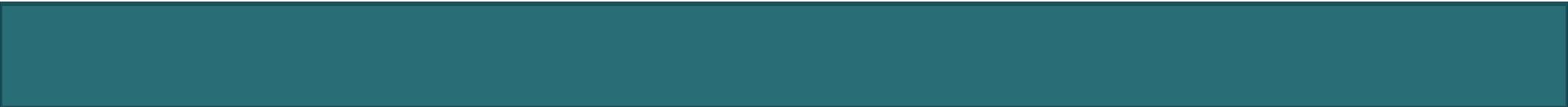




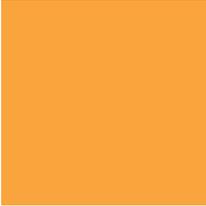
Legislative Update





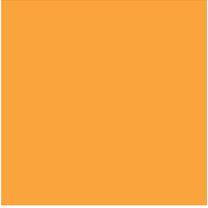
2017 Legislative Stats

- 1055 bills introduced
 - 353 bills passed
 - 342 bills signed into law
 - 41 bills (not including budget bills) affecting public education.
 - General effective date August 9, 2017
- 



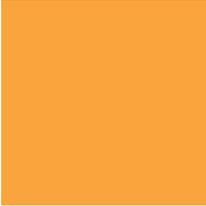
Issues of Note

- HB2389 governmental entities; diplomas; transcripts; recognition
 - Requires homeschool diplomas and transcripts be given equal weight by “governmental entities”
- HB2370 withholding of wages; school employees
 - Decreases permissible “payroll lag” for school districts from two weeks (ten business days) to seven business days.



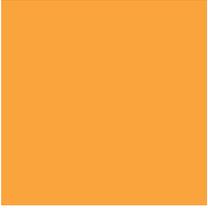
Issues of Note

- HB2247 school bus drivers; fingerprint clearance cards.
 - NEW applicants for a school bus driver certificate from DPS must have a fingerprint clearance card.
 - EXISTING certificate holders have until Dec. 31, 2018 to obtain a fingerprint clearance card.
 - Recommended by DPS, not ADE or SBE.
 - Employers not required to cover cost.



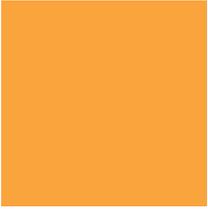
Issues of Note

- HB2416 school district governing board; qualifications
 - Prohibits an employee of a contractor that provides direct certified or classified services to a school district, or that person's spouse, from serving on the district's governing board.
 - Not more than two people of a five-member board related by affinity, consanguinity, or by law to the third degree.
 - More than 250 students in a county of greater than 500,000 persons.



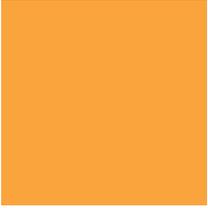
Issues of Note

- SB1317 schools; specially designed instruction
 - Clarifies that “specially designed instruction” in accordance with a student’s IEP may be delivered by any certified teacher, provided a SPED certified teacher is involved in oversight and planning of the instruction.



Issues of Note

- SB1098 schools; statewide assessment
 - Delays implementation of “locally procured assessments” until SY19-20 for grades K-8.
 - Requires SBE to approve an assessment selected by a district if it is not on the menu by March 1, 2018, and it is “nationally recognized” (ACT/SAT)
 - State Board is starting to look at the issue, but there are several logistical issues to work in terms of accountability. They will need to make decisions by the February board meeting to avoid the March 1 deadline (Three more meetings).

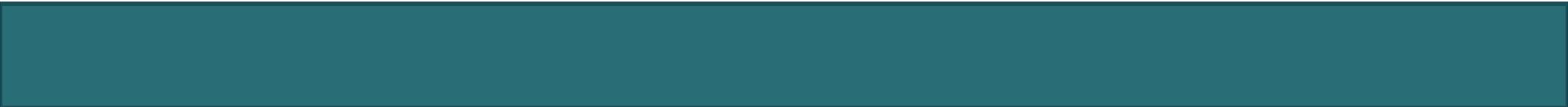


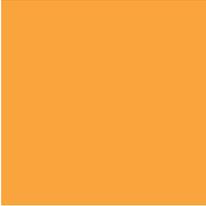
Issues of Note

- SB1131 schools; K-3 reading program
 - Allows the SBE to determine a measure of reading proficiency that is separate from AzMERIT ELA.
 - Allows a pupil to be promoted if the pupil has demonstrated sufficient reading skills or sufficient progress to meet 3rd grade reading standards as evidenced by a collection of assessments approved by SBE.



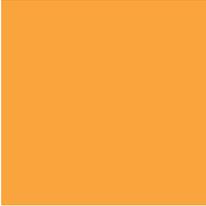
2018 Forecast





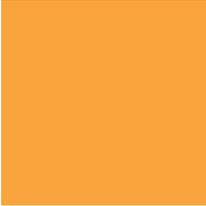
More ESAs?

- “Repeal and Replace” strategy to avoid referendum
 - Repeal SB1431 to undercut Prop. 305, and attempt to replace it at a later date, after Nov. 2018.
- Legislation targeting the ability of districts (or at least district associations) to lobby.
 - ASBA is expecting at least the introduction of a bill to restrict the lobbying activities of school districts in response to the efforts against SB1435 and Friends of ASBA’s efforts on behalf of SoS AZ (mistaken belief that ASBA money was used to support signature gathering efforts)



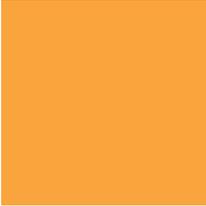
Teacher Salary, Round 2

- The JLBC FY19 budget is supposed to include money for another round of 1.06% for teachers.
 - Not included in the base level amount, but hopefully this year's experience with implementation will prove the point.
 - Most recent JLBC revenue figures indicate a cash shortfall at the end of FY2018 (current year) of \$21M.
 - This would be after accounting for round 2 of the increase and required inflation funding.
 - BUT, a shortfall places the raise in competition with other budget issues.
- 



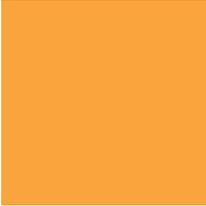
Other Funding Issues

- Results-Based Funding
 - Switch from test scores to letter grades could drive up cost over FY17.
 - A-F Letter grades are ongoing, but preliminary grades indicated more “A”s than the number of schools receiving results-based funding this year.
 - Classroom Spending
 - Definition of classroom spending beyond teacher and teacher aide salaries and benefits.
 - District Additional Assistance
 - Some effort to restore a portion of DAA cuts, although shortfall issues may prevent that from passing.
- 



Did Someone Say Retirement?

- Issues with large unfunded liabilities of the Public Safety Personnel Retirement System (PSPRS).
 - Prescott
 - Bisbee
 - Flagstaff
 - Funded liabilities have dipped to around 50% statewide.
 - PSPRS affects police officers and firefighters. Other public employees, incl. teachers, are ASRS members.
 - Caused by statutorily fixed contribution rates. 7.65% until 2011. Employer rate fixed by actuarial evaluation.
- 



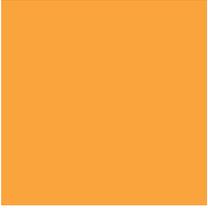
Did Someone Say Retirement?

- ASRS employer **and** employee rates are set by the actuary.
 - Much more stable model.
 - PSPRS Issues have Legislators talking about the AZ Constitution's pension clause.
 - Wary of the possibility for PSPRS's problems to spill over into ASRS.
 - ASBA will be watching this **very** closely, to make sure any public safety retirement fixes do not affect ASRS.
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Issues to Return

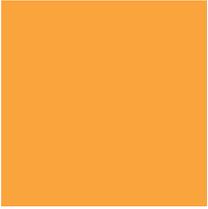
- SB1209 teacher and principal evaluations (Smith)
 - Lowers the rec to data to betw
 - Requires evalu being evaluate
 - Does not requ
 - Prohibits AzMI
 - Requires distri to include distr and at least four other elements from the menu.
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Issues to Return

- SB1384 school-sponsored media; student journalists
 - Grants protection to student publications and prohibits prior restraint by districts unless content is:
 - Libelous or slanderous
 - Constitutes and unwarranted invasion of privacy
 - Violates federal or state law
 - Incites students to violate district rules or laws, or “materially and substantially disrupts the orderly operation of the public school.”



SB1384 continued

- Provides protections for student journalists and their advisors
- Requires district standards or guidelines for written content of the statute.

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