

Welcome Team SOSAZ!

Every year, roughly 1,200 bills are introduced to the Arizona Legislature and the vast majority of them don't make it to an actual vote. This SOS Legislative Brief is designed to help our network become aware of every bill that directly relates to our top issues. We will put bills on your radar and promise to keep you updated if and when it's time for action. For now, there is no value in burning ourselves out fighting for or against bills that aren't going anywhere, so right now we simply encourage you to get a sense of what's out there and most importantly, stay engaged with us on Twitter, Facebook, Instagram, Snapchat and email for live updates on bills that require action. By doing this together, we will continue to move the needle on public education issues in Arizona!

LEGEND

- Bill Number (Links to Bill Page)
- SOSAZ Bill Position
Indicated by colored markers:
- Support
- Neutral
- Oppose
- Bill Title and Primary Sponsor
Official Title in Grey
Descriptive Title in Black
- Bill Description

HB 2187 

Appropriation; K-12 Rollover Pays Off \$630 Million of Rollover Debt to Public Schools
Rep. Michelle Udall

Would pay down \$630 million of the nearly \$1 billion "rollover" debt the state owes to schools.

For a decade the state has rolled over its final K-12 education payment to the next fiscal year, an accounting gimmick that delays an expense on paper so it doesn't count toward the current year's budget. The rollover is twice as much money as Arizona has in its rainy day fund, meaning the state could still have this debt on the books when the next recession begins if nothing is done.

The treasurer's office says Arizona must pay off the rollover before a recession or daily operations of all state government will be at risk. Paying back the skipped payments won't increase what schools can spend, but it will make their cash management easier. The Speaker of the House has also mentioned this as a priority.

SB 1118



Appropriation; State Board; Charter Schools Aligns Charter School Procurement with District Schools
Sen. Kate Brophy McGee

Would appropriate funds for the Charter Board to hire 8 new employees, allowing them to increase oversight.

This is part of a package of reforms to require more transparency and subject charter schools to the same procurement and conflict-of-interest laws that currently govern district schools.



HB 2021



Ballot Measures; Online Signature Submittal

Creates A Government Online Signature Platform to Simplify Petition Signature Gathering

Rep. Mark Finchem

Would establish online signature collection for initiatives and referenda, similar to Arizona's existing E-Qual system for candidates. Such a system would come with benefits beyond ease and simplicity of signature gathering.

Because the system would be run by the Secretary of State, Arizona's chief elections officer who holds the primary responsibility of managing trustworthy and secure elections, such a system would greatly limit the potential for fraudulent petition signatures (and costly taxpayer-funded lawsuits).

While this goes far beyond education, as a volunteer group who worked hard to succeed at a historic signature-gathering effort, SOSAZ supports the effort to make the democratic process more accessible for regular people.

HB 2185



STO; Income Tax Credit Cap Reduces STO Tax Credit Growth to Lower of 2% or Inflation

Rep. Michelle Udall

Would cap the automatic growth of School Tuition Organization tax credits at 2% or inflation, whichever is lower.

Donations to Arizona's STO program are dollar-for-dollar credits from the state's general fund that surpassed a lifetime total of \$1 billion in 2016 and continue to grow by 20% each year, reducing the funds

available for public education (and other state programs).

If left to grow according to current law, by 2030, our state will spend more on these tax credits for corporations than those same corporations will be paying into our state budget.

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HB 2203



Appropriation; School Facilities; Building Renewal Pays Schools \$34 Million for Repair and Maintenance

Rep. Jennifer Pawlik

Directs \$34 million of Arizona's one-time \$1 billion budget surplus to the building renewal grant fund to go toward a decade's worth of deferred maintenance for public schools. Since the state cut capital funding to schools in 2009, schools have lost more than \$2 billion that they were entitled to by law.

Schools would be able to use this money for ongoing maintenance needs (new roofs, toilets, AC repairs, mold removal, playground upgrades, parking lot repairs, broken pipes and so on). Since the funding was cut, many schools have been able to manage only emergency fixes.

Allocating money to deferred maintenance will improve schools, as well as improving the learning environment for Arizona students, teachers and staff. The Governor included this in his budget at \$68 million, so there is talk of amending to double funds.

employees and third-party contractors of a charter school's charter holder from serving as members of that charter school's governing body

Bill Series



HB2250, HB2251, HB2252, HB2253, HB2254, HB2255, HB2256

Bill Series of Multiple STO Voucher Reforms

Rep. Randy Friese

These comprise a package of needed STO voucher reforms. From means-testing a portion of recipients, freezing growth caps, and limiting expenditures to 1% of the yearly budget, these are fiscally sound measures that promote transparency and accountability.

HB 2220



Charter Schools; Auditors; Requirement

Requires Charter Schools to Hire Different Auditor Every 6 Years

Rep. Isela Blanc

Would require a charter school to contract with a different auditor at least once every six years to conduct its required annual audits.

HB 2304



School districts; Overrides; Ballot Question

Changes Ballot Language on School Overrides

Rep. Michelle Udall

Would change the required ballot language for overrides from "budget increase" to "local support." This change in wording is intended to lessen the burden on school districts that ask the voters for more funding by replacing a politically loaded phrase with something more neutral and accurate.

HB 2221



Charter School Board Members; Conflicts

Bans Charter School Board Members With Conflicts

Rep. Isela Blanc

Would ban immediate family members,

CONTINUED

HB 2325



Support

Charter Schools; Administrative Costs; Cap

Caps Charter School Profits at 15%

Rep. Aaron Lieberman

Clarifies that the administrative costs and profit of a charter school may not exceed 15% of its total expenses. Arizona's charter school industry is marked with rampant profiteering and insider deals that redirect state tax dollars to make some charter owners millionaires; public district schools, by contrast, make no profit.

HB 2388



Support

Charter Schools; Financial Records

Aligns Charter and District School Financial Records Systems

Rep. Mitzi Epstein

Would make charter schools subject to the same financial records system as public district schools. Current statute requires only that the financial records system for charter schools meet "commonly accepted accounting principles used by private business."

HB 2389



Support

Auditor General; Charter Schools Aligns Charter and District School Auditor General Reporting

Rep. Mitzi Epstein

Would require charter schools to comply with the same auditor general reporting requirements as public district schools.

HB 2399



Support

Tax Expenditures; Review; Sunset Requires Annual Review of Tax Credits

Rep. Kirsten Engel

Would require the "joint legislative tax expenditure review committee" to review Arizona's tax code yearly, on a ten-year review schedule, and report back to legislative leadership whether they feel each individual tax expenditure should be kept, changed or removed.

The bill also changes the words "tax credit" in statute to "tax expenditure," indicating an important shift in thinking which could inform the committee's actions.

Review of these expenditures is important because each year, our state gives away more money than we bring in: Arizona spent nearly \$14 billion on tax expenditures in 2016, while only bringing in \$9.6 billion to the general fund.

The committee in Engel's bill exists, and its meetings are mandated by law, but it hasn't met since 2015. In that time it has failed to review 13 tax credits, including three of the four School Tuition Organization tax credits, which divert \$158 million per year from public schools and continue to grow by 20% each year.

HB 2022



Oppose

Empowerment Scholarships; Financial Oversight; Treasurer Transfer Financial Oversight of ESA Voucher Program Solely to Treasurer

Rep. Mark Finchem

Would move financial oversight of ESA vouchers away from the Arizona Department of Education to the treasurer's

office.

Finchem's proposed change could limit the amount of information ADOE receives about the thousands of ESA transactions it must monitor, loosening the program's already lax oversight even further and making it exponentially harder to identify fraud.

ADOE opposes the bill, calling it an unnecessary change that would hinder the department's efforts. Save Our Schools Arizona also opposes the bill as going against the will of the voters; it reintroduces a portion of Prop 305, which may mean Finchem's proposed change is voter-protected and thus illegal.

HB 2474



Oppose

Empowerment Scholarship Accounts; Student Victims ESA Voucher Expansion for Student Victims

Rep. Shawna Bolick

Would expand Empowerment Scholarship Accounts (ESA vouchers) to a new category of children, "the alleged victim of battery, harassment, hazing, kidnapping, physical attack, robbery, sexual harassment, sexual assault, rape, threatening, intimidation, fighting, sex trafficking or human trafficking."

The bill marks a return to incrementalist expansion of ESAs as a method of working toward fully privatizing Arizona's public schools for profit. Save Our Schools Arizona stands in opposition to this or any other ESA expansion effort.

SB 1080



Neutral

TPT; Use Tax; Education Changes Prop. 301 Distribution Sen. Sylvia Allen

Makes changes to the distribution of education funding related to Prop 301, collapsing the current 13 buckets into a total of 4. The bill is conditional and would only go into effect upon passage of SCR1001.

SCR 1001



Neutral

Education; TPT, Use Tax Puts a Prop. 301 Increase on the 2020 Ballot

Sen. Sylvia Allen

Would ask voters to increase the Prop. 301 sales tax permanently from its current 0.6¢ to a full penny.

Such a move would add \$400 million a year in new money for education. The idea is not comprehensive enough to fix the school funding crisis. Even so, a conservative Republican proposing new money for education is a big step.

SB 1102



Neutral

Tax Credit; Public School Projects Creates a Public School Tax Credit Similar to STOs

Sen. Heather Carter

Establishes a tax credit grant fund for public district and charter schools similar to School Tuition Organizations.

The grants are approved by a committee set up by the Department of Education, and are funded by tax deductible donations made by corporations and individuals. The bill caps the corporate tax credits at \$5 million a year, and allows individuals to donate up to \$500 or \$1,000 for married couples filing jointly.

The bill allows the ADOE to retain up to 10% of the fund to cover administrative costs, and the entire program is set to terminate in 2024.

HB 2324



STO Cap; Education Funding Ties STO Cap Growth to Public Education Funding

Rep. Aaron Lieberman

Would tie the automatic growth of the STO tax credit cap (currently 20%) to the total amount of monies that the legislature appropriates to the School Facilities Board and the Department of Education.

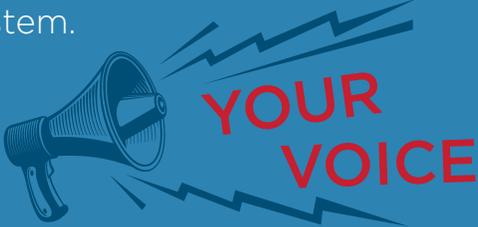
If funding for public education goes up, funding for STOs goes up, and vice versa. The maximum growth of STOs would remain capped at 20%.

We like the tie to public education funding increases, but STO caps are already too high. It appears there are other STO tax credit caps that can do more this session.

RTS

CLICK HERE

to have your voice heard through the Arizona Legislature's Request to Speak system.



Who We Are

Save Our Schools Arizona™ is made up of everyday people who believe in our state and want it to succeed. We are parents, grandparents, teachers, retirees, and concerned voters from every corner of this state. We hold a wide variety of political party registrations and backgrounds. Our kids attend all kinds of schools, public, private and charter. We're as different from each other as Flagstaff is from Sierra Vista, or Winslow is from Tempe.

What do we have in common? We all understand that building strong schools for all our kids also means we're building a stronger, more prosperous state. Save Our Schools is so much bigger than politics. It's about doing right by Arizona's children, Arizona's families and Arizona's future.



SAVE OUR SCHOOLS
Strong Schools, Strong State
PAID FOR BY SAVE OUR SCHOOLS ARIZONA

 SOSArizona.org



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