

SOSAZ Legislative Report

Fifty-Fourth Legislature - First General Session

February 24, 2019

Now We Watch for ESA Zombie Bills

While Continuing to Fight Bad Public Education Policy on the Floor

This week is "crossover week": the deadline to hear bills in committees in their chamber of origin has passed, so lawmakers' main focus this week is to hear bills on the floor and move them across the courtyard, or "cross them over," to the opposite chamber. We'll see lengthy floor debate, with the Senate scheduled to meet daily at 1:30 PM and the House at 10:30 AM. Next week, the Senate will start hearing House bills, and the House will start hearing Senate bills.

Most committees (including House Education and Senate Education) are not meeting this week as lawmakers focus on this work. The only committees meeting are Appropriations and Rules, which means we'll have limited opportunities to use RTS. We'll be watching for shenanigans in Appropriations as it's the only remaining way to keep new ideas alive this week. About 500 bills have survived the committee deadline — but, remember, because of the amendment process, no idea is truly dead until the legislature adjourns.

The MOST IMPORTANT thing you can do this week is contact your Senator to register your opposition to **SB1395**. In Senate Finance Committee last week, the special interest groups and lawmakers pushing this bill swore up and down that **SB1395** is not an expansion, yet the fiscal note by the JLBC clearly states otherwise. Read our OpEd on the bill here, then make those calls and emails! Click HERE to find your Senator's information.

SB 1395



Expands ESA Vouchers Despite AZ Voters Rejecting Expansion

Empowerment Scholarship Accounts; Program Revisions Expands ESA Eligibility, Reduces Expenditure Accountability Sen. Sylvia Allen

- Eliminates what few standards are currently in place: re-evaluation of ESA voucher recipients, reasonable
- restrictions on allowable goods and services, and more, opening the floodgates for even more fraud and abuse
- Proposes "fixes" that are already in place meaning no actual improvements, just political games
- Expands vouchers to even more people who aren't already eligible. For the cheap seats:
 AZ voted NO NEW VOUCHERS!

This is a great week to watch your lawmakers debate bills on the floor! The action starts on Monday at 10:30 AM in the House and 1:30 PM in the Senate. Here's a handy map of how to get there and where to park. If you can't make it downtown, watch live proceedings online here.



Calls to Action!

- Support SB1485
- Oppose SB1161
- Oppose SB1460
- Oppose SB1451
- Oppose SCR1023



- 1. Continue to email and call YOUR senator to oppose SB1395
- 2. Oppose SB1161 striker reviving "charter-district co-location." Contact members of Senate Appropriations Committee:

David Gowan, Chair (R-14)

602-926-5154 / <u>DGowan@azleg.gov</u>

Vince Leach, Vice Chair (R-11)

602-926-3106 / <u>VLeach@azleg.gov</u>

Heather Carter (R-15)

602-926-5503 / <u>HCarter@azleg.gov</u>

Sine Kerr (R-13)

602-926-5955 / <u>SKerr@azleg.gov</u>

David Livingston (R-22)

602-926-4178 / DLivingston@azleg.gov

Michelle Ugenti-Rita (R-23)

602-926-4480 / MUgenti-RIta@azleg.gov

Lela Alston (D-24)

602-926-5829 / <u>LAIston@azleg.gov</u>

Sean Bowie (D-18)

602-926-3004 / SBowie@azleg.gov

Lisa Otondo, Minority Whip (D-4)

602-926-3002 / LOtondo@azleg.gov

Committee hearing is Tuesday 11 AM, SHR 109 3. Call and email your senator to oppose SB1451

SB 1161



Technical Correction; Payment Method

Striker Forcing Public Schools to Lease Space to Private Schools

Sen. Sonny Borrelli

SB1161 is now subject to a striker amendment that would require the School Facilities Board to publish a list of vacant or partially used school spaces every year, and would require school districts to accept bids from charter schools for that space if the charter school was the lowest bidder.

The bill is being pushed by the Chamber of Commerce and the Goldwater Institute, with the goal of opening district and charter schools in the same building. This can lead to <u>siphoning off resources</u> from the district to the charter school, making under-funding even more punitive for public schools.

Another problem is that "unused space" could target science labs, art and music

rooms, special education therapy rooms, and computer labs. Co-location is the new push for privatizers around the country.

This exact idea FAILED Senate Education last week because of your activism, but is back as a proposed striker in Senate Appropriations for Tuesday. Make sure to say in your comments you oppose the striker!

SB 1460



TPT; Digital Goods and Services

Excludes Digital Products from Taxes at Expense to the State

Sen. Michelle Ugenti-Rita

Would create a new sales tax exemption for many digital goods, including "software as a service" (Office 365, QuickBooks, TurboTax).

These are products, not services, and are the largest and fastest-growing sector of the digital economy. The JLBC's fiscal analysis from last year <u>estimated</u> the loss at \$120 million every year — and with 42% of our

General Fund going to K-12 education, this is a HUGE cut.

As digital goods continue to grow in use and popularity, the cost of Ugenti-Rita's exemption is likely to rise. If this sounds familiar, it should; a contentious similar bill from last year did not pass. Scheduled for Senate Rules, Monday.

SB 1485



Technical Correction; Tax Correction

Striker Capping STO Growth

Sen. JD Mesnard

SB1485 now contains a striker that would end the 20% annual automatic growth of corporate private school tax credits (STOs) by gradually decreasing the cap to 2% or inflation over the next 5 years.

Over the next 5 years the bill would keep up to \$263 million in the general fund which would otherwise be diverted to private schools.

Slowing the growth of this tax credit is critical, as it is on pace to <u>double every four years</u> unless state lawmakers take action. Lawmakers could <u>capture an additional \$67 million</u> for the general fund by bringing the cap down to 2% immediately instead of gradually, but it appears lawmakers lack the resolve for such a decisive step.

Scheduled for Senate Rules, Monday.

SB 1451



Statewide Ballot Measures; Circulators; Procedures

Undermines Arizona's Citizen Initiative Process

Sen. Vince Leach

Would institute registration of out-ofstate signature collectors, and require all petitions for statewide initiatives and referenda to be organized and grouped by circulator.

This is an extra burden on campaigns, especially grassroots campaigns. It also makes it easier for opponents to disqualify entire signature sheets. This would mean campaigns need even more signatures as a cushion, further raising the already high cost of putting measures on the ballot.

This is a direct attack on citizen efforts like our No on Prop. 305! Ready for the floor.

SCR 1023



Initiative; Referendum; Signatures; Legislative Districts

Undermines Arizona's Citizen Initiative Process

Sen. Sine Kerr

Would essentially doom the citizen initiative process in Arizona, especially for grassroots groups like SOS AZ.

It <u>restricts Arizona's initiative process</u> by requiring ballot measures to collect signatures from a percentage of voters in each of Arizona's 30 legislative districts: 10% for initiatives and 15% for a constitutional amendment.

This would effectively give any single legislative district veto powers over the rest, allowing a small minority (the most conservative or liberal area in the state) to veto measures that have broad support.

A <u>nearly identical measure</u> was proposed two years ago but did not pass. See <u>mirror bill HCR2005</u>, sponsored by John Kavanagh (R-23).

Scheduled for Senate Rules, Monday.

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