools; charter renewal period (Huppenthal) Chapter 117, Laws 2009**

Under current law, a charter school must enroll all eligible pupils who submit a timely application.

#### **Provisions:**

- Allows a charter operator to apply for early renewal by submitting a letter of intent at least nine months prior to the charter school's intended renewal consideration.

- Directs the sponsor of the charter school to review fiscal audits and academic performance data for the charter school that are annually collected by the sponsor and review the current contract between the sponsor and charter school before providing the school an early renewal application.
- Extends the length of the charter school renewal period from 15 to 20 years.

**SB 1437 Schools; gun safety instructors; certification (Melvin) Chapter 97, Laws 2009**

Under current law, instructors in the Arizona Gun Safety Program must be certified by the Arizona Game and Fish Department.

**Provisions:**

- Allows instructors in the Arizona Gun Safety Program to be certified by a national association of firearms owners.

**SCR 1026 Secret ballot; fundamental right (Paton) Transmitted to Secretary of State**

Under current law, the Secretary of State oversees all elections in Arizona.

**Provisions:**

- States, to preserve and protect the fundamental right of individuals to vote by secret ballot, where law requires elections for public offices or for ballot measures, or requires designations or authorizations for employee representation, the right of individuals to vote by secret ballot shall be guaranteed.

## VETOED BILLS

**HB 2644 Budget reconciliation; general revenues; trailer (Adams)**

Under current law, the Legislature is responsible for establishing a budget for the state for each fiscal year.

**Provisions:**

- Repeals the single ratio assessment for all voter-approved overrides and bond elections.
- Permanently sets the assessment ratio for secondary property tax purposes on Class One property at 16% beginning in tax year 2012.
- Stipulates that the assessment ratio applies prospectively to new bonds and overrides.

**HB 2648 Budget reconciliation; K-12 education; trailer (Adams)**

Under current law, the Legislature is responsible for establishing a budget for the state for each fiscal year.

**Provisions:**

- Increases the Base Level (per-pupil funding) by 2% based on the January FY09 base level.
- Reduces the amount of charter school additional assistance for FY 2009-10 by \$5,000,000 beginning January 1, 2010.
- Delays the \$175,000,000 reduction in Soft Capital Allocation until January 1, 2010.
- Clarifies that a school district or charter school may charge tuition for an early learner who repeats kindergarten.
- Directs the State Board of Education to make the currently-scheduled July 1, 2010 rollover payment after July 1, 2010 but no later than August 29, 2010.
- Restores the Teacher Performance Pay funding formula established in FY 2008-09.
- Extends the date, from December 31, 2009 to December 31, 2010, by which SFB may enter into lease-to-own transactions of up to \$100,000,000 for qualified school construction bonds as authorized by the American Reinvestment and Recovery Act for new construction projects.
- States that school district employment contracts cannot include compensated days for professional association activities.
- Removes the current prohibition against school districts reducing the salary of a tenured teacher except under a general salary reduction applied equitably to all tenured teachers.
- Deletes the current requirement for school districts to give a preferred right of reappointment to teachers in the order of original employment.
- Deletes the provision allowing the ADE to conduct program audits of school districts and charter schools.
- Extends the timeframe during which a school district can issue a bond from six years after obtaining voter approval to ten years after obtaining voter approval.
- Authorizes a school district or charter school to charge tuition for full-day kindergarten in FY 2009-10 if the district or charter school decides not to provide free full-day kindergarten.

**SB 1187 Budget reconciliation; K-12 (Burns)**

Under current law, the Legislature is responsible for establishing a budget for the state for each fiscal year.

**Provisions:**

- Specifies the Base Level per-pupil funding for FY 2009-10 at \$3,201.89.

- Increases, by 2%, the Transportation Support Level per route mile formula for FY 2009-10.
- Reduces the Soft Capital allocation by \$175,000,000 in FY 2009-10.
- Allows school districts to expend Soft Capital in FY 2009-10 for any operating or capital expense.
- Prohibits basic state aid for the second year of kindergarten if a school district or charter school admits a child to kindergarten who has not reached the required age and readmits the child to kindergarten the following school year.
- Repeals Rapid Decline funding.
- Repeals the Local Education Accountability Program (LEAP).
- Changes the State Aid apportionment schedule for school districts and charter schools.
- Caps the ADM per-pupil amount at 1.0 unless otherwise specified by law.
- Prohibits a school district from fixing, levying or assessing a primary property tax rate that is higher than the current year's rate if the district under certain conditions.
- Caps school district Desegregation budgets at the FY 2008-09 level.
- Continues the two payment rollover of \$600 million.
- Funds JTEDs at 91% of state aid.
- Renames the Technology Assisted Project Based Instruction (TAPBI) Program to Arizona Online Instruction (AOI) and eliminates the cap on the number of school districts and charter schools allowed to participate.
- Limits participation in the Career Ladder Program in FY 2009-10 to teachers who participated in the program in the prior fiscal year.
- Repeals the Teacher Performance Pay funding formula established in FY 2008-09.
- Limits the Early Graduation Scholarship Program to those students who graduate a year early.
- Suspends the Building Renewal Formula for FY 2009-10.
- Permanently removes all-day kindergarten space for new school construction.
- Restricts SFB from providing new construction projects any inflationary funding above the formula amount.
- Authorizes the SFB, by December 31, 2009, to enter into lease-to-own transactions of up to \$100,000,000 for Qualified School Construction bonds as authorized by the American Reinvestment and Recovery Act for new construction projects.
- Eliminates the requirement for school districts to annually submit a report to the SBE if they use construction-manager-at-risk, design-build, qualified select bidders list, or job-order-contracting to procure construction services.
- Exempts Intergovernmental Agreements (IGAs) between two school districts or between a school district and another governing body from competitive bidding under the procurement rules prescribed by the SBE.
- Deletes language specifying that the governing board must maintain its schools for 175 school days, 200 days, or the equivalent.
- Eliminates requirements to annually assign at least one employee to participate in a multi-hazard crisis training and hire a real estate attorney to negotiate leases longer than five years.
- Lifts the restrictions for the use of monies obtained by a school district resulting from the sale of advertising space on school buses and allows school districts to sell advertising space on their athletic facilities.
- Permits school districts to sell advertising on the district's website or on any website maintained by a school within the school district and use the revenues from the sale of advertisements for any pupil-related costs as determined by the school district's governing board.
- Authorizes a school district to confidentially maintain all documentation regarding incidents of bullying, harassment, or intimidation of pupils.
- Requires a school district that offers full-day kindergarten to provide meaningful half-day kindergarten instruction in every school in the district if there is sufficient demand.
- Permits a school district governing board to adopt a policy or decide by vote to have all pupil expulsion hearings conducted by an independent hearing officer.
- Permits any school district to apply to the SBE for accounting responsibility independent of the county school superintendent.
- Allows a school district governing board that currently offers postemployment benefits to school district employees, or to employee spouses or dependents, to deposit monies used for these benefits into an OPEB fund or trust account, or both.
- Removes the statutory deadlines by which a school district must offer a teaching contract and give notice of a general salary reduction.
- Prohibits school districts and charter schools from adopting policies that give employment retention priority to teachers based on tenure or seniority.
- Requires public school teachers who engage in lobbying activities during regular school hours to reimburse the school for the cost of hiring a substitute teacher.
- Authorizes a school district governing board to set the qualifications for the superintendent of their district at a public meeting.

- Changes the effective date of the dismissal or suspension without pay of a teacher from 30 days after receiving notice of such intent from the superintendent to 10 days after receiving notice of such intent.
- Reduces the amount of time given to a teacher to file a written request with the school district governing board for a hearing regarding their dismissal or suspension from 30 days after receiving notice of the intent to dismiss or suspend to 10 days after receiving notice.
- Reduces the amount of a time a school district must allow a teacher to correct inadequate classroom performance from 85 days after receiving notice about the inadequacy to 60 days after receiving notice.
- Extends the timeframe under which a school district governing board must conduct a hearing for a teacher who has been suspended or dismissed from at least 10 but no more than 25 days after the request for a hearing has been filed to at least 15 but no more than 30 days after the request has been filed.
- Clarifies that retired teachers who return to work and are employed by a school district are not entitled to due process.
- Permits ADE and the Office of the Auditor General to conduct financial, program, compliance, or ADM audits of school districts and charter schools.
- Retroactively allows the Blue Ridge Unified and Snowflake Unified school districts to petition the SBE for a three-year extension on the repayment of monies owed as a result of ADM audits conducted on the districts.
- Raises the maximum budget increase a school district may request for a Maintenance and Operations Override from 10% of the Revenue Control Limit to 15% of the RCL.
- Establishes a Special Program Override by expanding the scope of the K-3 Override to allow for a program to be designed for any or all of the pupils in kindergarten through grade 12.
- Authorizes a school district, for FY 2009-10, to conduct an election on the second Tuesday in March 2010 and submit one of the following proposals to the voters of the district:
  - A 15% M&O Override that, if approved, replaces any previously authorized M&O and K-3 Overrides.
  - An additional 5% M&O or Special Program Override if the voters of the school district authorize a 10% M&O Override at the November 2009 election.
  - A 17% M&O Override for a common school district if an M&O and K-3 Override are still in effect on the effective date of this act.
- Prohibits standards measured by the AIMS test in content areas other than reading, writing, and mathematics from being high-stakes.
- Requires any additional assessments adopted by the SBE for high school pupils to measure college and career readiness.
- Lifts the one-year limit on AIMS test contracts.
- Establishes a nine-member Task Force on Assessments to Measure College and Career Readiness to examine and evaluate existing tests that measure college and career readiness, are used for admission to postsecondary institutions, or are used by postsecondary institutions to award academic credit or placement.
- Allows a county school superintendent, until July 1, 2010, to suspend a transportation school district and report the suspension to the county board of supervisors under certain conditions.
- Repeals the Excess Utilities Funding Plan required to be annually submitted by school districts to the ADE and specifies that districts do not have to submit a Funding Plan for 2009.
- Removes the requirement for IGAs to be filed with the SOS or the county recorder.
- Permits the Santa Cruz Valley Union High and Red Mesa Unified school districts to repay overexpenditures in equal installments over a five-year period beginning in FY 2009-10.

### **SB 1464 State budget reports: financial condition (Gorman)**

As Arizona's chief financial officer, the Arizona State Treasurer maintains and invests state money.

#### **Provisions:**

- Requires the Treasurer to prepare and submit to the Governor, the President of the Senate and the Speaker of the House of Representatives on the first day of each regular session of the Legislature a statement that describes the financial condition of the treasury at the close of the preceding fiscal year and that contains an estimate of the probable receipts and disbursements from the treasury for the current fiscal year.
- Specifies the statement must include an itemized estimate of the anticipated revenue from all sources based on the laws in effect that will be received by this state and shall show the fund accounts to be credited during the subsequent two fiscal years.
- Requires, when the Legislature adopts a general appropriations act, the Treasurer to prepare a statement of whether the amount appropriated is within the amount estimated to be available in the affected funds.

## **FAILED BILLS**

**HB 2049 Exchange teachers; technical correction (Seel) Failed Senate Third Read as Strike-Everything Amendment Unrelated to Education**

- Makes a technical correction to Title 15 (education); vehicle bill

**HB 2087 Professional employer organizations; agreements (Reagan) Failed Senate Commerce and Economic Development**

Under current law, professional employer agreements govern the relationship between the client and the professional employer organization.

**Provisions:**

- Requires professional employer organizations to specify whether it provides workers compensation insurance under an individual or master policy,

**HB 2088 Minerals; land inventory; technical correction (Nichols) Failed House Third Read as Strike-Everything Amendment to transfers \$20 million from the Public Conservation Account of the Land Conservation Fund**

- Makes a technical change to Title 27.

**HB 2127 Legislators; voting required; salary loss (J.P. Weiers) Failed House COW**

Under current rule, legislative members are required to vote, in person, on every roll call vote unless they have filed a statement of personal financial interest with the Chief Clerk or they have been excused from the vote.

**Provisions:**

- Requires each member of the Legislature to vote on all roll call votes relating to third read or final passage of a bill, memorial, or resolution unless:
  - The member has a personal financial interest in the bill, memorial or resolution.
  - The member has been excused from voting.
- Stipulates that a member must forfeit the legislative subsistence in an amount that is equal to the legislative salary for one day if that member fails to vote on any bill, memorial or resolution.
- Mandates that starting January 11, 2010 the Legislature's Web site post the roll call votes relating to third read and final passage of a bill, memorial or resolution on a daily basis, requiring the posting of names of those legislators who failed to vote on a bill, resolution or memorial and whether or not that member was excused from voting.
- Defines *legislative salary for one day*.

**HB 2292 Compulsory attendance; age; increase (Schapira) Failed House Education**

Under current law, children are required to remain in school until they are 16.

**Provisions:**

- Changes the compulsory attendance age to 18 from 16 years old or until the student has obtained a general equivalency diploma.

**HB 2509 Intergovernmental agreements; separate legal entities (Pratt) Failed House Government**

Under current law, if authorized by their legislative or other governing bodies, two or more public agencies or public procurement units by direct contract or agreement may contract for services.

**Provisions:**

- States if public agencies establish a separate legal entity it has the common powers specified in the agreement and may exercise them in a manner or according to the method provided in the agreement.
- Allows the separate legal entity, subject to existing applicable law, to:
  - Make and enter into contracts, including contracts, leases or other transactions with one or more of the parties to the agreement forming the separate legal entity.
  - Employ agents and employees.
  - Acquire, hold or dispose of property.
  - Acquire, construct, manage, maintain and operate buildings, works, infrastructure and improvements.
  - Incur debts, liabilities and obligations.
  - Sue and be sued.
- Allows cities, towns, counties and special taxing districts to establish a separate legal entity.
- States a separate legal entity:
  - Is a political subdivision of this state having:
    - The governmental and proprietary powers that are common to the contracting parties specified in the agreement, including, if applicable, the power to make voluntary contributions in lieu of taxes.
    - The rights and immunities of the parties that are granted by the constitution and statutes of this state, including immunity of its property from taxation.

- May separately contract for an undertaking with any two or more of the parties or other public agencies or other entities.
  - Without election, in addition to other powers provided for in the agreement and whether or not one or more parties to the agreement do not have bonding authority for the undertaking, may issue revenue bonds, or incur obligations payable from the entity's revenues, to pay the costs and expenses of acquiring or constructing any structures, facilities or equipment necessary to effectuate the purposes of the agreement subject to stated conditions and requirements.
  - May engage in electric generation and transmission activities but may not engage in electric distribution activities.
  - Shall not be deemed a public power entity pursuant to title 30 by virtue of any undertaking or other contract.
- Defines *undertaking*.

**SB 1006 Primary election date (Waring) Failed Senate Third Read**

Under current law, primary elections are held on the ninth Tuesday prior to a general election.

**Provisions:**

- Changes the primary election date to the eighth Tuesday prior to a general election.

**SB 1395 Common school districts; grade nine (Huppenthal) Failed Senate Final Read**

Under current law, the school facilities board is charged with supervising all new school construction in the state.

**Provisions:**

- Clarifies a common school district that provides instruction to pupils in grade nine is not entitled to additional monies from the school facilities board for facilities to educate pupils in grade nine.
- Adds to the definition of common school district to allow after an affirmative vote of a common school district governing board, instruction in grades one through nine.
- Allows common school districts that vote to offer instruction in grade 9 to exceed the revenue control limit under a statutory formula.

**SCR 1006 State appropriation limit; reduction (Pearce) Failed Senate Third Read**

Under current law, the total amount of allowable state appropriations is 7% of the state's total personal income.

**Provisions:**

- Changes the total amount of allowable state appropriations from 7% of the state's total personal income to 6.4%.

## **BILLS LOST IN THE PROCESS**

**HB 2011 Provisional community college districts; bonding (Konopnicki) Not Third Read in House**

Under current law, provisional community college districts contract with existing community colleges to provide instructional and student services.

**Provisions:**

- Allows provisional community college districts to bond for capital outlay purposes, not to exceed a specified amount.

**HB 2012 Community college bookstores; revenue expenditures (Konopnicki) Held in Senate Rules**

Under current law, community colleges are subject to an expenditure limitation.

**Provisions:**

- States that community colleges that exceed the constitutional expenditure limitation due to retail transactions at bookstores are not subject to state aid withholdings.

**HB 2013 Community colleges; nonresidents; reimbursement (Konopnicki) Retained in COW in House**

Under current law, community colleges are permitted to admit students who are not residents of the community college district.

**Provisions:**

- Eliminates the requirement for a county and community college district to negotiate an intergovernmental agreement to determine the amount of reimbursement due the district.

**HB 2016 Interpreters; licensure; exemption (Konopnicki) Held in House Government**

Under current law, interpreters are required to be licensed by the state, notwithstanding certain statutory exceptions.

**Provisions:**

- Exempts interpreters who work in a community college district with less than 500,000 persons from the licensure requirement.

### **HB 2026 Peace officers; firearms; school grounds (Kavanagh) Not heard in House Judiciary**

Under current law, political subdivisions are prohibited from preventing a peace officer from carrying a firearm.

#### **Provisions:**

- Adds to the definition of political subdivision any school district, charter school, community college district, public community college or university for the purposes of the prohibition against peace officers carrying firearms.

### **HB 2068 Schools; parental educational choice grants (Biggs) Not heard in House Education**

Under current law, the Arizona scholarships for pupils with disabilities program provides these pupils with the option to obtain a scholarship to attend a private school.

#### **Provisions:**

- Establishes the Parental Educational Choice Grant Program to allow each custodian of a qualifying pupil who completes an application to receive a grant to be redeemed at a grant school for education services.
- Defines grant school as any private school, whether secular or sectarian, that maintains one or more grade levels from kindergarten through twelfth grade and elects to participate in the grant program.
- Qualifies a pupil as eligible for a grant if the pupil:
  - resides in Arizona
  - is under 22 years of age and has not graduated from high school
  - enrolls as a full-time student in a grant school
  - attended public school at least 90% of the school year before qualifying for a grant
- Provides that pupils who receive a grant shall continue to receive a grant each year if the pupil is in good academic standing and completes the necessary forms.
- Provides the following implementation schedule:
  - In 2009-10 school year each qualifying pupil in kindergarten, first and seventh grade in a grant school is entitled to receive a grant
  - In 2010-11 school year each qualifying pupil in second, third, eighth and ninth grade in a grant school is entitled to receive a grant.
  - In 2011-12 school year each qualifying pupil in fourth and tenth grade in a grant school is entitled to receive a grant.
  - In 2012-13 school year each qualifying pupil in fifth and eleventh grade in a grant school is entitled to receive a grant.
  - In 2013-14 school year each qualifying pupil in sixth and twelfth grade in a grant school is entitled to receive a grant.
- Maintains that a private school that participates in the grant program is not required to accept the grant as full payment for educational services.
- Requires grant schools to:
  - ensure the eligibility of applicants for grants
  - submit a list of qualifying pupils to the Department of Education
  - annually meet certain statutory percentages for attendance and academic progress of grant pupils
- Requires the Department of Education to issue a press release and publish on its website all grant schools for the school year.
- Requires the custodian of a pupil to submit an application to a grant school and to the Department of Education.
- Requires the Department of Education to reduce the average daily membership of public schools for the previous year attendance for each pupil who receives a grant.
- Provides a grant of \$3,500 for qualifying pupils in kindergarten through eighth grade and a grant of \$4,500 for pupils in ninth through twelfth grade.
- Provides mechanisms for the distribution of grant monies.
- States that the Parental Educational Choice Grant Fund is established consisting of legislative appropriations.
- Makes using a grant for any purpose other than those permitted under the Fund a Class 6 felony.
- States that grants received by a pupil's custodian is not taxable income.
- Terminated the Fund on July 1, 2019.

### **HB 2069 School choice scholarships; failing schools (Biggs) Not heard in House Education**

Under current law, the Arizona scholarships for pupils with disabilities program provides these pupils with the option to obtain a scholarship to attend a private school.

#### **Provisions:**

- Establishes the Parental Educational Choice Grant Program to allow each custodian of a qualifying pupil who completes an application to receive a grant to be redeemed at a grant school for education services.
- Defines grant school as any private school, whether secular or sectarian, that maintains one or more grade levels from kindergarten through twelfth grade and elects to participate in the grant program.
- Qualifies a pupil as eligible for a grant if the pupil:
  - resides in Arizona
  - is under 22 years of age and has not graduated from high school
  - enrolls as a full-time student in a grant school
  - attended public school at least 90% of the school year before qualifying for a grant in a school designated as failing to meet academic standards
- Provides that pupils who receive a grant shall continue to receive a grant each year if the pupil is in good academic standing and completes the necessary forms.
- Provides the following implementation schedule:
  - In 2009-10 school year each qualifying pupil in kindergarten, first and seventh grade in a grant school is entitled to receive a grant
  - In 2010-11 school year each qualifying pupil in second, third, eighth and ninth grade in a grant school is entitled to receive a grant.
  - In 2011-12 school year each qualifying pupil in fourth and tenth grade in a grant school is entitled to receive a grant.
  - In 2012-13 school year each qualifying pupil in fifth and eleventh grade in a grant school is entitled to receive a grant.
  - In 2013-14 school year each qualifying pupil in sixth and twelfth grade in a grant school is entitled to receive a grant.
- Maintains that a private school that participates in the grant program is not required to accept the grant as full payment for educational services.
- Requires grant schools to:
  - ensure the eligibility of applicants for grants
  - submit a list of qualifying pupils to the Department of Education
  - annually meet certain statutory percentages for attendance and academic progress of grant pupils
- Requires the Department of Education to issue a press release and publish on its website all grant schools for the school year.
- Requires the custodian of a pupil to submit an application to a grant school and to the Department of Education.
- Requires the Department of Education to reduce the average daily membership of public schools for the previous year attendance for each pupil who receives a grant.
- Provides a grant of \$3,500 for qualifying pupils in kindergarten through eighth grade and a grant of \$4,500 for pupils in ninth through twelfth grade.
- Provides mechanisms for the distribution of grant monies.
- States that the Parental Educational Choice Grant Fund is established consisting of legislative appropriations.
- Makes using a grant for any purpose other than those permitted under the Fund a Class 6 felony.
- States that grants received by a pupil's custodian is not taxable income.
- Terminated the Fund on July 1, 2019.

#### **HB 2073 State equalization property tax repeal (Biggs) Not heard in House COW**

Under current law, the state equalization property tax was suspended from 2006 to 2009.

##### **Provisions:**

- Permanently repeals the state equalization property tax.

#### **HB 2074 Scholarships; displaced and disabled pupils (Biggs) Not heard in House Education**

Under current law, the Arizona scholarships for pupils with disabilities program provides these pupils with the option to obtain a scholarship to attend a private school.

##### **Provisions:**

- Expands the currently available private school scholarships to students with disabilities to those students with a section 504 plan.
- Removes the 500 qualifying pupil limit to the Displaced Pupils Choice Grant Program.

#### **HB 2075 School safety programs; proposal date (Crandall) Not heard in House Rules**

Under current law, the School Safety Program is available to school districts to utilize school resource officers.

##### **Provisions:**

- Changes the application date for the school safety program to May 1 (formerly April 15).

**HB 2076 ABOR; financial aid report; date (Crandall) Not heard in House Education**

Under current law, the Arizona Board of Regents must submit an annual financial report.

**Provisions:**

- Changes the submission date for the annual financial report of ABOR from December 1 to December 15.

**HB 2077 Schools; enlarging joint districts; publication (Crandall) Not heard in House Education**

Under current law, to add school districts to a joint district, notice must be published.

**Provisions:**

- Changes the publication requirements for a joint school district accepting a new school district to require publication at least 2 weeks prior to the consideration.

**HB 2079 Regents; scholarships; technical correction (Crandall) Not First Read in House**

- Makes a technical correction to Title 15 (education); vehicle bill

**HB 2093 Universities; advisory boards (Nichols) Not heard in House Education**

Under current law, the Arizona Board of Regents oversees these three state universities.

**Provisions:**

- Requires each public university in Arizona to establish an advisory board to submit written recommendations on behalf of that university to the Arizona board of regents.
- Establishes the following members who serve eight year terms, to serve on the advisory board:
  - One member who is appointed by the president of the senate.
  - One member who is appointed by the speaker of the House of Representatives.
  - Three members who are appointed by the governor.
- Makes advisory board members immune from personal liability with respect to all acts done and actions taken in good faith within the scope of their authority.
- Requires advisory board members receive compensation for each day of attendance at board meetings, except that compensation of any member of the board shall not exceed \$500 in any year.
- States that if the Arizona board of regents declines to follow a written recommendation submitted by an advisory board of a university, the board of regents shall:
  - Allow an opportunity for students and employees of that university and members of the public to comment on the proposed recommendation.
  - Adopt a resolution that sets forth the specific reasons the Arizona board of regents declined to follow the recommendation of the advisory board of that university.

**HB 2100 Schools; electronic data (Crandall) Not heard in House Rules**

Under current law, the Student Accountability Information System (SAIS) collects student level data.

**Provisions:**

- Requires the Department of Education to assign a unique, nonpersonally identifiable teacher identification for each certificated teacher and for each teaching candidate who is enrolled in a teacher preparation program or teacher certification program.
- Requires the Department of Education to notify school districts and charter schools of the specific names and definitions of teacher level data elements and classroom level data elements that school districts and charter schools are required to submit pursuant to this article.
- Requires, on or before July 1, 2010, each school district and charter school to begin submitting electronic data to the Department of Education in a format prescribed by the Department of Education, including teacher level data and classroom level data.
- Allows the Department of Education to grant a one-time extension to the deadline for the submission of teacher level data or classroom level data, or both, if the school district or charter school demonstrates good cause for the extension.
- States if a school district or charter school has submitted all required data elements, the district or school is not required to submit teacher level data or classroom level data to the Department of Education more than once every twenty school days.
- Requires the Department of Education to adopt guidelines to remove outdated teacher level data and classroom level data collected by school districts and charter schools.
- States all teacher level data and classroom level data collected is confidential and is not a public record.
- Clarifies any personally identifiable data collected shall be accessible by the State Board of Education and any State Board teacher preparation or teacher certification program or other education agencies.
- Allows teacher level data and classroom level data that are not personally identifiable to be aggregated and used for research and reporting.
- States, subject to the approval of the State Board, the Department of Education shall identify teacher level data elements and classroom level data elements collected.

- States the purposes for which teacher and classroom level data may not be used.
- Defines *classroom level data* and *teacher level data*.

#### **HB 2104 State treasurer; quarterly meeting (Crump) Not heard in Senate Rules**

As Arizona's chief financial officer, the Arizona State Treasurer maintains and invests state money.

##### **Provisions:**

- Requires the State Treasurer to hold quarterly public meetings to report on the performance of current investments maintained by the Treasurer's office, the operations of the Treasurer's office, and provide a state and national economic forecast.

#### **HB 2107 Temporary soft drink tax (Bradley) Not heard in House Ways and Means**

Under current law, certain items such as alcohol and tobacco are subject to additional taxes.

##### **Provisions:**

- Creates a tax from July 1, 2009 to June 30, 2012 on all soft drinks, soft drink syrup, simple syrup and powders or other base products used to produce a liquid soft drink.
- Exempts the following from the soft drink tax:
  - Syrups, simple syrups, powders or other base products or soft drinks that are sold to the United States government.
  - Syrups, simple syrups, powders or other base products or soft drinks that are exported from this state by a distributor, wholesaler or manufacturer.
  - Any powder or other base product that is used in preparing coffee or tea.
  - Any frozen concentrate or freeze-dried concentrate to which only water is added to produce a soft drink that contains more than ten per cent natural fruit juice or natural vegetable juice.
  - Any soft drink that contains more than 10% natural fruit juice or natural vegetable juice.
  - Any infant formula that is sold in liquid or powder form and that is intended by the manufacturer to be consumed by infants.
  - Any liquid or powder product that is intended by the manufacturer to be used for weight reduction.
  - Water that has no added natural or artificial sweeteners.
  - Any product that contains milk or milk products.
- Defines *bottle*, *bottled soft drink*, *distributor*, *milk*, *natural fruit juice*, *natural vegetable juice*, *powder or other base product*, *simple syrup*, *soft drink* and *syrup*.

#### **HB 2109 Retirement systems and plans; amendments (Boone) Not heard in Senate Rules**

Under current law, ASRS provides retirement benefits for state employees.

##### **Provisions:**

- Requires both fire districts and municipalities to file annual reports with the state fire marshal in order to receive fire insurance premium tax proceeds.
- Requires that the personal representative maintain a current mailing address on file with the plan. Explains that once the system identifies the alternate payee's address, the appropriate portion will be paid to the alternate payee.
- Exempts the plan from the responsibility of locating any personal representative.

#### **HB 2111 ASRS; amendments (Boone) Not heard in Senate Retirement and Rural Development**

Under current law, ASRS provides retirement benefits for state employees.

##### **Provisions:**

- Increases the final average salary calculation period from the highest 36 months out of the last 120 to the highest 60 months out of the last 120 for new members hired after 7/1/10.
- Excludes from computation any month for which no contributions are reported to ASRS or any month that falls within a period of nonpaid or partially paid leave of absence or sabbatical.
- Bases average monthly compensation for employees who were employed less than 60 consecutive months on the total consecutive months worked.
- Sets the normal retirement date calculation for new members hired after 7/1/10 at the first day that the sum of a member's age and years of total credited service equals 85.
- Removes the cap on member benefits that prohibits a member from receiving more than 80% of his or her average monthly compensation.
- Stipulates that when an employee of a charter city who later becomes an ASRS member elects to have the employee's service transferred, the service is not credited in the new retirement system until full payment is made for the service credit.
- States that once a transfer is completed a member's rights in the former retirement system are terminated.
- Removes the current employer contribution refund structure and replaces it with a flat 25% refund of employer contributions after five years of service for new member hired after 7/1/10.

- Requires members to file an application for retirement on a form approved by the director of ASRS to have their benefits reinstated after being re-employed by an ASRS employer.
- Compels a member to be retired for 12 consecutive months before returning to work.
- Prohibits ASRS from suspending the payment of retirement benefits if a retired member returns to work in a position that:
  - Results in a true change in position, job duties and job title from the position the member occupied before retirement;
  - Either requires participation in another state retirement system and the member makes contributions or waives participation, or permits a member to elect to participate in another state retirement system and the member elects to do so; and
  - Does not require membership in the ASRS defined benefit plan.
- States that a retired member who returns to work does not accrue credited service, member service, additional account balances, retirement benefits or long-term disability program benefits for the period the retired member returns to work.
- Strikes the provision that a returning teacher work as a certified teacher.
- Requires an employer to pay an alternate contribution rate on behalf of a retired member who returns to work before 12 consecutive months by becoming employed as a leased employee or independent contractor who performs services that would otherwise be performed by an active member.
- Excludes the period a retired member returns to work from the 12 month requirement for members whose most recent retirement begins on or after 7/11/10.
- Makes all contributions made by the employer and allocated to the fund irrevocable, and states they must be used as benefits or to pay ASRS expenses.
- Indicates that payments made by employers become delinquent after the due date prescribed by the board's rules and will be assessed with interest until paid.
- Defines *alternate contribution rate* and *employer*.
- Designates an actuary to make an annual valuation to determine employee compensation and employer contributions to ASRS.
- Mandates that the annual actuarial assessment done as of June 30 of a calendar year will determine the compensation for the following year beginning July 1.
- States that all contributions made by employers into the long term disability Trust Fund are irrevocable and shall be used as benefits or to pay long term disability expenses.
- Explains that total employer contributions shall amount to the normal cost plus the amount required to repay the past contribution requirement.
- Instructs ASRS to provide a final report by January 15 of the contribution rate for the next fiscal year to the Governor, President of the Senate and Speaker of the House of Representatives.
- Beginning 7/1/10, requires a member to have at least five years of credited service in ASRS before electing to receive credit for:
  - Public service
  - Leave of absence without pay
  - Active military service
- Appropriates \$1,341,722 from the ASRS account in FY 2009-2010 to ASRS for administrative costs of implementing the act.

#### **HB 2112 ASRS; eliminate 80% benefit cap (Boone) Not heard in House Retirement**

Under current law, ASRS provides retirement benefits for state employees.

##### **Provisions:**

- Removes language stating the amount of a member's monthly life annuity computed shall not be more than 80% of the member's average monthly compensation.

#### **HB 2113 ASRS; return of contributions (Boone) Not heard in House Retirement**

Under current law, ASRS provides retirement benefits for state employees.

##### **Provisions:**

- States that a member whose membership commenced on or after July 1, 2010 and who leaves employment other than by retirement or death may elect to receive a return of the member's contributions. If the member has five or more years of credited service, the member shall receive the member's contributions and an amount equal to 25% of the employer contributions paid on behalf of the member.
- Clarifies that the amount returned accumulates interest at a rate that is determined by the board.
- Contains an appropriation of \$232,332.

#### **HB 2114 ASRS; normal retirement date (Boone) Not heard in House Retirement**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- Changes the definition of normal retirement date to mean for a member whose membership commenced before July 1, 2010, the first day that the sum of a member's age and years of total credited service equals eighty. For a member whose membership commenced on or after July 1, 2010, the first day that the sum of a member's age and years of total credited service equals eighty-five.
- Contains an appropriation of \$346,071.

**HB 2115 ASRS; retirement average monthly salary (Boone) Not heard in House Retirement**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- States that for a member whose membership in ASRS commenced on or after July 1, 2010, the monthly average of compensation on which contributions were remitted during a period of sixty consecutive months during which a member receives the highest compensation within the last one hundred twenty months of credited service. Any month for which no contributions are reported to ASRS or that falls within a period of nonpaid or partially paid leave of absence or sabbatical leave shall be excluded from the computation. The sixty consecutive months may entirely precede, may be both before and after or may be completely after any excluded months.
- Clarifies that if the member was employed for less than sixty consecutive months, the average monthly compensation shall be based on the total consecutive months worked.
- Contains an appropriation of \$763, 319.

**HB 2116 ASRS; return to work (Boone) Not heard in House Retirement**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- Makes changes to the definition of compensation to exclude amounts that are paid as salary or wages to a member for which employer contributions have not been paid.
- States that ASRS shall not suspend the payment of retirement benefits if a retired member begins or returns to employment with an employer in a position that satisfies all of the following:
  - Results in a true change in position, job duties and job title from the position occupied by the member before ASRS retirement.
  - Either:
    - Requires participation in another state retirement system, plan or program and the retired member makes contributions or waives participation.
    - Permits a member to elect to participate in another state retirement system, plan or program and the member makes such an election.
  - Does not require membership in the defined benefit plan.
- States that a retired member who returns to work does not accrue credited service, member service, additional account balances, retirement benefits or long-term disability program benefits for the period the retired member returns to work.
- States that beginning July 1, 2010, an employer shall pay contributions at an alternate contribution rate on behalf of a retired member who returns to work before satisfying the requirement as a leased employee, or as an independent contractor and who performs services that would otherwise be performed by an active member.
- States for a member whose most recent retirement begins on or after July 1, 2010, the period the retired member returns to work under this subsection shall not count towards the twelve month requirement.
- Requires an employer of a retired member to pay contributions at the alternate contribution rate on behalf of a retired member who returns to work until no contributions have been made on behalf of the retired member for a period of twelve consecutive months.
- Requires the actuary to make the determination of the alternate contribution rate in an annual valuation performed as of June 30.
- States that payments made by employers become delinquent after the due date prescribed in the board's rules and thereafter shall be increased by interest from and after that date until payment is received by ASRS.
- Requires an employer of a retired member to submit any reports, data, paperwork or materials requested by ASRS that are necessary to determine the compensation of or fees associated with a retired member who returns to work or to determine the use of the return to work program.
- Defines *alternate contribution rate* and *employer*.

**HB 2117 ASRS; public service credit; purchase (Boone) Not heard in House COW**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- Allows a member to purchase time worked for the government of a US commonwealth, insular area or overseas possession.

#### **HB 2119 ASRS; service credit transfers (Boone) Not heard in House COW**

Under current law, ASRS provides retirement benefits for state employees.

##### **Provisions:**

- Stipulates that when an employee of a charter city who later becomes an ASRS member elects to have the employee's service transferred, the service is not credited in the new retirement system until full payment is made for the service credit.
- States that once a transfer is completed a member's rights in the former retirement system are terminated.

#### **HB 2120 School districts; bonds; purposes (Boone) Not heard in Senate Finance**

Under current law, Class B bonds may be issued to purchase or lease land, build or renovate schools, improve school grounds, or purchase pupil transportation vehicles.

##### **Provisions:**

- Permits a school district to issue Class B bonds for furniture, equipment and technology if the useful life of the items exceeds the average duration of the bonds issued.

#### **HB 2121 Tax credit; schools; classroom materials (Boone) Not heard in Senate Finance**

Under current law, contributions to schools in the form of public school tax credits may be used for extracurricular activities.

##### **Provisions:**

- Expands the allowable uses of the public school tax credit to include textbooks, classroom technology or instructional materials.

#### **HB 2122 School districts; override elections (Boone) Not heard in House Rules**

Under current law, statute allows a school district to exceed its RCL if the voters of that district approve a budget override.

##### **Provisions:**

- Raises the maximum budget increase that may be requested by a school district for an M&O override from 10 percent to 15 percent of the RCL.
- Allows the proceeds from an M&O override to be used for programs designed to improve the academic achievement of pupils in kindergarten through grade 3.
- Stipulates that any K-3 override in effect on the effective date of this bill will continue for the duration previously authorized by the voters or until the voters subsequently approve an M&O override equal to 15 percent of the RCL.
- Authorizes a school district, for FY 2009-10, to conduct an election on the second Tuesday in March 2010 and submit one of the following questions to the voters of the district:
  - A 15 percent M&O override that, if approved, replaces any previously approved M&O and K-3 overrides.
  - An additional 5 percent M&O override if the voters of the school district authorize a 10 percent M&O override at the November 2009 election.
  - A 17% M&O override for a common school district if an M&O and K-3 override are still in effect on the effective date of this bill.
- Repeals the K-3 override.

#### **HB 2137 School bus inspections; rules (J.P. Weiers) Not heard in Senate Rules**

Under current law, school buses must be inspected annually.

##### **Provisions:**

- States that the department of administration in consultation with the department of public safety and with the school bus advisory council shall create the rules necessary to perform the inspection of school buses.

#### **HB 2169 Tax credit; classroom activities; technology (Biggs) Not heard in House Ways and Means**

Under current law, Arizona allows an individual income tax credit for monies donated to a public school for the support of extracurricular activities or character education programs.

##### **Provisions:**

- Allows income tax credit contributions for public schools to be used for classroom technology or the support of classroom activities.
- Specifies that contributions for classroom technology or classroom activities may be used only to exceed the minimum school facility adequacy requirements.

### **HB 2211 Seat belts; school buses (Miranda) Not heard in House Transportation**

Under current law, seat belts are required to be worn while in a moving vehicle.

#### **Provisions:**

- Requires each school bus to be equipped with lap belts and each school bus passenger shall wear a properly adjusted and fastened lap belt while the school bus is in motion.
- States a peace officer shall not stop or issue a citation to a person operating a school bus on a highway in this state for a violation unless the peace officer has reasonable cause to believe that there is another alleged violation of a motor vehicle law of this state.
- States if a person is found responsible for a civil traffic violation, a department or agency of this state shall not consider the violation for the purpose of determining whether the person's driver license should be suspended or revoked.
- States an insurer shall not consider a civil traffic violation under this section as a traffic violation against the person for the purposes of establishing rates for motor vehicle liability insurance or determining the insurability of the person.
- Clarifies the seatbelt requirement does not apply to:
  - A person possessing a written statement from a physician or a registered nurse practitioner that the person is unable for medical or psychological reasons to wear a lap belt.
- States if a person is found responsible for a civil traffic violation under this section, the person is subject to a maximum civil penalty of \$10 for each violation.
- States the driver of a school bus who is found responsible for a civil traffic violation under this section relating to passengers is subject to a maximum civil penalty of \$10 for each violation.

### **HB 2219 Legislators; disclosure of interest (Ableser) Not heard in House Government**

Under current rule, legislative members are required to vote, in person, on every roll call vote unless they have filed a statement of personal financial interest with the Chief Clerk or they have been excused from the vote.

#### **Provisions:**

- States that a legislator who casts a vote with respect to any bill, memorial or resolution on the floor of the House of Representatives or the Senate in which the legislator has a direct financial interest shall prepare a written statement that identifies the bill, memorial or resolution, the legislator's vote and the nature of the legislator's direct financial interest.
- Requires the legislator to file the statement with the chief clerk and post the statement on the internet web page corresponding to the legislator as found on the legislature's website.
- Requires a legislator to report the direct financial interest as soon as possible after the legislator's vote in the House of Representatives or Senate.
- Clarifies that the written statement requirement does not apply if the direct financial interest applies to all members of the legislature by virtue of their employment as public officers or to votes that are cast in committee of the whole.
- States a legislator who intentionally or knowingly fails to comply with this section is guilty of a class 1 misdemeanor.
- Defines *direct financial interest*.

### **HB 2245 School bond elections; canvass (Tobin) Not heard in Senate Government**

Under current law, the official election returns must be delivered to the county board of supervisors or the appropriate county elections officer.

#### **Provisions:**

- Extends the time within which a county board of supervisors must canvass school board election results to 30 days after the election from 14 days.

### **HB 2251 School district overexpenditures; correction (Pratt) Not heard in Senate Finance**

Under current law, if the Superintendent of Public Instruction determines that the calculation of state aid for a school district within the previous three years does not conform to statutory requirements, the Superintendent is required to reduce state aid to the district in the current year or in the budget year in order to correct the errors.

#### **Provisions:**

- Permits the Santa Cruz Valley Union High School District to repay overexpenditures from FY 03 to FY 07 in equal installments over a five-year period beginning in FY 10.
- Requires the District to pay interest at a rate determined by the Superintendent of Public Instruction in addition to the monies required to be repaid.

### **HB 2284 Charter schools; enrollment preference (Goodale) Not heard in Senate Education**

Under current law, charter schools are required to accept all eligible pupils who submit a timely application

#### **Provisions:**

- Permits a charter school to give enrollment preference to and reserve capacity for children of the school's employees.

#### **HB 2291 Schools; multiple birth siblings; classrooms (Schapira) Not heard in House Education**

Under current law, school district governing boards shall establish policies and shall implement an open enrollment policy.

##### **Provisions:**

- Requires a school district or charter school to place multiple birth siblings who are enrolled in the same grade at the same school in the same classroom or separate classrooms as requested by the parent within 5 days after the first day of the school year.
- Stipulates that the school district or charter school is not required to place multiple birth siblings in separate classrooms if the request would require adding an additional class to the grade level.
- Defines *multiple birth siblings*.

#### **HB 2293 Teacher loan program; geographic shortages (Schapira) Not heard in House Appropriations**

Under current law, the Mathematics, Science and Special Education Teacher Student Loan Program was established in 2007 to defray the costs of in-state tuition, instructional materials, and mandatory fees for students pursuing a teaching degree at a public university in Arizona.

##### **Provisions:**

- Permits a loan recipient to meet the obligations of their service commitment by teaching any subject in a geographic area in Arizona experiencing a teacher shortage.
- Authorizes a loan recipient, at any time, to choose a different category of service commitment without violating their contract, unless the contract specifies instruction in mathematics or science.
- Enables a loan recipient to finish their service commitment in the same geographic area where they began teaching even if the area is reclassified during the service commitment as no longer experiencing a teacher shortage.

#### **HB 2294 Professional education standards board (Schapira) Not heard in House Education**

Under current law, the State Board of Education is responsible for issues regarding the certification of teachers.

##### **Provisions:**

- Establishes a Professional Education Standards Board to assume the following duties of the State Board of Education:
  - Adoption of professional standards
  - The substance, administration and passing scores for all proficiency exams
  - Standards for educator preparation programs
  - Standards for induction and professional development
  - Certification and licensure
  - Procedures for the investigation, adjudication and discipline of complaints against certificated teachers
- Allows the Board to hire an Executive Director.
- Gives membership requirements for the Board.
- Establishes the Professional Education Standards Board Fund subject to annual legislative appropriation.

#### **HB 2295 Pupils with chronic health problems (Schapira) Not heard in House COW**

Under current law, pupils with chronic health problems must be certified by a licensed medical or surgical doctor, podiatrist, osteopath or nurse practitioner.

##### **Provisions:**

- Allows certain health professional certified under A.R.S. title 32 to certify a pupil as having chronic health problems.
- States nothing shall obstruct, interfere with or override the rights of a parent or guardian concerning the education and health care of pupils with chronic health problems.
- Forbids school personnel from:
  - Authorizing absences from school for pupils with chronic health problems without the prior consent of the pupil's parent or guardian.
  - Recommending, prescribing or providing medication to pupils with chronic health problems without the prior consent of the pupil's parent or guardian.

#### **HB 2298 Schools; harassment; bullying; protected classes (Schapira) Not heard in House Education**

Under current law, school district governing boards must prescribe and enforce policies and procedures to prohibit pupils from harassing, intimidating and bullying other pupils.

##### **Provisions:**

- Adds procedures that protect pupils from harassment, intimidation or bullying based on a pupil's actual or perceived race, color, national origin, sex, disability, sexual orientation, gender identity, gender expression, religion or any other characteristic determined by the governing board to the required anti-harassment policies.

### **HB 2300 Centennial scholars program (Schapira) Not heard in House Education**

Under current law, the Arizona Board of Regents may establish a financial aid trust fund for the purposes of providing immediate aid to students with verifiable financial need, including students who are underrepresented in the population of university students.

#### **Provisions:**

- Requires The Commission for Postsecondary Education, in cooperation with the Arizona Board of Regents, the State Board of Education, the Department of Education, each community college district and each university to develop and implement the Centennial Scholars Program to provide scholarships to eligible students who have graduated from a high school in this state and who demonstrate financial need.
- Establishes the following criteria for an eligible student who is initially selected to receive a tuition scholarship:
  - Admission and continuous enrollment as a full-time student in a university under the jurisdiction of the Arizona board of regents or admission and continuous enrollment in both a university under the jurisdiction of Arizona board of regents and a community college in this state.
  - Certification in writing that the student:
    - Has not engaged in the unlawful use or possession of controlled substances, dangerous drugs or spirituous liquor.
    - Has not committed any other crime.
- Allows an eligible student to receive a tuition scholarship for up to eight academic semesters within six years from the date of graduation from high school.
- Allows an eligible student to apply for a renewal of the scholarship if the following criteria are satisfied:
  - Applies for other available federal and state financial aid by completing the free application for federal student aid.
  - Provides proof that the student continues to meet the scholarship criteria prescribed in this section.
  - Maintains a grade point average of at least 3.0 on a 4.0 scale, or the equivalent.
  - Maintains full-time enrollment during the semester in which the tuition scholarship is awarded.
- Clarifies the amount of a scholarship shall not exceed the cost of resident tuition and mandatory fees at the university.
- Establishes the Centennial Scholars Fund.
- Requires the submission of an annual report that includes a detailed description of the amount of monies distributed from the Centennial Scholars Fund during the previous fiscal year and that includes the total number of qualified applicants for scholarships, the total number of scholarships awarded and a list of the universities and community colleges attended by scholarship recipients.
- Requires the Commission for Postsecondary Education to adopt rules that establish appeals procedures for persons who do not qualify for the program.
- Contains a sunset provision of July 1, 2021.
- Defines *eligible student*.

### **HB 2309 School tax credit; fees; limitation (Hendrix) Not heard in House Rules**

Under current law, Arizona allows taxpayers an income tax credit for contributions to public schools to support extracurricular activities and character building programs.

#### **Provisions:**

- Allows income tax credit contributions for public school extracurricular activities to be used for college credit testing or college entrance exams.
- Limits the amount of contribution that a public school may use for student travel to \$1,600 per student for domestic travel, and \$2,400 per student for international travel.

### **HB 2356 Schools; TAPBI programs (Crandall) Not heard in House Education**

Under current law, each school selected by the State Board of Education to participate in the TAPBI program shall submit an annual report.

#### **Provisions:**

- Removes several of the program criteria for TAPBI participation.
- Requires all students who participate in TAPBI programs to reside in Arizona.
- Makes changes to the annual TAPBI report required.
- Makes changes to the generation of ADM for TAPBI programs.
- Requires multiple diverse assessment measures as part of the instructional program for TAPBI schools.

### **HB 2358 Developmentally disabled pupils; schools (Crandall) Not heard in House Rules**

Under current law, child with a disability is defined as a child who has been diagnosed with a disability and needs special education services.

**Provisions:**

- Renames the disability category of *preschool severe delay* to *early childhood severe delay*. Renames the disability category of *preschool moderate delay* to *developmental delay* and includes children ages three through nine.
- Incorporates the disability category of *preschool speech/language delay* into *speech/language impairment*.

**HB 2387 Unlawful hazing; schools (Ableser) Not heard in House Judiciary**

Under current law, school district governing boards set policies regarding student discipline.

**Provisions:**

- Makes it unlawful for a person who attends, is employed by or is a volunteer of an educational institution to engage in or participate in the hazing of another person.
- Exempts the following from the hazing prohibition:
  - The person who is the subject of the hazing regardless of whether the person voluntarily consented to the conduct.
  - Any activity that is normal and customary in an athletic, physical education, military training or similar program sanctioned by the educational institution.
- States it is not a defense to a prosecution for unlawful hazing that the person who was subjected to the hazing consented or acquiesced to the conduct.
- Makes unlawful hazing that results in death a class 2 felony; unlawful hazing that results in serious physical injury a class 4 felony; unlawful hazing that results in physical injury a class 2 misdemeanor and all other unlawful hazing a petty offense.
- Defines *educational institution, hazing and organization*.

**HB 2389 School buildings; vacancy lists (Biggs) Not heard in House Education**

Under current law, the Department of Education must annually publish a list of vacant and unused buildings and vacant and unused portions of buildings that are owned by the state.

**Provisions:**

- Requires each school district, including any school district in receivership to annually publish on its website a list of vacant and unused buildings and vacant and unused portions of buildings that are owned or leased by the school district.
- Stipulates that the list shall include the address of each building and a short description of the building.
- Requires each school district to solicit bids to lease and sublease buildings and portions of buildings on the list.
- Clarifies if an applicant for a charter school or an existing charter school submits a written offer to lease or sublease a building or portion of a building on the list, the school district shall lease or sublease the building or portion of the building to the applicant or the charter school at fair market value and at reasonable market terms.
- Removes the requirement that a governing board authorize the expenditure of monies to exceed the budgeted expenditures of the capital outlay section of the budget only by action taken at a public meeting.
- Requires each school district to include a separate section in the budget that provides an itemized list of the square footage of buildings and portions of buildings that are owned or leased by the school district and that are not regularly used to provide classroom instruction or extracurricular services directly to pupils.

**HB 2402 Schools; contractors; fingerprinting; crimes (Young Wright) Not heard in House Education**

Under current law, certificated employees of a school district are required to obtain fingerprint clearance cards.

**Provisions:**

- Allows a school district to refuse to contract with any contractor, subcontractor or vendor; terminate the contract of any contractor, subcontractor or vendor; or may refuse to be served by any employee of a contractor, subcontractor or vendor, who has been convicted of or who has admitted committing any of the criminal offenses that would preclude the person from obtaining a fingerprint clearance card.
- Requires a hearing to determine whether to terminate the contract.
- Stipulates a school district, its governing board members, its hearing officers, its school council members and its employees are exempt from civil liability for actions taken, unless the action taken amounts to intentional misconduct.
- Requires the following factors to be considered in the determination of whether to terminate an existing contract:
  - The nature of the crime, the potential for crimes against children and the nature and potential for interaction with pupils by the contractor, subcontractor or vendor or the employee of the contractor, subcontractor or vendor.

- Offenses committed as a minor for whom proceedings were held under the jurisdiction of a juvenile court or an adult court.
- Offenses that have been expunged by a court of competent jurisdiction because the person has been pardoned or the person's sentence has been commuted.
- Whether the crime was committed more than ten years before the hearing.
- The reliability of the evidence of an admission of a crime.

**HB 2415 Schools; suspended pupils; admission (Young Wright) Not heard in House Rules**

Under current law, a school district governing board is required to prescribe rules for the discipline, suspension, and expulsion of students that are consistent with a student's constitutional rights.

**Provisions:**

- Permits school districts to refuse to enroll a student who has been suspended from another school.

**HB 2417 Noncertificated school employees; policies (Lujan) Not heard in House Retirement**

Under current law, school districts may hire noncertificated personnel but these individuals must be fingerprinted.

**Provisions:**

- Requires governing boards for every school district to adopt employment policies for noncertificated employees, including:
  - A minimum period of probationary employment during which an employee may be discharged without cause, after which the employee may only be terminated for cause
  - The circumstances under which an employee may be disciplined, suspended without pay or terminated for cause
  - List of causes for discipline, suspension without pay or termination
  - An appeal process to the governing board or hearing officer for disciplinary actions, suspension or termination
  - A position classification plan for all noncertificated positions in the school district
  - Procedures to evaluate the performance of employees for the purpose of improving effectiveness of district staff
  - Procedures for promotions and transfers between position classifications with consideration for qualifications, record of performance and conduct
  - Procedures to deny appointment or promotion to candidates failing to fulfill reasonable requirements
  - Procedures for reductions in force in order to effectuate economies in the operation of the school district
  - A plan to resolve employee grievances and complaints
  - Attendance procedures, including hours of employment, vacation, sick leave, and leaves of absence
  - Standards of ethical conduct for employees
  - Publication and distribution of an employee handbook
  - Qualifications for overtime pay

**HB 2421 School district overexpenditures; correction (McGuire) Not First Read in House**

Under current law, if the Superintendent of Public Instruction determines that the calculation of state aid for a school district within the previous three years does not conform to statutory requirements, the Superintendent is required to reduce state aid to the district in the current year or in the budget year in order to correct the errors.

**Provisions:**

- Permits the Santa Cruz Valley Union High School District to repay overexpenditures from FY 03 to FY 07 in equal installments over a five-year period beginning in FY 10.
- Requires the District to pay interest at a rate determined by the Superintendent of Public Instruction in addition to the monies required to be repaid.

**HB 2433 Budget stabilization fund (Bradley) Not heard in House Appropriations**

Under current law, the Budget Stabilization Fund (or Rainy Day Fund) contains monies from the state general fund transferred in a calendar year in which the annual growth rate exceeds the trend growth rate.

**Provisions:**

- States, beginning in fiscal year 2009-2010, the budget stabilization fund balance shall not exceed three billion dollars.

**HB 2437 School districts; internet based advertising (Kavanagh) Not heard in Senate Rules**

Under current law, school districts are permitted to sell advertising space on school buses.

**Provisions:**

- Allows school districts to sell advertising on the internet.

- States advertisements shall be age appropriate and not contain promotion of any substance that is illegal for minors, such as alcohol, tobacco and drugs, or gambling.
- Requires advertisements to comply with the state sex education policy of abstinence.
- Allows a school district to establish an internet advertising fund that is comprised of revenues from the sale of advertising on the internet.
- Requires the monies in an internet advertisement fund are to be used for any pupil related costs as determined by the governing board of the school district.

**HB 2442 Community colleges; bonds; technical correction (B. Miranda) Not First Read in House**

- Makes a minor change to Title 15 (Education); vehicle bill.

**HB 2456 High schools; pilot; achievement profile (Lujan) Not heard in House Rules**

Under current law, schools receive labels based on their achievement profile.

**Provisions:**

- Requires the State Board of Education and the State Board for Charter Schools to develop a pilot program to develop separate achievement profiles for schools that offer instruction in grades nine through twelve.
- Requires the State Board of Education to select one union high school district in a county with more than 800,000 persons and the State Board for Charter Schools to select five charter schools to participate in the pilot program.
- Requires the school district and charter schools that participate in the pilot program to develop a separate annual achievement profile on or before September 15, 2010.
- States the school district and charter schools that participate in the pilot program shall determine the definition of the indicators that will be used in the achievement profile and the manner in which the indicators are incorporated into the achievement profile.
- Requires the achievement profiles to include at least the following:
  - Measures of college readiness.
  - The Arizona instrument to measure standards test.
- Requires the State Board of Education to submit an annual report on or before November 15 that summarizes the results of the pilot program.
- Allows the State Board of Education and the State Board for Charter Schools to adopt rules to carry out the pilot program.
- Terminated the pilot program on July 1, 2019.

**HB 2459 Schools; superintendents; certification (Goodale) Not heard in Senate Rules**

Under current law, a school district governing board may employ a superintendent.

**Provisions:**

- States if a governing board employs, or jointly employs, a superintendent, the board shall determine the qualifications for the superintendent.

**HB 2463 School districts; accounting responsibility; threshold (Pratt) Not heard in Senate Rules**

Under current law, the Office of the Auditor General, in conjunction with the Arizona Department of Education, is required to prescribe a Uniform System of Financial Records to be used by all school districts.

**Provisions:**

- Permits any school district to apply to the State Board of Education for accounting responsibility independent of the county school superintendent.

**HB 2466 School districts; maximum tax rate (Lesko) Not Third Read in House**

Under current law, The Tax Reform for Arizona Citizens Committee was established in 2002.

**Bill Provisions:**

- Prohibits the governing board of a common school district, a high school district or a unified school district to fix, levy or assess a primary property tax rate that is higher than the current year's rate if the district meets the following criteria:
- The total primary property taxes levied for all taxing jurisdictions results in at least 50 percent of the homeowners exceeding the 1 percent constitutional cap.
- The primary property tax rate exceeds 150 percent of the qualifying tax rate.
- Requires the Property Tax Oversight Commission to determine which school districts are affected and to notify those districts by December 31.

**HB 2471 Education tax credits; contribution amounts (Chabin) Not heard in House Education**

Under current law, tax credits are permitted for contributions made to student tuition organizations.

**Provisions:**

- Reduces the tax credit for contributions to public schools or school tuition organizations to 50% of the amount contributed.

**HB 2472 Income tax credits; income threshold (Chabin) Not heard in House Ways and Means**

Under current law, income tax credits are permitted for contributions in certain areas.

**Provisions:**

- Permits income tax credits only on the portion of tax liability that exceeds \$1,500.

**HB 2473 Tax credits; deductions; exemptions; sunset (Chabin) Not heard in House Ways and Means**

Under current law, income tax credits are permitted for contributions in certain areas.

**Provisions:**

- States any new transaction privilege tax deduction or exemption that is established by the Legislature must include in its enabling legislation a specific repeal date for the deduction or exemption.
- Requires the specific repeal date to be from and after December 31 of the seventh full calendar year following the date the deduction or exemption is enacted.
- Sets an expiration date of January 1, 2017 for current tax deductions and tax credits.

**HB 2485 Access to child; notification (Lujan) Not heard in House Military Affairs**

Under current law, the courts are responsible for the educational programs focused on the impacts that divorce, the restructuring of families and judicial involvement have on children.

**Provisions:**

- Requires a child's parent or custodian to immediately notify the other parent or custodian if the parent or custodian knows that a convicted or registered sex offender or a person who has been convicted of a dangerous crime against children may have access to the child.
- Requires the parent or custodian to provide notice by first class mail, return receipt requested, by electronic means to an electronic mail address that the recipient provided to the parent or custodian for notification purposes or by other communication accepted by the court.

**HB 2488 Deaf and blind schools; personnel (Farley) Not heard in House Retirement**

Under current law, the superintendent of the School for the Deaf and Blind, acting on behalf of the board of directors, employs all personnel needed for the operation of the schools.

**Provisions:**

- States that the probationary period for employees in nonteaching positions shall not exceed one year from the first day of employment.
- Allows the superintendent to extend an employee's probationary period for employment-related reasons and, if extended, an employee's probation may exceed one year in the aggregate.
- Allows any employee of the School for the Deaf and Blind who has achieved permanent employment status to appeal to the State Personnel Board seeking relief from discharge, suspension for more than forty working hours or demotion resulting from disciplinary action.

**HB 2490 Solar school grant program (Farley) Not heard in House Ways and Means**

Under current law, school districts are able to receive grants from some utility companies to install energy efficient devices.

**Provisions:**

- Establishes the state solar grants program fund administered by the Department of Education. Allows the Department of Education to use the monies in the fund to provide grants to school districts for solar education programs in schools that use solar technology.
- Requires school district governing boards to prescribe and enforce policies and procedures to install solar technology in the schools in the school district. Schools that use solar technology shall perform an energy audit, use energy efficient technologies and best practices and meet the renewable portfolio standards established by the corporation commission.
- Requires governing boards to distribute monies received from the Department of Commerce energy office to schools in the school district as follows:
  - Priority shall be given to the installation of solar technology in new school facilities.
  - After the installation of solar technology, priority shall next be given to the installation of solar technology in existing school facilities, with initial priority given to the installation of solar technology in the smaller schools in the school district.
- Requires the Department to establish a solar school grant program to encourage the installation of solar technology in schools in this state.
- Creates provisions for the distribution of funds in the Solar School Grant Program Fund.

- Creates, for taxable years beginning from and after December 31, 2009, a tax on the business of delivering electricity for consumption.

#### **HB 2497 Schools; postemployment benefits (Crandall) Not heard in Senate Rules**

Under current law, school district governing boards set the salaries and benefits for school employees.

##### **Provisions:**

- States that if the governing board offers postemployment benefits to school district employees or to spouses and dependents of school district employees, or both, monies to fund these benefits may be deposited in a postemployment benefits trust account
- Allows the following expenditures may be made from a postemployment benefits trust account:
  - Administrative and management costs.
  - Payment of benefits.
- Requires an investment manager for a postemployment benefits trust account shall be either:
  - A qualified investment manager appointed by the district governing board.
  - The manager of a public agency pool.
- Allows the investment manager for a postemployment benefits trust account to invest and reinvest the monies in the account and may hold, purchase, sell, assign, transfer and dispose of any of the securities and investments in which any of the trust account monies are invested.
- Clarifies postemployment benefits do not include benefits provided by ASRS.

#### **HB 2504 School districts; state mandates; funding (Pancrazi) Not heard in House Government**

Under current law, public schools are funded through a statutory funding formula.

##### **Provisions:**

- States if a school district is required to institute a state mandate, the law or action that establishes the state mandate is not applicable to the school district unless the legislature provides for the actual school district costs of instituting the state mandate by:
  - Appropriating monies in an amount sufficient to pay for the state mandate.
  - Prescribing new or increased revenue sources that are dedicated to paying for the state mandate.
- Clarifies that a state mandate to a school district that the legislature fails to fully fund is not a lawful requirement of the school district to implement, pay for or enforce and requires no action on the part of the school district.
- Exempts criminal laws or any other laws or administrative actions that affect all persons, public and private, as a general class of which the school district may be a member.
- Requires funding for all state mandates to be disbursed through a formula derived by the Legislature to ensure that each school district in this state receives an equitable share of the funding available based on the actual cost per pupil.
- Defines *state mandate*.

#### **HB 2515 School district overexpenditures; correction; reduction (McLain) Not heard in Senate Rules**

Under current law, if the Superintendent of Public Instruction determines that the calculation of state aid for a school district within the previous three years does not conform to statutory requirements, the Superintendent is required to reduce state aid to the district in the current year or in the budget year in order to correct the errors.

##### **Provisions:**

- Allows the amount of overexpenditure required to be corrected pursuant for Peach Springs USD to be reduced by \$500,000 if the boundaries of the school district are changed to exclude from the school district all real property not located on the Indian reservation.

#### **HB 2516 Schools; administrative reduction (Court) Not heard in Senate Rules**

Under current law, school district governing boards are responsible for setting policy for the management of the district.

##### **Provisions:**

- Identifies charter schools as a public agency to allow them to enter into an IGA.
- Eliminates the requirement IGAs be filed with the Secretary of State or county recorder.
- Includes an effective date of December 31, 2009.
- Removes the reporting requirement that districts must submit that uses a construction-manager-at-risk, design-build, qualified select bidders list or job-order-contracting to procure construction services.
- Removes the liability clause relating a child's retention.
- Removes the requirement to employ a real estate attorney to negotiate a lease of more than 5 years.
- Removes the requirement to secure insurance coverage for construction projects.
- Removes the requirement to assign at least one district employee to participate in a multi-hazard crisis training program.

- Clarifies the bullying document maintenance portion.
- Removes the buffer zone requirement from agricultural land.
- Removes the SBE and AG school construction procurement placeholder.
- Exempts IGAs between districts or between a district and other governing body from SBE competitive bidding.
- Clarifies that advertising on athletic facilities is allowed and removes the restrictions on fund usage.
- Reduces the timeframe from 30 to 10 days the intention to suspend or dismiss a teacher.
- Reduces the timeframe from 85 to 60 days to allow a teacher to correct the inadequacy of classroom performance.
- Allows governing boards to make a one-time appointment a hearing officer to conduct the hearing.
- Eliminates the penalty for a teacher who fails to comply to be guilty of unprofessional conduct.
- Eliminates the need for a special meeting to commence a term of office.
- Exempts a person who contacts a school district governing board member or district employee for bonding services from registering as a lobbyist.
- Requires a fiscal note on any bill introduced that imposes a new fiscal impact on AZ public schools.

**HB 2521 University tuition; fund sweeps; prohibition (Waters) Not heard in House Appropriations**

Under current law, the Board of Regents is responsible for retaining in its treasury all monies received from the sale of all bonds.

**Provisions:**

- Forbids the Board of Regents from transferring tuition revenue to the state general fund.

**HB 2523 Schools; noncertificated business managers (Waters) Not heard in House Retirement**

Under current law, the governing board may at any time employ and fix the salaries and benefits of employees necessary for the succeeding year.

**Provisions:**

- Permits the governing board may employ a business manager who has expertise in finance. Defines expertise in finance as one or more of the following:
  - A baccalaureate degree in accounting, finance, school finance or public finance.
  - A graduate degree in accounting, finance, school finance or public finance.
  - Other training or experience that the governing board determines is sufficient to qualify the person to administer the business operations of the school district.

**HB 2525 TAPBI programs; schools (Hendrix) Not heard in Senate Rules**

Under current law, 7 district and 7 charter schools are permitted to participate in the TAPBI pilot program for technology-based instruction.

**Provisions:**

- Removes several of the program criteria for TAPBI participation.
- Requires all students who participate in TAPBI programs to reside in Arizona.
- Makes changes to the annual TAPBI report required.
- Makes changes to the generation of ADM for TAPBI programs.
- Requires multiple diverse assessment measures as part of the instructional program for TAPBI schools.

**HB 2527 ELL; Native American languages; exception (Deschene) Not heard in House Education**

Under current law, *English learner* means a child who does not speak English or whose native language is not English, and who is not currently able to perform ordinary classroom work in English.

**Provisions:**

- Exempts from the definition of English learner a pupil who is proficient in one or more Native American languages.
- States a pupil who is bilingual shall not be classified as an English language learner.
- States a child shall not be classified as an English language learner solely because the parent or guardian of the child reports that the primary language spoken in the child's home is a language other than English.
- Requires the ELL Task Force to accept alternative models that exempt pupils who are proficient in one or more Native American languages from the structured English immersion programs in accordance with the Native American Languages Act of 1990.

**HB 2529 Energy policy study committee (Deschene) Not heard in House Water and Energy**

Under current law, governing boards are responsible for creating policy for the management of the school district.

**Provisions:**

- Establishes the Energy Policy Study Committee with specified members.
- Requires the Committee to:

- Examine all aspects of energy policy including energy supply, production, transportation, delivery, distribution, demand and prices.
- Develop and recommend state energy policies to promote and achieve a reliable supply, resource conservation, environmental protection, economic development and the protection of the health and safety of the citizens of Arizona.
- Submit a report of findings and recommendations on or before September 30, 2011.

**HB 2541 Budgets; posting on websites (Biggs) Not heard in House Education**

Under current law, governing boards are responsible for creating policy for the management of the school district.

**Provisions:**

- Requires all budget units, school districts and community colleges to post on their official websites their budgets for the current fiscal year.
- Requires any amendments to a budget that are adopted during the fiscal year to be posted on the website.
- Clarifies if a budget unit, school district or community college does not have an official website, the budget unit, school district or community college shall forward the information to the Department of Administration for posting.

**HB 2544 Schools; sex education (Sinema) Not heard in House Health and Human Services**

Under current law, school districts are required to provide sex education courses.

**Provisions:**

- Requires sex education instruction to be medically accurate and comprehensive.
- Requires, at the request of a school district, the Department of Health Services or the Department of Education to review instruction materials to determine their medical accuracy.
- Requires, at the request of a school district, the Department of Education provide the following assistance:
  - A suggested course of study.
  - Teacher training.
  - A list of available films and other teaching aids.
- Specifies, at the request of a parent, a pupil shall be excused from instruction on sex education.
- Defines *comprehensive* and *medically accurate*.
- Requires instruction on sexually transmitted infections.
- Removes language prohibiting instruction on homosexuality.

**HB 2555 Schools; eye examinations (Cl. Campbell) Not heard in House Education**

Under current law, school district governing boards are responsible for creating policy for the management of school districts.

**Provisions:**

- Requires, beginning in 2010, the parent or guardian of each pupil enrolled in grade one in a school district or charter school to submit documentary proof to the principal or head teacher of the school that the pupil has been given a comprehensive eye examination within the nine month period before enrollment.
- Requires each school district and charter school to disclose the requirements and exemptions regarding eye examinations to the parents and guardians of pupils who enter grade one or who enroll a pupil who was previously enrolled in another state in a school in this state for the first time.
- Allows the principal or head teacher of a school to withhold the report card of a pupil who is admitted or allowed to continue to attend and whose parent or guardian fails to comply the required comprehensive eye exam.
- States a school district, a charter school and the employees of a school district or charter school are immune from civil liability for decisions concerning the withholding of the report card of a pupil that are based on a good faith implementation of the requirements.
- Requires the State Board of Education to adopt rules to specify standards for documentary proof required for comprehensive eye examinations.
- Requires the Department of Education to compile and maintain a list of individual, federal, state, local or private providers of free or reduced cost comprehensive vision examinations to which parents and guardians of pupils may be referred by school districts and charter schools.
- Defines *comprehensive eye examination*.
- Provides an exemption to the eye exam requirement if the parent or guardian of the pupil submits a signed statement to the principal or head teacher of the school that states that, due to personal beliefs, the parent or guardian does not consent to the comprehensive eye examination of the pupil.

**HB 2559 Schools; AIMS test; additional subjects (Ash) Not heard in House Education**

Under current law, students are required to pass the AIMS exam in order to graduate from high school.

**Provisions:**

- Requires, if monies are appropriated an AIMS exam in social studies in grades three, six and seven and in high school in American history, world history, economics and government courses, including the United States Constitution.
- Requires, if monies are appropriated, the administration of assessments in science in high school in physics, chemistry, biology and earth science and fine arts in high school as developed by the Department of Education.

**HB 2580 Community college board; vacancy; appointment (Fleming) Not heard in House Education**

Under current law, the Board of Supervisors establishes five precincts in a community college district for the election of a district board member from each precinct.

**Provisions:**

- Requires vacancies on a community college governing board to be filled by the board rather than the county school superintendent.

**HB 2587 Petition circulators; signature payment prohibited (Lopes) Not heard in House Judiciary**

Under current law, citizens may have questions placed before voters through the initiative process.

**Provisions:**

- States a circulator may not receive monetary or other compensation for collecting signatures or circulating petitions if that compensation is based on the number of signatures collected or the number of petitions circulated that contain signatures.
- Modifies the definition of *paid circulator*.

**HB 2593 Child restraints; booster seats (M. Garcia) Not heard in House Transportation**

Under current law, the state board of education oversees public education in Arizona.

**Provisions:**

- Requires the operator of a motor vehicle that is designed for carrying ten or fewer passengers to require each passenger who is at least five years of age and who is under nine years of age to be restrained in a booster seat.
- Allows a law enforcement officer to determine from the driver of a vehicle the age of a child to ascertain whether the child should be restrained in a booster seat.
- Defines *child restraint system* and *booster seat*.

**HB 2604 Schools; ADM audits; repayment (Crandall) Not heard in House Rules**

Under current law, school districts are required to accurately report ADM.

**Provisions:**

- States that a school district or charter school that is required to repay monies as the result of an average daily membership audit conducted by the Department of Education or the Office of the Auditor General shall repay the full amount of the monies due within five years after the date of the audit finding.
- Contains an emergency clause.

**HB 2605 Digital learning task force (Crandall) Not heard in House Rules**

Under current law, the E-Learning Task Force is charged with researching the technology needs of students and teachers.

**Provisions:**

- Establishes the Digital Learning Task Force consisting of specified members who are from diverse urban and rural areas and who are appointed by the State Board of Education.
- Requires the Task Force to:
  - Examine the digital resources that are currently available to schools. The task force shall examine only digital resources that are provided to schools at a low cost or without cost.
  - Make recommendations on the following:
    - The digital resources that are the most beneficial to improve the academic performance of pupils and the manner for incorporating those resources into classrooms.
    - The manner for training teachers on the use of digital resources.
  - Establish criteria by which digital resources should be evaluated in the future for use by the schools in this state.
  - Submit a written report that contains the Task Force's findings and recommendations on or before January 31, 2010. D.
- Permits the Task Force to use the services and expertise of the staff of the Legislature and the staff of the Department of Education.

**HB 2607 Schools; disruption; interference; concealed firearms (Biggs) Not heard in House Education**

Under current law, interference with or disruption of an educational institution is defined as intentionally, knowingly or recklessly interfering with or disrupting the normal operations of an educational institution.

**Provisions:**

- Prohibits an educational institution from banning a person who possesses a valid permit from lawfully carrying a concealed firearm on the property of an educational institution.
- Prohibits a governing board, officer, faculty member, staff member or other employee to forbid, by policy, rule, regulation or any other means, a person who possesses a valid permit from lawfully carrying a concealed firearm on the property of an educational institution.

**HB 2615 Government transparency; political subdivisions (Montenegro) Not heard in House Third Read on Reconsideration**

Under current law, the Department Administration is required, by Jan. 1, 2011 to include on its website a database of receipts and expenditures of the state.

**Provisions:**

- Extends to all levels of local government the requirement that the Department shall establish and maintain an official internet website that is electronically searchable by the public at no cost and that contains a comprehensive database of receipts and expenditures.
- Defines *local government*.

**HB 2623 Legislative authority; renewable energy (Mason) Not heard in House Rules**

Under current law, Corporation Commission oversees energy standards for Arizona.

**Provisions:**

- States that the Legislature adopts the renewable energy standard and tariff rules approved by the Arizona Corporation Commission, except that eligible renewable energy resources include nuclear energy, hydro generation and energy saved through conservation and energy efficiency.
- States the Legislature reserves the exclusive power, authority and jurisdiction to set forth statewide renewable energy policy, except:
  - If the legislature has expressly delegated authority to other agencies, departments or political subdivisions of this state to administer clearly articulated statewide legislative policy.
  - Utility rate setting to the extent delegated by the state constitution to other agencies, departments or political subdivisions of this state.
- Defines *renewable energy policy*.

**HB 2624 Initiative reform; statutory measures (Sinema) Not heard in House Judiciary**

Under current law, citizens may have questions placed before voters through the initiative process.

**Provisions:**

- States a circulator may not receive monetary or other compensation for collecting signatures or circulating petitions if that compensation is based on the number of signatures collected or the number of petitions circulated that contain signatures.
- Modifies the definition of *paid circulator*.
- Creates registration requirements for paid petition circulators.
- Requires 10% (rather than 5%) of total signatures on a petition to be randomly verified.
- Sets a date of June 15 for arguments advocating or opposing an initiative.
- Contains a conditional enactment.

**HB 2628 Parents' rights; education; health; discipline (Gowan) Not Third Read in House**

Under current law, school district governing boards are required to develop policies to promote parental involvement in public schools in areas related to homework, attendance and discipline.

**Provisions:**

- Reserves certain rights to a parent or legal guardian of a minor child without obstruction or interference from any governmental entity or from any employee of a governmental entity, including the following:
  - The education of the minor child, including the right to access and review the attendance records, test scores, grades, disciplinary records, counseling records, psychological records, applications for admission, evaluations of the child by teachers and counselors, content of the child's course of study, reports of behavior patterns.
  - The upbringing of the minor child.
  - Discipline of the minor child.
  - The moral or religious training of the minor child.
  - Health care decisions for the minor child, including decisions relating to mental health and immunizations.
- States a parent or legal guardian of a minor child has the right to:

- Consent in writing before any biometric scan of a minor child is made.
- Consent in writing before mental health screening of the minor child.
- Consent in writing before immunization of a minor child.
- Petition to allow the minor child to attend another school, program or class.
- Reasonable access to request the reassignment of the minor child to another class or teacher unless the reassignment would adversely affect the assignment or reassignment of another child.
- Request, with the expectation that the request will not be unreasonably denied, that the minor child be permitted to graduate early from high school if the child meets the graduation requirements.
- Requires a governmental entity to obtain the written consent of a minor child's parent or legal guardian before a video or voice recording of any minor child is made.
- States a governmental entity shall not use or threaten to use the refusal of a parent or legal guardian of a minor child to administer or consent to the administration of any medication as the sole basis for making a report for neglect of the child unless the governmental entity has a duty to report.
- Makes any attempt to encourage or coerce a minor child to withhold information from the child's parent or legal guardian grounds for discipline of an employee of a school district, charter school, community college or university.
- Defines *biometric scan* and *governmental entity*.

#### **HCR 2001 Superior court jurisdiction; technical correction (Seel) Not heard in House Rules**

- Makes a minor change to the Arizona Constitution relating to superior court jurisdiction; vehicle bill.

#### **HCR 2002 Regents; elimination; replacement (Nichols) Not First Read in House**

Under current law, the Board of Regents oversees the three state universities.

##### **Provisions:**

- Requires each public university to be governed by a separate board of regents for each university with specified members and terms.
- Allows all persons serving as members of the Arizona Board of Regents on November 9, 2010 to continue to serve on the board of regents of the university that is located closest to their residence until the expiration of their normal terms.

#### **HCR 2022 School district expenditures; authorization (Boone) Not heard in House Rules**

Under current law, the Legislature may authorize expenditures in excess of the aggregate expenditure limit for one year on the affirmative vote of at least two-thirds of the membership of each chamber.

##### **Provisions:**

- Allows expenditures of \$98,197,993 in excess of the aggregate expenditure limit for FY 09.
- Requires the affirmative vote from two-thirds of each chamber of the Legislature by March 1 to be enacted.

#### **HCR 2025 State expenditure limitation; reduction (Kavanagh) Not First Read in House**

Under current law, the Legislature shall not appropriate for any fiscal year state revenues in excess of 7% of the total personal income of the state for that fiscal year.

##### **Provisions:**

- States, after June 30, 2011, the Legislature shall not appropriate for any fiscal year state revenues in excess of six and eight-tenths per cent of the total personal income of the state for that fiscal year.
- Exempts appropriations made for payments to a state budget stabilization fund and appropriations made to bring current and pay off any deferral of payments of state aid to school districts into a fiscal year subsequent to the year when due from the limit.

#### **HCR 2026 Primary elections; youth voting (Ableser) Not First Read in House**

Under current law, a person must be 18 years of age in order to vote in an election.

##### **Provisions:**

- Allows any person who will be at least eighteen years of age on or before the general election to vote at the primary election that immediately precedes that general election.

#### **HCR 2028 Voter-protected funding; temporary deficit suspension (Biggs) Not First Read in House**

Under current law, the Legislature is limited in spending decisions by the Voter Protection Act.

##### **Provisions:**

- States if the respective budget offices of the Governor and the Legislature jointly issue a written finding that a budget deficit exists after the second quarter of a fiscal year, before enacting legislation establishing or increasing any tax or fee, the Legislature may for that fiscal year appropriate or divert funds created or allocated by initiative or referendum.

### **HCR 2029 Funding ballot measures; reauthorization (Stevens) Not First Read in House**

Under current law, the Legislature is limited in spending decisions by the Voter Protection Act.

#### **Provisions:**

- States if an initiative or referendum measure authorizes or requires the expenditure of state monies, that authorization or requirement is valid only for eight years.
- Applies the reauthorization requirement to all ballot measures from previous initiatives or referendums that authorize or require the expenditure of state monies.
- Requires all ballot measures that are affected retroactively and that were enacted into law eight years or more before the effective date of this section shall be referred to a vote of the qualified electors for reauthorization at the next general election.

### **HCR 2030 Initiative and referendum; voter approval (Stevens) Passed as Strike-Everything Amendment unrelated to Education**

Under current law, the Legislature is limited in spending decisions by the Voter Protection Act.

#### **Provisions:**

- Requires a 2/3 majority for passage of any initiative or referendum that authorizes:
  - The imposition of any new tax.
  - An increase in a tax rate or rates.
  - A reduction or elimination of a tax deduction, exemption, exclusion, credit or other tax exemption feature in computing tax liability.
  - An increase in a statutorily prescribed fee or assessment or an increase in a statutorily prescribed maximum limit for an administratively set fee.
  - The imposition of any new fee or assessment or the authorization of any new administratively set fee.
  - The elimination of an exemption from a statutorily prescribed fee or assessment.
- Requires school budget overrides to be approved by a 2/3 majority.

### **HCR 2031 State budget; continuation (Murphy) Not First Read in House**

Under current law, the Legislature appropriates monies to state agencies for implementation of services and policies.

#### **Provisions:**

- States if a state department or agency budget for the next fiscal year has not been enacted by June 30, the current fiscal year's budget for the department or agency shall continue in effect until the new budget for the agency or department has been enacted.
- Clarifies if a state department or agency budget for the next fiscal year has not been enacted by June 30, and remaining unbudgeted monies are inadequate to fund the current fiscal year's budget, the budget for the department or agency shall be reduced proportionately.
- States appropriations and expenditures of any budget stabilization fund or similar fund monies in any fiscal year may occur only if state general fund revenue is less than the previous fiscal year.

### **HCR 2033 Initiative and referendum reform (Sinema) Not First Read in House**

Under current law, the initiative process allows citizens to place issues on the ballot to be decided by the voters of Arizona.

#### **Provisions:**

- Requires a measure referred by the Legislature to the ballot receive a 2/3 majority in each chamber.
- Reduces the number of signatures required for an initiative to 10% (from 15%) of the number of total votes cast for governor in the last election.

### **SB 1001 Web and video conference software (Waring) Not heard in Senate Rules**

Under current law, school district governing board meetings are subject to the open meeting law.

#### **Provisions:**

- Requires school districts and other specified government bodies to purchase through its normal procurement procedures sufficient web-based web and video conferencing software during the next four years so that:
  - After one year from the effective date of this section at least twenty-five per cent of the employees of the entity are trained and capable of using the software.
  - After two years from the effective date of this section at least fifty per cent of the employees of the entity are trained and capable of using the software.
  - After three years from the effective date of this section at least seventy-five per cent of the employees of the entity are trained and capable of using the software.
  - After four years from the effective date of this section one hundred per cent of the employees of the entity are trained and capable of using the software.
- Requires the web-based web and video conferencing software to have at least the following components:

- The ability to conduct a web and video conference meeting where participants can verbally interact with each other using integrated telephone or voice over internet protocol communication.
- The ability to conduct a training session for a small group of employees using web-based video protocols.
- The ability to conduct large scale training sessions or meetings involving employees with the trainee or trainees at diverse sites.
- Support protocols to allow support professionals to remotely drive customer systems to provide technical customer support.
- Requires purchased software to have the ability to calculate cost savings from engaging in web-based web and video conferencing for meetings or training sessions.
- Requires, on or before August 31 of each year, a report of the cost savings calculated on web and video conferencing savings.
- Establishes the Web and Video Conferencing Savings Committee with specified members.
- Requires the Committee to collect and compile the reported cost savings of each entity required to purchase web-based web and video conferencing software and arrange the information in a usable and readable format.
- Requires, on or before December 31 of each year, the Committee to submit a written report of its finding and recommendations.

**SB 1002 Elected officials; print; visual media (Waring) Not heard in House Government**

Under current law, elections in Arizona are conducted by the Secretary of State.

**Provisions:**

- Forbids an elected official from using public monies, or cause public monies to be used, in any print media announcements, visual media announcements, broadcast media announcements, website campaign or similar type of general public communication that refers to the elected official or any employee of the elected official.

**SB 1007 State equalization property tax repeal (Harper) Not heard in Senate Finance**

Under current law, the state equalization property tax was suspended from 2006 to 2009.

**Provisions:**

- Permanently repeals the state equalization property tax.

**SB 1044 Federal mandates committee; annual recommendation (Tibshraeny) Not heard in Senate Rules**

Under current law, Joint Legislative Committee on Federal Mandates reviews the activities of Congress and the Federal government.

**Provisions:**

- Eliminates the requirement that the Joint Legislative Committee on Federal Mandates make a recommendation as to whether Arizona should participate in the federal mandates the Committee reviewed during the year.

**SB 1053 Political candidates; proof of citizenship (Harper) Not heard in Senate Judiciary**

Under current law, persons seeking an elected office must file nomination papers.

**Provisions:**

- Requires all persons who file nomination papers to submit an affidavit with the nomination paper that states the person's citizenship and shall append to the affidavit documents that provide proof of the person's citizenship.

**SB 1077 Technical correction; state trust lands (Nelson) Not heard in Senate Rules**

- Makes a minor change to Title 37 (public lands); apparent vehicle bill.

**SB 1084 Technical correction; school bonds (Nelson) Not heard in Senate Rules**

- Makes a minor change to Title 35 (public finances); apparent vehicle bill.

**SB 1099 Uniform state laws commission (C. Allen) Not heard in Senate Rules**

Under current law, The National Conference of Commissioners on Uniform State Laws provides states with non-partisan, well-conceived and well-drafted legislation that brings clarity and stability to critical areas of the law.

**Provisions:**

- Establishes the Commission on Uniform State Laws consisting of three members who are appointed by the Governor.
- Requires the Commission to investigate topics concerning which uniform legislation throughout the United States is desirable and confer with like commissions from other states on these topics.
- Requires the Commission to report to the Governor and the Legislative Council the results of the Commission's investigations and recommend the adoption of uniform legislation.

- Allows the Commission to maintain membership in the National Conference of Commissioners on Uniform State Laws by the payment of annual dues.
- Requires the Commission to meet at least annually and at other times on call of the chairperson.
- Terminates the Commission on July 1, 2019.

**SB 1104 AHCCCS; SCHIP; application process (C. Allen) Used as Strike-Everything Amendment Unrelated to Education**

Under current law, Healthcare Group delivers health care services to eligible participants.

**Provisions:**

- Allows a member of the Children's Health Insurance Program to select from among the available contractors of hospitalization and medical care and may select a primary care physician or primary care practitioner from among the primary care physicians and primary care practitioners participating in the contract in which the member is enrolled.
- Stipulates if the member fails to select a health plan as required, the member shall be enrolled with an available contractor located in the geographic area of the member's residence and the member may select a primary care physician or primary care practitioner from among the primary care physicians or primary care practitioners participating in the contract in which the member is enrolled.

**SB 1107 State equalization property tax repeal (Waring) Not heard in Senate Finance**

Under current law, the state equalization property tax was suspended from 2006 to 2009.

**Provisions:**

- Permanently repeals the state equalization property tax.

**SB 1117 Technical correction; normal retirement date (S. Allen) Not heard in Senate Rules**

- Makes a minor change to Title 38 (public officers and employees); apparent vehicle bill.

**SB 1121 Tax credit; schools; classroom materials (Paton) Not heard in Senate Finance**

Under current law, contributions to schools in the form of public school tax credits may be used for extracurricular activities.

**Provisions:**

- Expands the allowable uses of the public school tax credit to include textbooks, classroom technology or instructional materials.

**SB 1122 School construction moratorium; land acquisition (Paton) Not heard in Senate Rules**

Under current law, the School Facilities Board is responsible for approving all school construction projects in Arizona.

**Provisions:**

- Clarifies the moratorium on new school construction does not prevent school districts or the School Facilities Board from applying to the State Land Department during the period of the moratorium for the acquisition of trust land for use as school sites.
- Contains an emergency clause.

**SB 1129 School facilities board; omnibus (L. Gray) Not heard in Senate Rules**

Under current law, the School Facilities Board is responsible for approving all school construction projects in Arizona.

**Provisions:**

- Removes language requiring a three-year delay for school district decisions that would result in the district falling below minimum per pupil square footage requirements.
- Allows SFB to access public utility company records of power, water, natural gas, telephone and broadband usage to assemble consistent and accurate data on utility consumption at school facilities to determine the effectiveness of facility design, operation and maintenance measures intended to reduce energy and water consumption and costs.
- Requires SFB staff to acknowledge receipt of the school district's application for emergency deficiencies funding in writing within five business days of receiving the application.
- Requires SFB staff to include in the written acknowledgement of receipt to the school district any investigative, study or informational requirements from the school district, along with an estimated timeline to complete the requirements, necessary for SFB staff to make a recommendation for funding.
- Changes the date each school district must report to SFB each year the number and type of school buildings owned by the district, the square footage of each building, the age of each building, the nature of any renovations completed and the cost of any renovations completed to October 15 (previously September 1).

**SB 1130 School facilities board; project management (L. Gray) Not heard in Senate Education**

Under current law, the school facilities board is responsible for construction of all new schools in Arizona.

**Provisions:**

- Expands the powers of the School Facilities Board to include contracting for contract for:
  - Private services
  - Construction project management services
  - Assessments for school buildings to determine if they have outlived their useful life
  - Services related to land acquisition and development
- Allows the School Facilities Board to contract directly with construction project managers.
- Clarifies that school districts are still able to contract with construction project managers.

**SB 1132 Transportation school districts; lapsing (Pierce) Not heard in Senate Rules**

Under current law, the county school superintendent may suspend common school districts with a student count of less than 8 pupils.

**Provisions:**

- States that the county school superintendent may suspend a transportation districts if the district has had a student count of less than 100 students for three months during the school year.
- Allows the board of supervisors to declare a transportation school district lapsed under certain conditions.
- Defines *transportation school district*.

**SB 1133 School district overexpenditures (McGuire) Not heard in Senate Education**

Under current law, if the Superintendent of Public Instruction determines that the calculation of state aid for a school district within the previous three years does not conform to statutory requirements, the Superintendent is required to reduce state aid to the district in the current year or in the budget year in order to correct the errors.

**Provisions:**

- Permits a union high school district meeting certain criteria to repay overexpenditures from FY 03 to FY 07 in equal installments over a five-year period beginning in FY 10.
- Requires the District to pay interest at a rate determined by the Superintendent of Public Instruction in addition to the monies required to be repaid.

**SB 1135 Teacher student loan program; expansion (Huppenthal) Not heard in House Education**

Under current law, school district governing boards are responsible for district policies.

**Provisions:**

- Expands the Teacher Student Loan Program to any *qualifying postsecondary institution*, meaning a regionally or nationally accredited public or private postsecondary educational institution in Arizona or a regionally or nationally accredited vocational program in Arizona.
- Requires students who receive a loan under the Program to be eligible for in-state tuition.

**SB 1154 Student level data; changes; time (Huppenthal) Not heard in Senate Education**

Under current law, the Department of Education must notify school districts and charter schools of electronic data submission procedures and distribute a list of the specific student level data elements that school districts and charter schools are required to submit.

**Provisions:**

- Changes the time school districts and charter schools must begin to report new data elements to July 1 of the year that follows the effective date of the law that requires the collection of the data.

**SB 1155 Trust lands; conservation; technical correction (Pierce) Used as Strike-Everything Amendment****Unrelated to Education**

- Makes a minor change to Title 37 (public lands); apparent vehicle bill.

**SB 1156 Local development fees; schools; exclusion (L. Gray) Not heard in Senate Government**

Under current law, a municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development.

**Provisions:**

- States development fees shall not be assessed for any costs associated with school district or charter school construction or appurtenances, including streets and water and sewer utility functions, except for costs that are directly related to the physical connection of the school facility to the public utility service.

**SB 1165 State treasurer; state financial condition (Pearce) Not heard in Senate Rules**

As Arizona's chief financial officer, the Arizona State Treasurer maintains and invests state money.

**Provisions:**

- Requires the Treasurer to prepare and submit to the Governor, the President of the Senate and the Speaker of the House of Representatives on the first day of each regular session of the Legislature a statement that

describes the financial condition of the treasury at the close of the preceding fiscal year and that contains an estimate of the probable receipts and disbursements from the treasury for the current fiscal year.

- Specifies the statement must include an itemized estimate of the anticipated revenue from all sources based on the laws in effect that will be received by this state and shall show the fund accounts to be credited during the subsequent two fiscal years.
- Requires, when the Legislature adopts a general appropriations act, the Treasurer to prepare a statement of whether the amount appropriated is within the amount estimated to be available in the affected funds.
- Clarifies the information prepared and submitted by Treasurer is admissible in any legal action challenging the constitutionality of the general appropriations act.

### **SB 1172 Schools; data; noncitizen students (Pearce) Not heard in Senate Rules**

Under current law, the Department of Education is responsible for maintaining accurate data submitted by school districts.

#### **Provisions:**

- Requires the Department of Education to collect data from school districts on populations of students who are enrolled in school districts and who are aliens who cannot prove lawful residence in the United States.
- Requires the Department to submit a report on or before December 15 of each year that summarizes the data collected on a district by district basis.
- Clarifies the report must include the following information:
  - Research on the adverse impact of the enrollment of students who cannot prove lawful residence in the United States.
  - A detailed estimate of the total cost to the taxpayers of this state for the education of students who are not citizens, including a separate detailed estimate of the total cost to the taxpayers of this state for the education of students who cannot prove lawful residence in the United States.
- Allows the Superintendent of Public Instruction to withhold a school district's apportionment of state aid if the Superintendent determines that the school district is not complying with the requirements of the data report.

### **SB 1192 Schools; AIMS test; scaled scores (Huppenthal) Held in Senate Education**

Under current law, the State Board of Education implements the AIMS test to measure pupil achievement of the adopted academic standards in reading, writing and mathematics in at least four grades designated by the Board.

#### **Provisions:**

- Requires the same vertical scaled scores to be used in each grade in which the AIMS test is administered.

### **SB 1194 School districts; alternative operation plan (Huppenthal) Not heard in Senate Rules**

Under current law, school district governing boards are responsible for creating policy for the school district.

#### **Provisions:**

- States if a school district has six or more schools and at least 1/2 of the schools in the district are designated as underperforming or failing to meet the academic standards and if at least one school is designated as failing to meet academic standards, the Department of Education may submit to the State Board of Education a recommendation for a public hearing to determine if the school district should be subject to an alternative operation plan and the reasons for that recommendation.
- Requires the Department to consider at least the following:
  - The likelihood that continued school-based interventions will be successful.
  - The extent to which the school district administrators and the school district governing board impacted the underperforming and failing to meet academic standards designations of the district's schools.
  - Whether those schools designated as underperforming or failing to meet academic standards have demonstrated reasonable academic growth as determined by the measure of academic progress.
- Clarifies if the Department a public hearing, the State Board of Education must meet and may provide by a majority vote of the entire Board for the development and implementation of an alternative operation plan.
- Requires, prior to a hearing, the Department shall recommend to the Board at least three governmental, nonprofit or private organizations or three persons to manage the school district's affairs. If the state board approves the implementation of an alternative operation plan, it shall make an appointment from the list provided by the Department.
- States an organization or person appointed shall begin a full review and investigation of the school district's educational affairs and shall submit, within 120 days of appointment, to the Board a detailed report listing the findings of that investigation.
- Specifies the report shall include an alternative operation plan that details how the school district will raise the level of academic achievement so that all of the schools in the school district are designated as performing schools, highly performing schools or excelling schools pursuant to this section. The plan shall include a proposed timeline for improving academic achievement.

- States the alternative operation plan may authorize the appointed organization or person to do any of the following:
  - Override any decisions of the school district governing board or the school district superintendent, or both, concerning the management and operation of the school district, and initiate and make decisions concerning the management and operation of the school district.
  - Hire personnel, terminate personnel and cancel existing employment contracts, to the extent permitted by law. The appointed organization or person may refuse to reemploy any certificated teacher who has not been employed by the school district for more than the major portion of three consecutive school years.
  - Attend any and all meetings of the school district governing board and administrative staff.
  - Supervise the activities of the school district's staff, including reassigning the duties and responsibilities of personnel in a manner that, as determined by the appointed organization or person, best suits the needs of the school district.
  - Appoint a chief educational officer who shall have the powers and duties of a school district superintendent.
  - Cancel or renegotiate any contract, other than contracts of certificated teachers who have been employed by the school district in the capacity of a certificated teacher for more than one year, to which the governing board or the school district is a party if the cancellation or renegotiation of the contract will produce needed economies in the operation of the district's schools.
- Requires the State Board of Education to periodically review the status of a school district that is operating under an alternative operation plan to determine whether the operations of the school district should be returned to the school district governing board.
- Allows the State Board to remove the organization or person and make an alternative appointment.
- States all expenses and costs of an organization or person appointed by the State Board shall be paid by the school district.
- Provides indemnification for the organization or person appointed if that organization or person is made or threatened to be made a party to any litigation by reason of the organization's or person's status if the organization or person acted in good faith and in a manner the organization or person believed to be lawful and in the best interest of the school district.

**SB 1195 Pilot; single gender charter schools (Huppenthal) Not heard in Senate Rules**

Under current law, a charter school must enroll all eligible pupils who submit a timely application, unless the number of applications exceeds the capacity of a program, class, grade level or building.

**Provisions:**

- Allows a charter school to provide instruction to pupils of a single gender with the approval of the State Board for Charter Schools.
- Allows an existing charter school to amend its charter to provide instruction to pupils of a single gender, and if approved by the State Board for Charter Schools, may provide instruction to pupils of a single gender at the beginning of the next school year.
- Requires the State Board for Charter Schools to develop a pilot program to allow three charter schools to provide classroom instruction exclusively to pupils of the same gender.
- Requires one of the charter schools that is selected to participate in the pilot program to be an existing charter school that provides instruction to at risk teenage female pupils. Requires the State Board for Charter Schools to monitor and evaluate the academic progress of pupils who participate in the pilot program.
- Requires the State Board for Charter Schools to develop and administer an attitudinal survey to pupils who participate in the pilot program to measure the following:
  - The motivation of the pupils who participate in the pilot program.
  - The emotional stability of the pupils who participate in the pilot program.
  - Pupil satisfaction ratings of the quality of education provided in the pilot program.
- Requires the State Board for Charter Schools to evaluate the effectiveness of the pilot program at the end of the program's fifth year of operation.
- Terminates the pilot program on July 1, 2017.

**SB 1200 Common school districts; technical correction (Huppenthal) Not heard in Senate Rules**

- Makes a minor change to Title 15 (education); apparent vehicle bill.

**SB 1202 Education; federal funds; technical correction (Huppenthal) Not heard in Senate Rules**

- Makes a minor change to Title 15 (education); apparent vehicle bill.

**SB 1204 Exchange teachers; technical correction (Huppenthal) Not heard in Senate Rules**

- Makes a minor change to Title 15 (education); apparent vehicle bill.

### **SB 1207 EORP; participation; elected officials (McCune Davis) Not heard in Senate Retirement**

Under current law, the Arizona State Retirement System provides benefits for state employees.

#### **Provisions:**

- Allows a state elected official who is subject to term limits and who has more than twenty years of credited service in EORP to become a member of ASRS if the person follows stipulated election provisions.

### **SB 1237 Public record requests (Nelson) Not heard in Senate Government**

Under current law, any person who has requested to examine or copy public records, and who has been denied access to the records, may appeal the denial through a special action in the superior court.

#### **Provisions:**

- States a person who requests access to inspect or copy a public record has thirty days to inspect, retrieve or pay for the public record.
- Allows as a defense to any action if a person who requests access to inspect or copy a public record has previously requested but failed to inspect, retrieve or pay for copies of the public record.

### **SB 1244 Child protective services; omnibus (Paton) Not heard in Senate Public Safety**

Under current law, the purpose of child protective services is to protect children by investigating allegations of abuse and neglect, promoting the well-being of the child in a permanent home and coordinating services to strengthen the family and prevent, intervene in and treat abuse and neglect of children.

#### **Provisions:**

- Changes the primary purpose of CPS to protecting children.
- Requires the Department of Economic Security, if there is probable cause to believe that a child has been the victim of criminal conduct:
  - Shall comply with the directions of the appropriate prosecutor and appropriate law enforcement agency throughout the criminal justice process.
  - Shall preserve and protect the rights of the child as a victim of a crime.
  - Shall not reunite a child with the person or persons who are alleged to be responsible for the criminal conduct unless and until there is clear and convincing evidence that the child will be safe and will not be at risk of being the victim of criminal conduct.
  - To protect the constitutional rights of the child as a crime victim, release conditions that are imposed in any criminal case involving a child victim supersede any other court orders.
- States that an acquittal of a parent, guardian or custodian of charges arising out of or relating to an investigation conducted by the Department does not prevent a child protective services worker from pursuing an action.
- States if there is evidence of neglect, the Department, as its highest priority and in a manner that is consistent with the established protocols shall prepare and implement a plan to protect the safety of the child.
- Requires, when deciding whether to take a child into temporary custody, whether it is necessary to protect the child from abuse or neglect if there are reasonable grounds to believe that a child is the victim of criminal conduct.
- States if there are reasonable grounds to believe the child is a victim of criminal conduct but no charges have yet been filed, a child shall not be asked to make a statement or otherwise give information relating to the circumstances of the incident following a forensic interview conducted pursuant to established protocols unless:
  - The statement or information is necessary to render medical treatment, including mental health services.
  - A guardian ad litem has been appointed and there is no objection from the county attorney.

### **SB 1245 Initiatives; publicity pamphlet submittals (Paton) Not heard in Senate Judiciary**

Under current law, a person filing an initiative petition may at the same time file with the Secretary of State an argument advocating the measure or constitutional amendment proposed in the petition.

#### **Provisions:**

- Changes the deadline for submitting an argument for or against an initiative to be included in the publicity pamphlet to 90 days before the primary election (formerly 53 days).

### **SB 1248 Public records; electronic format (Paton) Not heard in Senate Government**

Under current law, any person may request to examine or be furnished copies, printouts or photographs of any public record.

#### **Provisions:**

- Makes public records maintained in an electronic format included in those records that any person may request to examine or be furnished copies, printouts or photographs of any public record.

- States fees for public records cannot exceed actual copying costs.
- States, if requested, a public body shall provide copies of public records in the format requested if the public body maintains the public records in that format.
- Clarifies, if requested and if available, a public body shall provide metadata that is reasonably necessary to establish a public record's authenticity or scope.
- Defines *metadata* means electronic data describing the history, tracking and management of an electronic document.

**SB 1263 Technical correction; state land; sale (Nelson) Not heard in Senate Rules**

- Makes a minor change to Title 37 (public lands); apparent vehicle bill.

**SB 1268 Labor organizations; political activities; contributions (Pierce) Not heard in Senate Commerce**

Under current law, labor organizations may spend their monies on political activities.

**Provisions:**

- Forbids a labor organization from spending any portion of organization dues or fees for political activities, except that the labor organization may use organization dues or fees to communicate directly with its own members about political candidates and ballot measures.
- Allows a labor organization to establish a separate political activity fund to spend monies for political activities.
- Allows a labor organization to solicit voluntary contributions from employees to the political activity fund if the employee is informed in writing of both of the following:
  - The fund's political purpose.
  - The employee's right to refuse to contribute to the fund without fear of reprisal or loss of membership in the labor organization.
- Requires a labor organization that establishes a political activity fund to register with and report to the Secretary of State.
- Makes a knowing violation of the restriction on spending for political activities a misdemeanor.
- Defines *political activity*.

**SB 1269 Rezoning; majority vote (Pierce) Never Third Read in Senate**

Under current law, a property owner or authorized agent of a property owner desiring an amendment or change in the zoning ordinance changing the zoning district boundaries within an area previously zoned shall file an application for the amendment or change.

**Provisions:**

- Removes the provision requiring a ¾ majority vote of the Board of Supervisors for a zoning change under protest by 20% of property owners.
- Requires a majority vote of the Board of Supervisors to make any zoning changes.

**SB 1272 Community college buildings; names (L. Gray) Not heard in Senate Rules**

Under current law, community college governing boards adopt policies in a public forum to offer programs that meet the educational needs of the population served by the community college.

**Provisions:**

- Allows community college governing boards to Name a building or a group of buildings that is located on the campus of a community college on behalf of a person or entity that has made a significant contribution to the community college, including persons or entities that have donated monies or other property to the community college.

**SB 1276 Community colleges; research; royalty income (L. Gray) Not heard in Senate Education**

Under current law, community college governing boards adopt policies in a public forum to offer programs that meet the educational needs of the population served by the community college.

**Provisions:**

- Allows a community college district board to organize one or more corporations with at least 1/2 of any voting shares held by the district board, or a majority of the directors, trustees or members of the corporation shall be designated or appointed by the board.
- Forbids any member or employee of the district board from receiving any direct or indirect compensation, other than reimbursement for actual expenses incurred in the performance of the member's or employee's duties, by reason of serving as a member, director or trustee of a corporation.
- Forbids the formation of a corporation unless the district board finds in its organizational resolution that its formation will stimulate and encourage the development of new products in situations in which financial aid would not otherwise be reasonably available from conventional lending sources.
- Allows the formed corporation to:

- Enter into product development agreements with persons doing business in Arizona, on such terms and conditions as are consistent with the research development purposes of the district board, to advance financial aid to such persons for the development of specific products, procedures and techniques to be developed and produced in Arizona and to condition such agreements on contractual assurances that the benefits of increasing or maintaining employment and tax revenues shall remain in this state and accrue to it.
- Acquire, lease, purchase, manage, hold and dispose of real and personal property in Arizona and lease, convey or deal in or enter into contracts with respect to such property on any terms necessary or incidental to carrying out these research and development purposes.
- Hold patents, copyrights, trademarks or any other evidences of protection or exclusivity as to any products issued under the laws of the United States or any state or nation.
- Requires the district board to develop a procedure for applications for financial aid to be forwarded, together with an application fee prescribed by the district board, to the district board. Requires the district board to investigate and prepare a report concerning the advisability of approving the proposed financial aid for the applicant and concerning any other factors deemed relevant.
- Allows the district board to receive and accept aid or contributions of monies from any source, including gifts or grants from private sources or from any department or agency of the United States or this state.
- Allows the district board to enter into research and development agreements, royalty agreements, development agreements, licensing agreements and profit-sharing agreements concerning the research, development, production, storing or marketing of new products developed or to be developed through community college research.
- Requires district boards to consider the establishment of patent policies that permit, on a case by case negotiated basis, either the giving of title or the granting of licenses to the sponsor of the research.
- Allows an officer or employee of a community college under the jurisdiction of a district board, to apply to the district board for permission to establish and maintain a substantial interest in a private entity that supplies equipment, material, supplies or services to the community college.
- Allows the district board to authorize an officer or employee of one of the community colleges under its jurisdiction to establish and maintain a substantial interest in a private entity if all of the following conditions are met:
  - The application is approved by the president or chancellor of the community college district.
  - The application contains a detailed description of the officer's or employee's interest in the private entity.
  - The application contains a detailed description of the private entity's proposed undertaking.
  - The application demonstrates to the satisfaction of the district board that the proposed undertaking will benefit the economy by contributing to the development of private enterprise.
  - The proposed undertaking does not violate any existing contracts.
  - The application demonstrates to the satisfaction of the district board that the proposed undertaking will not adversely affect research, public service or instructional activities at the community colleges.
  - The officer's or employee's interest in the private entity or benefit from the interest will not adversely affect any state interest.
- States if the technology was developed solely using monies from a private sector sponsor, the district board shall not authorize an officer or employee of a community college to establish and maintain a substantial interest in a private entity that would exploit that technology unless the district board determines that patent, licensing and royalty rights are in accordance with the provisions of the agreement under which the technology was developed.

**SB 1286 Universities; international baccalaureate credits (Gorman) Not heard in Senate Education**

Under current law, the Board of Regents oversees the three state universities in Arizona.

**Provisions:**

- Requires state universities to accept all college level credits earned in international baccalaureate programs.

**SB 1287 Appropriations; notice requirements (Gorman) Held in Senate Appropriations**

Under current law, Legislature is responsible for creating the state budget for each fiscal year.

**Provisions:**

- Forbids the Senate or House of Representatives from scheduling a hearing or vote on any appropriation or revenue related measure until the measure has been publicly available for at least 72 hours.
- Forbids the Senate or House of Representatives from considering any amendment to an appropriation or revenue related measure unless the amendment has been publicly available for at least 24 hours before any vote.
- Forbids the Senate or House of Representatives from considering a strike-everything amendment unless the amendment has been publicly available for at least 48 hours before any vote.

- Allows the timing requirements to be waived by a vote of two-thirds of the committee or legislative body considering the amendment or measure.
- States if the considering body votes to waive the requirements on a particular amendment or measure, the following language shall be added to the text of the appropriation or revenue related measure:
  - “The (insert name of legislative body or committee) has waived the peoples' right to a detailed review of this bill as required in section 41-1108, Arizona Revised Statutes.”
- Defines *appropriation or revenue related measure*.

### **SB 1345 ASRS; amendments (Gould) Not heard in Senate Retirement**

Under current law, ASRS provides retirement benefits for state employees.

#### **Provisions:**

- Increases the final average salary calculation period from the highest 36 months out of the last 120 to the highest 60 months out of the last 120 for new members hired after 7/1/10.
- Excludes from computation any month for which no contributions are reported to ASRS or any month that falls within a period of nonpaid or partially paid leave of absence or sabbatical.
- Bases average monthly compensation for employees who were employed less than 60 consecutive months on the total consecutive months worked.
- Sets the normal retirement date calculation for new members hired after 7/1/10 at the first day that the sum of a member's age and years of total credited service equals 85.
- Removes the cap on member benefits that prohibits a member from receiving more than 80% of his or her average monthly compensation.
- Stipulates that when an employee of a charter city who later becomes an ASRS member elects to have the employee's service transferred, the service is not credited in the new retirement system until full payment is made for the service credit.
- States that once a transfer is completed a member's rights in the former retirement system are terminated.
- Removes the current employer contribution refund structure and replaces it with a flat 25% refund of employer contributions after five years of service for new member hired after 7/1/10.
- Requires members to file an application for retirement on a form approved by the director of ASRS to have their benefits reinstated after being re-employed by an ASRS employer.
- Compels a member to be retired for 12 consecutive months before returning to work.
- Prohibits ASRS from suspending the payment of retirement benefits if a retired member returns to work in a position that:
  - Results in a true change in position, job duties and job title from the position the member occupied before retirement;
  - Either requires participation in another state retirement system and the member makes contributions or waives participation, or permits a member to elect to participate in another state retirement system and the member elects to do so; and
- Does not require membership in the ASRS defined benefit plan.
- States that a retired member who returns to work does not accrue credited service, member service, additional account balances, retirement benefits or long-term disability program benefits for the period the retired member returns to work.
- Strikes the provision that a returning teacher work as a certified teacher.
- Requires an employer to pay an alternate contribution rate on behalf of a retired member who returns to work before 12 consecutive months by becoming employed as a leased employee or independent contractor who performs services that would otherwise be performed by an active member.
- Excludes the period a retired member returns to work from the 12 month requirement for members whose most recent retirement begins on or after 7/11/10.
- Makes all contributions made by the employer and allocated to the fund irrevocable, and states they must be used as benefits or to pay ASRS expenses.
- Indicates that payments made by employers become delinquent after the due date prescribed by the board's rules and will be assessed with interest until paid.
- Defines *alternate contribution rate* and *employer*.
- Designates an actuary to make an annual valuation to determine employee compensation and employer contributions to ASRS.
- Mandates that the annual actuarial assessment done as of June 30 of a calendar year will determine the compensation for the following year beginning July 1.
- States that all contributions made by employers into the long term disability Trust Fund are irrevocable and shall be used as benefits or to pay long term disability expenses.
- Explains that total employer contributions shall amount to the normal cost plus the amount required to repay the past contribution requirement.

- Instructs ASRS to provide a final report by January 15 of the contribution rate for the next fiscal year to the Governor, President of the Senate and Speaker of the House of Representatives.
- Beginning 7/1/10, requires a member to have at least five years of credited service in ASRS before electing to receive credit for:
  - Public service
  - Leave of absence without pay
  - Active military service
- Appropriates \$1,341,722 from the ASRS account in FY 2009-2010 to ASRS for administrative costs of implementing the act.

**SB 1348 Misleading public officials; violation (Gould) Held in Senate Government**

Under current law, lobbyists are required to register with the state and are subject to rules and regulations on spending and other activities.

**Provisions:**

- Forbids a person from providing false information to any public official, board or commission knowing or having reason to know that the information is false, or withhold information to any public official, board or commission, with the intent to prejudice a decision by the public official, board or commission.
- States a lobbyist, designated public lobbyist or authorized public lobbyist who is convicted of violating any provision of this article is prohibited from acting as a lobbyist, designated public lobbyist or authorized public lobbyist for a period of three years after the date of the conviction.
- States any employee or appointed official of Arizona or a political subdivision of Arizona who is convicted of violating any provision of this article is subject to termination of employment.
- Makes a person who violates the restriction guilty of a class 1 misdemeanor.

**SB 1349 Public retirement systems; rural subsidy (Gould) Not heard in Senate Rules**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- Deletes language allowing an insurance subsidy to retired members of a state retirement plan living in a nonservice area.

**SB 1350 ASRS; termination incentive program requirements (Gould) Not heard in Senate Rules**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- Deletes language requiring an ASRS member's agreement to terminate must be in writing in order to receive a termination incentive.

**SB 1351 ASRS; service; military; purchase; requirements (Gould) Not heard in Senate Retirement**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- Requires, beginning July 1, 2010, a member to have at least five years of credited service in ASRS before electing to receive credit for service.
- Contains a retroactivity clause to June 30, 2009.

**SB 1352 ASRS; return to work changes (Gould) Not heard in Senate Rules**

Under current law, ASRS provides retirement benefits for state employees.

**Provisions:**

- Makes changes to the definition of compensation to exclude amounts that are paid as salary or wages to a member for which employer contributions have not been paid.
- States that ASRS shall not suspend the payment of retirement benefits if a retired member begins or returns to employment with an employer in a position that satisfies all of the following:
  - Results in a true change in position, job duties and job title from the position occupied by the member before ASRS retirement.
  - Either:
    - Requires participation in another state retirement system, plan or program and the retired member makes contributions or waives participation.
    - Permits a member to elect to participate in another state retirement system, plan or program and the member makes such an election.
  - Does not require membership in the defined benefit plan.
- States that a retired member who returns to work does not accrue credited service, member service, additional account balances, retirement benefits or long-term disability program benefits for the period the retired member returns to work.

- States that beginning July 1, 2010, an employer shall pay contributions at an alternate contribution rate on behalf of a retired member who returns to work before satisfying the requirement as a leased employee, or as an independent contractor and who performs services that would otherwise be performed by an active member.
- States for a member whose most recent retirement begins on or after July 1, 2010, the period the retired member returns to work under this subsection shall not count towards the twelve month requirement.
- Requires an employer of a retired member to pay contributions at the alternate contribution rate on behalf of a retired member who returns to work until no contributions have been made on behalf of the retired member for a period of twelve consecutive months.
- Requires the actuary to make the determination of the alternate contribution rate in an annual valuation performed as of June 30.
- States that payments made by employers become delinquent after the due date prescribed in the board's rules and thereafter shall be increased by interest from and after that date until payment is received by ASRS.
- Requires an employer of a retired member to submit any reports, data, paperwork or materials requested by ASRS that are necessary to determine the compensation of or fees associated with a retired member who returns to work or to determine the use of the return to work program.
- Defines *alternate contribution rate* and *employer*.

**SB 1353 ASRS; plan design amendments (Gould) Not heard in Senate Retirement**

Under current law, tax credits are available for certain education expenses.

**Provisions:**

- Changes the definition of average monthly compensation to mean the higher of either:
  - The monthly average of compensation that is calculated.
  - The monthly average of compensation on which contributions were remitted during a period of sixty consecutive months.
- Increases the final average salary calculation period from the highest 36 months out of the last 120 to the highest 60 months out of the last 120 for new members hired after 7/1/10.
- Sets the normal retirement date calculation for new members hired after 7/1/10 at the first day that the sum or a member's age and years of total credited service equals 85.
- Removes the current employer contribution refund structure and replaces it with a flat 25% refund of employer contributions after five years of service for new member hired after 7/1/10.
- Appropriates \$1,341,722 from the ASRS account in FY 2009-2010 to ASRS for administrative costs of implementing the act.

**SB 1354 ASRS; survivors; conforming changes (Gould) Not heard in Senate Retirement**

Under current law, tax credits are available for certain education expenses.

**Provisions:**

- Removes language stating the *termination of employment* by death of a member triggers survivor benefits.

**SB 1368 Employment discrimination; prohibition (Aboud) Not heard in Senate Commerce**

Under current law, it is an unlawful employment practice for an employment agency to discriminate against any individual because of the individual's race, color, religion, sex, age, disability or national origin

**Provisions:**

- Adds gender, gender identity or expression and sexual orientation to the list of qualities that an employer is forbidden to discriminate against.

**SB 1374 Childhood cancer research special plates (Gorman) Not heard in Senate Natural Resources**

Under current law, the Motor Vehicle Department must provide to every owner one license plate for each vehicle registered.

**Provisions:**

- States, if, by December 31, 2010, \$32,000 is paid to the MVD, the Department shall issue childhood cancer research special plates.
- States of the \$25 fee for the original special plates and for renewal of special plates, \$8 is a special plate administration fee and \$17 is an annual donation.
- Establishes The Childhood Cancer and Rare Childhood Disease Research Fund to provide funding to health care providers and research institutions that are located in Arizona, that are nonprofit organizations and that are engaged in phase 1 clinical trials relating to research on pediatric cancer or other rare pediatric diseases.

**SB 1375 Parents' rights; education; discipline health (C. Gray) Retained on House COW Calendar**

Under current law, school district governing boards are required to develop policies to promote parental involvement in public schools in areas related to homework, attendance and discipline.

**Provisions:**

- Reserves certain rights to a parent or legal guardian of a minor child without obstruction or interference from any governmental entity or from any employee of a governmental entity, including the following:
  - The education of the minor child, including the right to access and review the attendance records, test scores, grades, disciplinary records, counseling records, psychological records, applications for admission, evaluations of the child by teachers and counselors, content of the child's course of study, reports of behavior patterns.
  - The upbringing of the minor child.
  - Discipline of the minor child.
  - The moral or religious training of the minor child.
  - Health care decisions for the minor child, including decisions relating to mental health and immunizations.
- States a parent or legal guardian of a minor child has the right to:
  - Consent in writing before any biometric scan of a minor child is made.
  - Consent in writing before mental health screening of the minor child.
  - Consent in writing before immunization of a minor child.
  - Petition to allow the minor child to attend another school, program or class.
  - Reasonable access to request the reassignment of the minor child to another class or teacher unless the reassignment would adversely affect the assignment or reassignment of another child.
  - Request, with the expectation that the request will not be unreasonably denied, that the minor child be permitted to graduate early from high school if the child meets the graduation requirements.
- Requires a governmental entity to obtain the written consent of a minor child's parent or legal guardian before a video or voice recording of any minor child is made.
- States a governmental entity shall not use or threaten to use the refusal of a parent or legal guardian of a minor child to administer or consent to the administration of any medication as the sole basis for making a report for neglect of the child unless the governmental entity has a duty to report.
- Makes any attempt to encourage or coerce a minor child to withhold information from the child's parent or legal guardian grounds for discipline of an employee of a school district, charter school, community college or university.
- Defines *biometric scan* and *governmental entity*.

**SB 1380 Schools; utility bills; analysis (Huppenthal) Held in Senate Education**

Under current law, the School Facilities Board oversees the construction of all public schools in Arizona.

**Provisions:**

- Requires the Department of Education, in cooperation with SFB to examine the utility bills of each school district and charter school and perform a regression analysis on the data in the utility bills, which may include the climate, the energy usage per pupil and per square foot, the number of pupils enrolled in the school district or charter school and other appropriate factors.
- Requires the Department to identify and notify school districts and charter schools of excessively high energy consumption compared to school districts and charter schools with similar characteristics.
- Allows the Department to share the information gathered with energy providers and may work cooperatively with school districts, charter schools and energy providers to reduce energy consumption and costs of school districts and charter schools.
- Allows a school district governing board or the governing body of a charter school to opt out of the requirements by providing written or electronic notice to the Department.

**SB 1381 Schools; ADE; audit authority (Huppenthal) Not heard in Senate Education**

Under current law, the Department of Education may monitor school districts to ascertain that laws applying to the school districts are implemented as prescribed.

**Provisions:**

- Allows the Department of Education or the Auditor General to conduct financial, program, compliance or average daily membership audits of school districts and charter schools.

**SB 1383 Arizona national rankings (Huppenthal) Not heard in Senate Education**

Under current law, public schools are ranked under NCLB and Arizona Learns.

**Provisions:**

- Establishes the review committee on Arizona national rankings consisting of specified members, each of whom shall have expertise and experience on issues pertaining to education, public policy or economics.
- Requires the committee to collect, evaluate and assess the national rankings of Arizona compared to other states in the following areas:
  - The overall quality of schools in this state based on the following:

- Academic productivity as measured by academic progress indicators toward the academic standards adopted by the State Board of Education. The academic productivity measures shall include the areas of reading, writing and mathematics and other academic categories determined by the committee.
- Ratings of school quality by parents.
- The average salaries of teachers who provide instruction in school districts in Arizona compared to the average salaries of teachers with similar levels of experience and education in other states.
  - The wages paid to lawful residents of this state based on the following:
    - Average weekly wages.
    - The amount of annual percentage increases in average weekly wages.
- Clarifies the committee shall rely only on research that the committee determines is scientifically reliable.
- Requires the committee to submit an annual report.

**SB 1385 School admissions; employees' children (Huppenthal) Not heard in Senate Education**

Under current law, charter schools must enroll all eligible pupils who submit a timely application.

**Provisions:**

- Allows a charter school to give enrollment preference to and reserve capacity for pupils who are children of persons employed by the sponsor of the charter school or at the charter school.
- Allows a school district to give enrollment preference to and reserve capacity for pupils who are children of persons who are employed by or at a school within the school district.

**SB 1387 School finance; updates; changes (Huppenthal) Not heard in Senate Education**

Under current law, the Arizona Constitution requires the Economic Estimates Commission to annually establish an aggregate expenditure limitation of local revenues for all school districts by May 1.

**Provisions:**

- Removes provision allowing charter schools to request additional state aid after the first 40 days of the current year.
- Adds transportation revenues for attendance of nonresident pupils to the calculation of the general budget limit.
- Makes changes to the capital outlay revenue limit starting in fiscal year 2009-2010.
- Requires the State Board of Education to accumulate monies until those monies are sufficient to provide a minimum of five dollars per unweighted student count and shall distribute monies in the fund to school districts and charter schools.

**SB 1388 Graduation requirement; college entrance exam (Huppenthal) Not heard in Senate Education**

Under current law, the State Board of Education must develop and adopt competency tests for the graduation of pupils from high school in at least the areas of reading, writing and mathematics.

**Provisions:**

- Allows a minimum score as determined by the State Board of Education on one or more nationally recognized college entrance examinations selected by the Board to be substituted for passing scores on the AIMS test if a pupil has previously taken and failed to obtain a passing score on one or more portions of the AIMS test.

**SB 1389 Schools; postemployment benefits (Huppenthal) Not heard in Senate Retirement**

Under current law, school district governing boards set the salaries and benefits for school employees.

**Provisions:**

- States that if the governing board offers postemployment benefits to school district employees or to spouses and dependents of school district employees, or both, monies to fund these benefits may be deposited in a postemployment benefits trust account
- Allows the following expenditures may be made from a postemployment benefits trust account:
  - Administrative and management costs.
  - Payment of benefits.
- Requires an investment manager for a postemployment benefits trust account shall be either:
  - A qualified investment manager appointed by the district governing board.
  - The manager of a public agency pool.
- Allows the investment manager for a postemployment benefits trust account to invest and reinvest the monies in the account and may hold, purchase, sell, assign, transfer and dispose of any of the securities and investments in which any of the trust account monies are invested.
- Clarifies postemployment benefits do not include benefits provided by ASRS.

**SB 1390 ADE employees; evaluation system (Huppenthal) Not heard in Senate Education**

Under current law, the Department of Education, under the direction of the Superintendent of Public Instruction, is responsible for certain statutory requirements regarding K-12 education in Arizona.

**Provisions:**

- Allows the Superintendent of Public Instruction to establish a system to evaluate the performance of employees of the Department of Education that includes the following:
  - A process to connect each employee's compensation to performance measures that may include the following:
    - The percentage of pupils in Arizona who achieved a full year of academic progress during the previous school year.
    - The total academic progress of all pupils.
    - The statewide percentage of parents of pupils who are enrolled at schools in Arizona who categorize the school as excellent on a rating of educational quality.
    - The statewide percentage of pupils who are enrolled at schools in Arizona and who categorize the school as excellent on a rating of educational quality.
    - The statewide percentage of teachers, administrators and other persons who are employed at schools in Arizona and who categorize the school as an excellent place to work.
  - A process by which peers rate or rank the performance of each employee compared to each other employee in that peer group.
- Requires the Director of the Department of Administration to modify the terms of the personnel rules to comply with the requirements for employees of the Department of Education who are subject to those personnel rules.

**SB 1392 K-3 academic gains; measurement (Huppenthal) Not heard in Senate Education**

Under current law, a passing score on the AIMS test is required to graduate from high school in Arizona.

**Provisions:**

- Establishes the Task Force for Measuring Academic Gains of K-3 Pupils in the Department of Education.
- Requires the Task Force to develop measures and tasks associated with measuring academic gains in mathematics, reading and language of pupils in kindergarten programs, grade one, grade two and grade three with a goal of reaching reading proficiency by the end of grade three.
- Allows school districts and charter schools to voluntarily participate in the measurement of academic gains developed by the Task Force.
- Requires the Department to develop mechanisms to allow a school district or charter school that voluntarily participates in the measurement of academic gains developed by the Task Force to improve its school classification if the school district's or charter school's academic gains meet the developed criteria.
- Requires the Department to establish procedures to maintain the integrity of the testing process that will be used to measure academic gains developed by the Task Force.
- Terminates the Task Force on July 1, 2019.

**SB 1393 Public education; students' religious liberties (Huppenthal) Never Third Read in Senate**

Under current law, students are protected by the First Amendment.

**Provisions:**

- Forbids a public educational institution from discriminating against students or parents on the basis of a religious viewpoint or on the basis of religious expression.
- Requires each public educational institution to permit religious viewpoints in the same manner and to the same extent as secular viewpoints are permitted on the same subject matter.
- States that if an assignment requires a student's viewpoint to be expressed in coursework, artwork or other written or oral assignments, a public educational institution shall not penalize or reward a student on the basis of religious content or a religious viewpoint.
- Allows students in public educational institutions to pray or engage in religious activities or religious expression before, during and after the school day in the same manner and to the same extent that students may engage in nonreligious activities or expression.
- Allows students in public educational institutions to wear clothing, accessories and jewelry that display religious messages or religious symbols in the same manner and to the same extent that other types of clothing, accessories and jewelry that display messages or symbols are permitted.
- Clarifies that students' religious rights shall not be construed to:
  - Require any person to participate in prayer or in any other religious activity.
  - Violate the constitutional rights of any person.
  - Disrupt the ability to maintain order and discipline on the campus of the public educational institution in a content-neutral manner and a viewpoint-neutral manner.
  - Protect the safety of students and faculty of the public educational institution.
- Allows a parent or guardian to bring a civil action in any court of competent jurisdiction.

- Requires every public educational institution to adopt and implement a policy regarding voluntary expression of religious viewpoints by students.
- Defines *public educational institution*.

#### **SB 1394 Teachers; provisional certification (Huppenthal) Held in Senate Education**

Under current law, the State Board of Education oversees the certification of teachers in Arizona.

##### **Provisions:**

- Requires the certification rules to allow a person who was previously certified to teach in Arizona but who is not currently certified to teach to immediately obtain provisional certification to teach for four years if the person satisfies the fingerprinting requirements.

#### **SB 1396 School board meetings; quorum (Huppenthal) Not heard in Senate Education**

Under current law, county school superintendents are responsible for appointing persons to fill a vacancy on school district governing boards.

##### **Provisions:**

- States if there is a vacancy on a school district governing board, a majority of the remaining members constitute a quorum.
- States a single member of a school board cannot be a quorum.

#### **SB 1399 GPLET reform (Cheuvront) Retained on Senate COW Calendar**

Under current law, *government lessor* is defined as a city, town, county or county stadium district.

##### **Provisions:**

- Changes the definition of *government lessor* to include school districts.
- Changes the taxation structure for improvements on commercial government property.
- Changes the tax rate per square foot of building space, as prescribed by the Department of Revenue.
- Requires a report by the county treasurer to be submitted to the Department of Revenue.

#### **SB 1401 Juvenile adjudications; probation; disposition (Verschoor) Never Third Read in the House**

Under current law, juvenile probation is allowed to continue until the child turns 18.

##### **Provisions:**

- Adds the requirement that the juvenile's parents have not requested that the court continue the juvenile's probation for more than one year to the requirement that the term of probation not exceed one year.
- Requires the juvenile probation officer to evaluate the needs of the juvenile and the juvenile's risk to the community including the recommendation of the juvenile's parents.
- States if the juvenile commits an additional offense or violates a condition, the court shall revoke intensive probation.

#### **SB 1410 Schools; harassment; bullying; protected classes (Lopez) Not heard in Senate Education**

Under current law, school district governing boards must prescribe and enforce policies and procedures to prohibit pupils from harassing, intimidating and bullying other pupils on school grounds.

##### **Provisions:**

- Requires school district governing boards to establish procedures that protect pupils from harassment, intimidation or bullying based on a pupil's actual or perceived race, color, national origin, sex, disability, sexual orientation, gender identity, gender expression, religion or any other characteristic determined by the governing board.

#### **SB 1422 Property tax transparency (Waring) Not heard in Senate Finance**

Under current law, school districts are funded through state appropriations as well as local property taxes.

##### **Provisions:**

- Removes provisions for the calculation of county aid for equalization assistance.
- Repeals the provision for state equalization aid.
- Requires adjacent ways to be voter-approved.
- Changes the permitted increases in secondary assessed valuations.
- Defines special taxing district.

#### **SB 1427 Schools; instructional technology; fees; deposit (Rios) Not heard in House Education**

Under current law, school district governing boards may assess reasonable fees for optional extracurricular activities and programs conducted when the common or high school is not in session.

##### **Provisions:**

- Allows schools to assess fees for pupils' access to or use of computers or related materials.

- Allows schools to assess reasonable fees or reasonable damage deposits, or both, for instructional technology that is issued directly to a pupil to be used during the normal course of instruction.
- Requires the fees or damage deposits to be adopted at a public meeting after notice has been given to all parents of pupils enrolled at schools in the district.
- Allows the governing board to authorize principals to waive the assessment if it creates an economic hardship for a pupil.
- Defines *reasonably good condition*.

### **SB 1438 State support for youth programs (Melvin) Not heard in Senate Rules**

Under current law, school districts are permitted to rent their facilities to various groups.

#### **Provisions:**

- States public assets, including tax revenues shall not be used:
  - To discriminate against, or deny or withdraw access to public property for, a youth organization on the basis of beliefs promoted by the organization or the organization's constitutionally protected expression of beliefs or exercise of associational rights.
  - To compel a youth organization to employ, enroll or accept as a member or volunteer an individual whose sexual orientation, sexual behavior, religious beliefs or absence of religious beliefs is determined by the organization to be inconsistent with the organization's policies, programs, morals or mission.
- Allows the compensated or uncompensated use of public buildings, grounds and equipment by a youth organization on a nondiscriminatory basis without regard to the organization's beliefs, expression of beliefs or exercise of rights of association that are protected under the Constitution of the United States or the Constitution of Arizona.
- Defines *youth organization*.

### **SB 1441 Public expenditure transparency (Melvin) Retained on Senate COW Calendar**

Under current law, the Department of Education collects data submitted by school districts.

#### **Provisions:**

- Requires, beginning January 1, 2011, school districts, charter schools and community college districts to establish and maintain an official internet website that is electronically searchable by the public at no cost and that contains a comprehensive database of expenditures of monies of the school district or charter school.
- Requires the database to allow users to:
  - Search and aggregate payments by individual budget units and programs of each school.
  - Search and aggregate payments by individual vendors, including the total amount of funding awarded to individual vendors with respect to each school.
  - Download information yielded by a search of the database.
- Requires the database to include annual expenditures and disbursements of public funds by each school district, school and charter school, including:
  - Bond payments, debt service and redemption charges and fees.
  - Contractual services and cooperative agreements.
  - Commodities.
  - Capital outlay.
  - Payments to other levels of government, including tribal governments.
- Requires expenditure data to list:
  - The manner of payment, including check or warrant or credit, debit or other purchase card.
  - The funding source, including categorical codes and the accounts the expenditure is appropriated from.
  - A standardized descriptive title of the type and purpose of the transaction.
  - The date and amount of each payment.
  - The department, budget unit or school making the payment.
  - The name of the person or entity receiving the payment, including to the extent practical a parent entity of the recipient if the recipient is owned by another entity.
  - The primary location of performance under the contract, including the city or town and legislative district.
- Clarifies the database shall not include:
  - Data that include confidential taxpayer information.
  - Payees' addresses or telephone numbers, but the website may allow public access in the database to information identifying the county in which the payee is located.
  - Work product in anticipation of litigation or information subject to attorney-client privilege.
  - Any other information that is designated by law as confidential.
- States the governing board and district and school employees:

- May rely on a determination made by a budget unit regarding confidentiality of information relating to the budget unit's expenditures.
- Are immune from civil liability for posting confidential information if the posting is in reliance on the budget unit's determination relating to confidentiality.
- Requires the database to be updated within thirty days after the end of each fiscal year and may be updated as new data become available.
- Requires the data to be retained in the database for at least ten full fiscal years.
- Requires the school district or charter school to include a link to the database in its official website.

#### **SB 1444 Appropriation of federal monies (Melvin) Held in House Rules**

Under current law, school districts receive federal funding under Title 1.

##### **Provisions:**

- Defines *noncustodial federal monies*.
- Requires all noncustodial federal monies received by any budget unit to be accounted for in separate accounts or funds as necessary to meet accounting, budgetary and auditing requirements.
- States the legislature retains the authority to appropriate noncustodial federal monies.
- Requires the legislature to specify in each federal monies appropriation the purposes for which federal monies are to be used, consistent with federal law.
- Requires the Joint Legislative Budget Committee to review in advance the expenditure of any monies from the lump sum appropriation, subject to any condition specified by the Legislature.
- States if the amount of the federal monies received is less than the amount appropriated; the appropriation of federal monies shall be reduced to the amount of the federal monies received.
- States if the amount of the federal monies received is more than the amount appropriated, the total appropriation of federal and state monies allocated for a program shall remain at the amount designated by the Legislature.

#### **SB 1448 Schools; employee code of conduct (L. Gray) Never Third Read in Senate**

Under current law, school employee personnel procedures are enforced by the school district governing board.

##### **Provisions:**

- Requires the State Board of Education to recommend to each school district governing board or charter school governing body a code of conduct for employees of school districts and charter schools to include, at a minimum, the descriptions of conduct deemed unprofessional and immoral pursuant to any applicable rules adopted by the State Board.
- Allows each school district governing board or charter school governing body to adopt in a public meeting the code of conduct recommendation.
- Requires each school district governing board or charter school governing body that adopts a code of conduct to post the adopted code of conduct on its website, if available, or disseminate the code of conduct through printed materials to each employee of the school district or charter school on an annual basis.
- Clarifies if a school district governing board or charter school governing body does not adopt the code of conduct recommended by the State Board or adopts a code of conduct that is different, the trier of fact, in the determination of the existence and extent of civil liability of the school district, the charter school or the officers or employees of the school district or charter school:
  - Shall not consider the code of conduct recommended by the State Board.
  - May consider the policies and procedures adopted by the school district governing board or charter school governing body.
- States failure by a school district governing board or a charter school governing body to adopt a code of conduct shall not be grounds for a private cause of action.

#### **SB 1461 State agency budgets; review (Gorman) Not heard in Senate Appropriations**

Under current law, the Legislature establishes budgets for state agencies.

##### **Provisions:**

- Makes a statement that the Legislature requests that the Governor direct the governor's OSPB to thoroughly review the budget of each executive agency and the overall functions of the executive agency for the purpose of finding efficiencies that might yield significant cost savings.
- States the Legislature requests that the OSPB submit:
  - In an electronic format, an interim report on the progress of the review requested on or before January 11, 2010.
  - The results of the comprehensive review, including recommendations for budgetary reforms and spending reductions throughout state government through the appropriation process on or before December 1, 2010.

### **SB 1462 State public employment policies (Gorman) Held in House**

Under current law, Arizona is a right-to-work state.

#### **Provisions:**

- States any executive order or any other nonlegislative rule or policy that provides for or allows any preference to any labor union or organization or other employee organization in the matter of collective bargaining agreements, meet and confer agreements or any other agreements that determine the terms and conditions of employment for a public officer or employee is not binding unless statutory authority exists for such a rule or policy.
- Requires statutory authority for any state agency, board or commission to agree to meet and confer with any employee organization regarding hours and terms and conditions of employment.

### **SB 1466 Council on efficient government (Gorman) Held in House**

Under current law, the Arizona Legislature is responsible for creating the state budget for each fiscal year.

#### **Provisions:**

- Establishes the Council on Efficient Government consisting of specified members.
- States the terms of appointment to the Council are for two years.
- Clarifies a member of the Council may not participate in a Council review of a business case to outsource if the state agency is conducting the proposed outsourcing or, in the case of a member engaged in private enterprise, if the member has a business relationship with an entity that is involved or potentially could be involved in the proposed outsourcing.
- Requires the Council to:
  - Review whether or not a good or service provided by a state agency could be privatized to provide the same type and quality of good or service that would result in cost savings or best value.
  - Review privatization of a good or service at the request of a state agency or a private enterprise.
  - Review issues concerning agency competition with one or more private enterprises to determine ways to eliminate any unfair competition with a private enterprise.
  - Recommend privatization to a state agency if a proposed privatization is demonstrated to provide a more cost efficient or more effective manner of providing a good or service.
  - Employ a standard process for reviewing business cases to outsource.
  - Review and evaluate business cases to outsource as requested by the Governor or the state agency head whose agency is proposing to outsource.
  - No later than thirty days before a state agency's issuance of a solicitation of ten million dollars or more, provide to the state agency conducting the procurement, the Governor, the President of the Senate and the Speaker of the House of Representatives an advisory report for each business case reviewed and evaluated by the council.
  - Recommend and implement standard processes for state agency and council review and evaluate state agency business cases to outsource, including templates for use by state agencies in submitting business cases to the council.
  - Recommend standards, processes and guidelines for use by state agencies in developing business cases to outsource.
  - Incorporate any lessons learned from outsourcing services and activities into council standards, procedures and guidelines, as appropriate, and identify and disseminate to agencies information regarding best practices in outsourcing efforts.
  - Develop guidelines for assisting state employees whose jobs are eliminated as a result of outsourcing.
  - Receive complaints of violations of this article.
  - Transmit complaints received under this section to the state agency alleged to be in violation.
  - Hold public hearings on complaints and determine whether the agency is in violation.
  - Issue a written report of its findings to the complainant within ninety days after receiving the state agency's response.
  - Transmit a complete report of each meeting, including recommendations to correct violations of prohibitions on competition with private enterprise and findings on necessary exceptions to the prohibitions.
  - Solicit petitions of interest from private sector service providers as the Council considers appropriate.
- Requires the Council to prepare an annual report on:
  - Recommendations on innovative methods of delivering government services that would improve the efficiency, effectiveness or competition in the delivery of government services, including enterprise-wide proposals.
  - Outsourcing efforts of each state agency, including the number of outsourcing business cases and solicitations, the number and dollar value of outsourcing contracts, descriptions of performance results as applicable, any contract violations or project slippages and the status of extensions, renewals and amendments of outsourcing contracts.

- Requires each state agency shall submit to the Council all information, documents and other materials required.
- Permits the Council to appoint advisory groups to conduct studies, research or analyses and make reports and recommendations with respect to a matter within the jurisdiction of the Council.
- Requires, on or before June 30, 2010, the Council to create an inventory of activities of state agencies to classify whether each activity or elements of the activity are:
  - A commercial activity that can be obtained in whole or in part from a private enterprise.
  - An inherently governmental activity.
- Makes requirements to analyze a business case for privatization.
- Requires the Council to establish an accounting method.
- Requires, beginning with fiscal year 2009-2010, the Governor, at least once every two fiscal years, to select at least three commercial activities that are being performed by a state agency to be examined by OSPB.
- Terminates the Council on July 1, 2019.

**SB 1468 JTEDs; adult students (Pearce) Held in House Rules**

Under current law, persons over 22 years of age cannot attend vocational programs in high school buildings during regular school hours.

**Provisions:**

- Allows persons over 22 years of age to attend vocational programs on campus during regular school hours in a JTED district if the vocational program has the necessary capacity and are for the purpose of skill upgrading or skill retraining.

**SCR 1002 Bond elections; technical correction (Pearce) Held in Senate Rules**

- Makes a technical correction to the Arizona Constitution; vehicle bill.

**SCR 1008 Schools; classroom instruction expenditures (Pearce) Held in Senate Rules**

Under current law, school district governing boards allocate funds for district spending.

**Provisions:**

- Requires a school district to spend at least sixty-five per cent of its budget on classroom instruction expenditures.
- Requires a school district to submit its proposed annual budget to the Superintendent of Public Instruction who shall verify that the school district's expenditures are in compliance.
- Defines *classroom instruction expenditures*.

**SCR 1009 Voter-protection; temporary budget suspension (Pearce) Held in House**

Under current law, the Legislature is limited in spending decisions by the Voter Protection Act.

**Provisions:**

- States any limitation on the Legislature's authority to appropriate or divert funds created by initiative or referendum does not apply in any fiscal year in which the respective budget offices of the Governor and the Legislature issue a written finding that is confirmed by the State Treasurer that the state budget for the past two calendar quarters had a deficit of at least 1% of the total state general fund expenditures.
- States the amount of the Legislative appropriation and diversion of funds for the deficit is limited by both of the following:
  - Expenditures of funds created or allocated by the initiatives and referenda shall not exceed the amount of the deficit.
  - No tax increases may be enacted to cover any part of the deficit unless all appropriated and diverted funds are exhausted.

**SCR 1011 Taxpayer bill of rights (Pearce) Not heard in Senate Rules**

Under current law, the Legislature is limited in spending decisions by the Voter Protection Act.

**Provisions:**

- States, beginning in fiscal year 2011-2012, the amount of state revenues that may be appropriated by the Legislature shall not exceed the amount of state revenue appropriations for the preceding fiscal year, adjusted by the sum of certain percentages.
- Allows the limitation on state revenue appropriations to be suspended for one fiscal year as follows:
  - On approval by the qualified electors at a regular statewide general election, or at a special statewide election called for that purpose.
  - In the case of a declared emergency and by a vote of at least three-fourths of the members of each house of the Legislature with the approval of the Governor.

- Allows the legislature to appropriate monies in excess of the limitation on state revenue appropriations for the purposes of:
  - A state budget stabilization fund.
  - A state emergency fund.
  - Any program established by law to proportionately refund excess state revenues to taxpayers.

**SCR 1023 Initiatives; filing deadline (Paton) Not heard in Senate Rules**

Under current law all initiative petitions shall be filed with the Secretary of State not less than four months before the general election.

**Provisions:**

- Changes the filing deadline for initiative petitions to five months before the general election.

**SCR 1025 Publicly financed elections; prohibition (Paton) Held in House**

Under current law, the Secretary of State oversees all elections in Arizona.

**Provisions:**

- States taxpayer money shall not be used to fund any political candidate or campaign for statewide office or the office of member of the Legislature.
- Defines *statewide office* and *taxpayer money*.

**SCR 1031 Discrimination; preferential treatment; prohibition (Pearce) Used as Strike-Everything Amendment Unrelated to Education**

It is unlawful to discriminate on the basis of race, sex, color, ethnicity or national origin.

**Provisions:**

- States Arizona shall not discriminate against or grant preferential treatment to any individual or group on the basis of race, sex, color, ethnicity or national origin in the operation of public employment, public education or public contracting.

**SCR 1035 Property tax; valuation increase limit (Gould) Not heard in Senate Finance**

Under current law, school districts are funded from the state general fund and local property taxes for certain voter-approved expenditures.

**Provisions:**

- States the value of real property and improvements and the value of mobile homes used for all ad valorem taxes shall be the lesser of the full cash value of the property or an amount 2% greater than the value of property.

**SCR 1036 Property tax; valuation rollback (Gould) Not heard in Senate Finance**

Under current law, school districts are funded from the state general fund and local property taxes for certain voter-approved expenditures.

**Provisions:**

- Changes the allowable calculation of real property tax values to, beginning in 2012, reset all property values to the 2003 level.
- Limits increases in property values to 2%.

**SCR 1024 Property tax levy rollback (Gould) Not heard in Senate Rules**

Under current law, school districts are funded from the state general fund and local property taxes for certain voter-approved expenditures.

**Provisions:**

- States the levy limitation shall be increased each year to the maximum permissible limit, whether or not the taxing entity actually levies ad valorem taxes to such amounts, except that the taxing entity's levy in the year 2011 shall be limited as follows:
  - The taxing entity's 2011 levy shall not exceed the average of the actual tax levies of the taxing entity in 2005, 2006, 2007 and 2008, excluding any year or years in which there was no levy.
- Creates punitive measures for noncompliance by a taxing authority.
- Creates certain voter approval requirements beginning November 2, 2010.

**SCR 1041 Income tax phase-out (C. Gray) Not heard in Senate Rules**

Under current law, taxpayers are subject to state and federal income taxes.

**Provisions:**

- States, beginning January 1, 2015, the income of individuals, corporations and other legal entities shall not be subject to taxation by Arizona or by any county, city, town or other political subdivision of Arizona.

- States the legislature shall provide for annual reductions in the rates of individual and corporate income taxes in order to eliminate income taxation before January 1, 2015. Allows the legislature to enact increases in the rates of transaction privilege taxation on business classifications in effect on January 1, 2009, to compensate for income tax revenue reduction.