

FEBRUARY 2, 2012

Legislative Update

GOV. BREWER'S BUDGET

- ◉ \$50 million for Move On When Reading
 - Funding will be generated by an increase in the K-8 Group A weight from 1.158 to 1.179 for reading specialists and for development and implementation of comprehensive curriculum, intervention and remediation programs in grades K-3.
- ◉ Capital Funding: \$35 million increase to CORL - backfill federal EduJobs Funding/ New Formula for Building New Schools
- ◉ Eliminates the building renewal formula
 - Appropriates \$100 million for a three-year transitional period, while school districts and the School Facilities Board inventory all systems with an online preventive maintenance system.
 - \$40 million increase to CORL and charter school Additional Assistance for the district-side costs to inventory all school systems, perform sufficient preventive maintenance, and help the State move to a life-cycle replacement-based Building Renewal system.

GOV. BREWER'S BUDGET

- ◉ Reduction of the K-12 rollover by \$100 million per year
 - For FY13 - the amount due to school districts would be reduced from the current \$952 million to \$852 million. In future years the amount owed to school districts would be reduced by \$100 million per year.
 - For example, in FY14 the rollover owed would be reduced to \$752 million and in FY15 the rollover amount owed would be reduced to \$652 million. The amount owed to school districts would continue to be reduced by \$100 million per year until the rollover disappeared.
- ◉ In return, the state would pay school districts \$200 million in FY13 and \$100 million per year in future years during the time that the rollover was being reduced.
 - Districts would be able to use the FY13 \$200 million payment and the future annual \$100 million payments for soft capital and/or revenue help to offset the reduction in the amount of the rollover payments that will no longer be paid to the districts.

GOV. BREWER BUDGET (CONT.)

- ◉ District Sponsored Charter Schools (DSCS):
 - Prohibit the ability of new DSCS
 - Statutory change to provide that district-owned space that is leased to another entity is included in SFB's square footage calculations for new school construction considerations, including space leased to a DSCS.
 - Projects for district-owned buildings or any part of a district-owned building that is leased to a charter school be included in the list of projects not eligible for Building Renewal grant funds.
- ◉ \$500,000 to finalize the development of a database that will expedite the researching of educator certifications and disciplinary actions
- ◉ \$186,500 for 2 investigators for the State Board of Education to investigate alleged misconduct of certified personnel
- ◉ \$4.6 million for adult education to draw down \$11.8 million in federal funds for workforce development

JOINT LEGISLATIVE BUDGET COMMITTEE (JLBC)

- JLBC only provides revenue projections:
 - \$583 million surplus in FY12
 - \$431 million surplus in FY13
 - \$172 million deficit in FY14

SCHOOL CHOICE

⊙ Tax Credits

- SB 1047 (tax credit; student tuition organizations)
- SB 1048 (school tuition organizations; credits; administration)

⊙ Empowerment Accounts

- HB 2626 (empowerment scholarship accounts; expansion)

⊙ Vouchers

- HCR 2006 (private school tuition programs)

⊙ Parent Trigger

- SB 1389 (schools; parental intervention)



RETIREMENT

- HB 2264 (ASRS; employee; employer contributions; rate)
 - Reverses the current 47% employer and 53% employee contribution rate split to the original 50%/50% split for the Arizona State Retirement System.
 - Retroactive To July 1, 2011/ Maybe Not
 - ASRS is looking at ways to reduce the administrative burden

2010 LEGISLATION CHANGES

- Teacher and Principal Evaluation
 - Year Delay?
 - Performance Pay?
 - School Personnel decisions?
- SB 1258 (third grade promotions; requirements; exceptions)
 - Removal of the parental request for removal in the Move on When Reading legislation
- School Labels

PERSONNEL

- HB 2497 (school teachers; multi-year contracts)
 - Allows a district governing board to offer a teaching contract for a duration of one to three years
- SB 1256 (collective bargaining agreements; teachers; transfers)
 - Prohibits a district governing board from entering into a contract that requires the district to reassign or transfer a certified teacher

JTEDS

- SB 1253 (elementary school districts; JTEDs; withdrawal)
 - Allows a majority vote by an elementary governing board to withdraw from a JTED
 - Must be sent to the general election ballot
- SB 1262 (JTEDs; omnibus)
 - Allows a majority vote by a school district governing board to withdraw from a JTED
 - Must be sent to the general election ballot
 - Change in JTED board composition/District Reps
 - New data reporting requirements

BULLYING

- ◉ Defines “bullying”
- ◉ Contains permissive language to adopt policies that address off-campus bullying incidents that affect
- ◉ Notification issues
- ◉ Requirement that schools provide training to administrators and school personnel



OTHER BILLS

- ◉ Return to 100-Day ADM
- ◉ Arizona Online Instruction
- ◉ Bond Indebtedness Limits
- ◉ Procurement
- ◉ Curriculum Issues - Bible, personal finance, etc.
- ◉ HCR 2043 (tax increases; ballots; vote requirement)
 - need a 2/3 vote for initiatives and referendums to take effect
 - Retroactive and affects bonds and overrides

FUNDING UPDATE

- Aggregate Expenditure Limit/State is now \$872.8 million below the Limit



CONTINUE SALES TAX INCREASE

- 3 out of 4 likely voters felt that losing the one cent sales tax will be a very serious problem for education and 2 out of 3 would support extension.....but increased student performance was an important factor



QUESTIONS ???????

