



2019 Session Wrap

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Today's Agenda

- FY2020 Budget Highlights
- 2019 Legislative Session Bills of Note
- Remember these?
- Questions



FY2020 Enacted Budget

- Includes \$392.1M in net formula adjustments.
 - \$69M for 0.7% enrollment growth (weighted)
 - \$127.6M for 2% inflator
 - \$164.7M in additional teacher salary
 - \$135.6M in DAA/CAA (FY20/FY21 payments)
- Assumes continued deferral (rollover) of just shy of \$1B of state aid payments



Base Level and DAA

- FY2020 Base level set at \$4,150.43
 - Teacher pay increase \$111.16
 - 2.0% Inflation adjustment \$79.20
 - \$190.36 total
- FY2020 DAA reduction set at \$128.7M
 - Last year's reduction was \$257.5M
 - Increase in DAA of \$128.7M
 - Districts w/less than 1,100 ADM receive 100% of DAA.



Teacher Pay

Component of Base Level per Student	Without Teacher Comp	With Teacher Comp (1.25%)
Base Amount FY19	\$3,960.07	\$4,009.57
Inflation Adjustment	\$79.20	\$80.19
Teacher Salary Increase	\$111.16	\$112.55
Base Amount FY20	\$4,150.43	\$4,202.31
Total Increase	\$190.36	\$192.74



Base Level and DAA

- FY2020 DAA reduction set at \$128.7M
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DAA Restoration Schedule

Phase Out of Cuts to District Additional Assistance		Annual Restoration
Cut in FY18	\$352,442,700	
Cut in FY19	\$257,469,900	+\$94,972,800
Cut in FY20	\$128,734,900	+\$128,735,000
Cut in FY21	\$128,734,900	+\$0
Cut in FY22	\$64,307,400	+\$64,427,500
Cut in FY23	\$0	+\$64,307,400



Capital Spending

- \$25M FY19 supplemental for building renewal
- \$28.4M in additional building renewal grants FY20 (\$79.5M total)
 - FY20 appropriates \$62.8M for building renewal grants.
 - Also removes \$34.4M in one-time funding from FY19.
 - Net increase of \$28.4M, for a total appropriation of \$79.5M in FY20.



Capital Spending

The FY20 budget funds new school construction on two-year projections going forward.

District	Year Over Capacity	District	Year Over Capacity
Chandler USD	2019	Laveen ESD	2020
Douglas USD	2019	Vail USD x2	2020
Maricopa USD	2019		
Pima USD	2019		
Safford USD	2019		
Somerton ESD x2	2019		



FY2020 Enacted Budget

- \$20M in additional school safety funding
 - On top of existing SRO money. May apply for either counselors or SROs. (\$31.9M total)
 - Lands in the last year of a 3-year school safety grant cycle.
 - SBE did not approve ADE's initial plan to distribute this money. Waiting to see a potential alternate proposal in August.



Results-Based Funding

- Adds an additional \$30M in results-based funding, for a total of \$68.6M.
- Distributed based on Spring 2018 AzMERIT Scores



Results-Based Funding

- Distribution:
 - For districts/charters with fewer than 60% FRL participation, the top 13% of schools will receive \$225 per student.
 - For districts/charters with greater than 60% FRL participation, the top 13% of schools will receive \$400 per student.
 - For districts/charters with greater than 60% FRL participation, schools between the top 27% and top 13% will receive \$225 per student.



Results-Based Funding

- The Governor's Budget Office estimates that 25% of district schools and 27% of charter schools will receive RBF funding.
- ADE will make final determinations based on 2018 AzMERIT administration, as in years past.



FY2020 Enacted Budget

Miscellaneous issues funded:

- \$1 M in gifted funding continued
- \$500,000 for civics education
- \$400,000 for high quality teacher development
- \$21M for AZ Teacher Academy at ABOR



Out Year Issues

- CTED completion grants: \$5M in FY21/FY22
- Teacher pay \$64M “Bridge” to Prop. 301 expires in FY2021
- Rollover Paydown of \$30M for districts with less than 1,350 ADM in FY22.



2019 Legislative Session

Bills of Note





How Much Do We Have to Worry About?

- ASBA was tracking 200 introduced bills that impact school districts in some form.
- 36 bills were signed in total.
- All will be covered in our annual comprehensive wrap-up document.




HB2184/SB1014 English language learners; instruction; budgeting

- Repeals the four-hour SEI block, and requires SBE to develop models meeting the following requirements:
 - 120 mins/day, 600 mins/week, or 360 hours per school year for grades K-5.
 - 100 mins/day, 500 mins/week, or 300 hours per school year for grades 6-12.
- Requires SBE to adopt alternative models for students meeting waiver requirements.
- Specifically allows districts to submit alternative models to the board for consideration and approval.



SB1071 schools districts; personnel evaluations

- Repeals the SBE evaluation framework.
 - Requires districts to determine an evaluation system for teachers that consist of between 20% and 33% quantitative data.
 - Allows the district to determine evaluation metrics for principals.
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SB1256 school districts; procurement practices; auditors

- Repeals the “lowest qualified bidder” requirement for school district procurement.
- Repeals the requirement that school districts rotate auditing firms every three years.
- Establishes a “school procurement consulting” pilot program at ADOA.
- Contains an emergency clause




HB2119 school safety; reporting

- Requires each district and charter school to adopt policies for reporting to law enforcement:
 - A suspected crime that is a serious offense or involves a deadly weapon, dangerous instrument or serious or physical injury.
 - Conduct that poses a threat of death or serious physical injury to an employee, student, or other person on school property




HB2119 school safety; reporting

- Requires the policies to include the notification of the parent/guardian of each student involved.
 - Requires a process for documenting and reporting the conduct, including which employees are responsible for making reports.
 - School districts and charters that do not comply are prohibited from applying for school safety program grants.
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SB1180 department of revenue; applicants; fingerprinting

- Requires noncertified employees requiring fingerprints or a fingerprint clearance card to disclose a charge or conviction that has been set aside, vacated, or expunged on the school district's background questionnaire.



SB1022 hours; seventh and eighth grades

- Reduces the required instructional hours for seventh and eighth grade to 890, from 1,000.



SB1318 schools; dyslexia screening; training

- Requires ADE to develop a dyslexia screening plan that requires each student in grades K-1 be screened for indicators of dyslexia by July 1, 2020.
- Establishes the indicators to be screened
- Allows the screening to be integrated into other required reading proficiency assessments.



SB1318 contd.

- Establishes a study committee on dyslexia screening until January 15, 2020.
- Requires ADE to designate a dyslexia specialist, and each public school to ensure at least one K-3 teacher has received training related to dyslexia by July 1, 2021.
- Requires all new elementary certificate holders have dyslexia training as part of the required reading instruction beginning 7/1/21.
- Contains an emergency clause.



SB1346 school; assessments; instruction; reporting

- Requires ADE to adopt a statewide assessment plan for grades 3-12 by July 1, 2019.
- Moves the implementation of a 3-8 menu back to 2023-2024.
- Repeals portions of the HIV/AIDS education statute that prohibit districts from including content that “portrays homosexuality as a positive alternative lifestyle” or “suggests that some methods of homosexual sex are safe.”



SB1468 schools; suicide prevention training

- Requires school districts and charter schools, beginning in SY20-21, to provide at least every three years training to all personnel working with students in grades 6-12 that includes:
 - Suicide prevention
 - Identifying warning signs of suicidal behavior
 - Appropriate intervention and referral techniques.



SB1468 contd.

- Requires AHCCCS to develop a suicide prevention training program, and provide a list of approved evidence-based training materials.
- Requires any costs incurred by school districts to be considered “classroom spending” by the auditor general.




SB1456 vision screening

- Requires schools to provide vision screening to the following:
 - Each student upon initial entry to school and not more than two grades prescribed by DHS by rule.
 - Each student receiving or being referred for special education services who have not been screened in the last year.
 - Students upon request of a teacher who have not been screened in the last year.
 - Students not reading at grade level by the third grade.



SB1485 school tuition organization; inflator

- This bill reduces the cap on annual growth for corporate STO tax credits from 20% to:
 - 15% in FY21;
 - 10% in FY22;
 - 5% in FY23; and
 - 2% or inflation, whichever is greater, in FY24 and beyond.



HB2008 duty to report; supervisor; administrator

- Requires that if an administrator or supervisor becomes aware of an incident that requires a mandatory report, but cannot confirm a report has been made, the administrator or supervisor must make a report.



HB2318 driving; wireless communication device

- No person may use a “portable wireless communication device” while operating a motor vehicle.
- Fines begin January 1, 202. \$75 to \$149 for a first violation, \$150 to \$250 for a second.



SB1184 schools; economics; personal financial management

- Requires SBE to include one half credit of economics in HS graduation requirements, which shall include personal finance and financial literacy.



Questions?

