



2021 Legislative Session Summary

Director's Summary of the Session

The Arizona Legislative Session began on Monday January 11. The first day of session is typically a packed day of in person events and a large gathering on the House Floor, although this year was different than any first day in history. The Governor conducted his annual State of the State Speech virtually from his office. The remainder of the legislative session was equally as unusual as the first day, with House and Senate Committees being conducted in hybrid in-person/virtual settings, and the Floor Sessions were also completed in this hybrid model. In person meetings turned into virtual Zoom meetings, and finding legislators passing in the hallways turned primarily into calls and text messages. The pandemic changed the course of history for everyone, including the way business was conducted at our state's capitol.

The pandemic continued to cloud the legislative session as members argued over mask mandates and visitor permissions. The 2020 election also remained a point of contention throughout the session, as the Senate conducted the ballot recount. The most press-worthy topic of the session was undoubtedly the Sports Betting legislation ([HB2772](#)), which established new laws governing fantasy sports contests and event wagering, as well as the ongoing debate about the income tax cuts, which was eventually resolved in the final days of the session in the Budget.

The biggest wins for the community colleges was the passage of [SB1453](#) baccalaureate degree authority at community colleges, as well as in the Fiscal Year 2022 Budget. Maricopa Community Colleges received our full funding request of \$10.4 million for STEM programs.

As a reminder, in January, the Maricopa Community College Governing Board adopted a 2021 Legislative Agenda to guide the work of the Government Relations Director. The priorities can be found on the Government Relations website, [linked here](#).

Budget Highlights

The Budget discussions started simultaneously with the beginning of session, with the Governor publishing his Budget priorities on the first Friday of session, and the House and Senate generally following suit in the following weeks. On Friday January 15, Governor Ducey released his Executive Budget priorities for the upcoming legislative session. Items of interest in this \$12.2 billion Budget include:

- \$1.6M for MCCC CD STEM Funding for Fiscal Year 2022.
- \$6M increase for the Arizona Teachers Academy (Rio Salado College and Scottsdale receive funding or student scholarships for this program).

- Creating a targeted child care pilot program for students of nursing or education.
- Universities are receiving \$35M for their New Economy Initiative.
- K-12 getting largest bump: \$400M remedial education & \$250M for other programs.
- \$200 million in tax cuts, phasing to \$600 million over the next three years.

In response to the Executive Budget released on January 15, the Senate Republicans released their initial Budget framework [available here](#). The only funding relevant to higher education initiatives was an increase to the adult education program. Rio Salado operates the state's largest adult education program, so this additional funding would support additional adult learners to attend our program. The House Republicans never released their initial framework, and the FY22 Budget excitement came to a halt for a few months to follow as policy bills became the focus.

In April, the Finance Advisory Committee (FAC), a nonpartisan group of financial experts to help inform the legislature on revenue and budgetary projections, met to discuss the Fiscal Year (FY) 2022 financial projections. The Budget projections were extremely healthy and the amount of money available for new programs and projects for our state is very positive. This was great news to everyone seeking legislative appropriations.

After months of closed door meetings to try to find the right balance to get just enough votes on the budget, the result was unveiled. The biggest focus of the Budget was the \$1.8 billion dollar income tax cut. Community colleges fared well in the Fiscal Year 2022 Budget, receiving \$41 million above their FY21 appropriations, including **Maricopa who received our full funding request of \$10.4 million ongoing for STEM and workforce development programs**. In addition, the Budget included \$400,000 for adult education to maximize the state-federal match (Rio Salado College is a recipient of these funds), as well as \$7.5 million for Return to Work Scholarships for unemployed individuals interested in reskilling and upskilling at community colleges as a result of their employment challenges through the pandemic. (We are in communication with the Governor's office which has yet to release a full plan for these scholarships.) Lastly, the FY22 Budget included \$17 million for the Transwestern Pipeline settlement, a portion of which Maricopa Community Colleges will receive. This was part of the Board's legislative priorities and the policy fix to this property tax issue was also passed into law through HB2316.

Next Session Insights

Government Relations begins preparations for the next session immediately upon the conclusion of this session. Internal work to begin developing recommendations for the Governing Board's 2022 Legislative Agenda starts in the early summer, with a goal to have the agenda adopted at the October 2021 Board meeting.

The state Budget is always an interesting topic, but there is chatter that the Fiscal Year (FY) 2023 Budget is going to be one to watch, as we see how the rosy state revenue projections actually play out. In addition, federal stimulus will likely have slowed, which may impact the one-time massive influx in revenues that our state has seen this year. It could go either way in the FY2023 Budget - seeing continued growth and large cash balances, or we may have been a bit overzealous in our

projections and the need to “cut back” on spending may present itself. Again, something to watch out for in the next year.

On the community college front, it is anticipated that the next legislative session will be focused on addressing expenditure limitation issues. This has been a looming issue for several years, and a bill that was introduced this session to provide a long-term expenditure limitation solution ([SB1294](#)) received some interest, but did not pass. [HB2373](#), a paired down version providing temporary pandemic-linked expenditure limitation relief passed, although the desire for a permanent solution is still needed. All of the community college districts in Arizona, including Maricopa, are interested in modernizing the outdated 1980 formula which sets spending limits to better reflect the cost of programs and the way we do business. This was a priority on the Board's 2021 legislative agenda.

We will also be prepared to play some defense on the baccalaureate degree authority at community colleges statutes in anticipation of attempts to make unwelcome changes to this statute or our governance.

Addressing the healthcare workforce shortage was a topic of interest this session, although little action was taken. It is anticipated that this will remain a priority for next session and community colleges will surely play an active role in helping develop policy and programs to fill the gap in this essential workforce.

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*Unless the bill includes an Emergency Clause (meaning it takes effect immediately upon the Governor's signature), the **general effective date for the majority of the legislation that passed this session is September 29, 2021.** There is also an exception for the Budget Bills, which took effect on July 1, 2021. In addition, some legislation may include a retroactivity clause, meaning it took effect on a specific date.*

Bills that Passed Impacting Higher Education and MCCCDC Operations:

Operations

[SB1012: Community Colleges; Lease-Purchase Agreements; Indebtedness](#)

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Budget Bills

[SB1823/HB2895: General Appropriations Act; 2021-2022](#)

[SB1825/HB2897: Higher Education; Budget Reconciliation; 2021-2022](#)

[SB1826/HB2898: K-12 education; budget reconciliation; 2021-2022](#)

Introduced Bills that Did Not Pass:

Operations

[SB1074: Local Governments; Audits; Public Meetings](#)

[SB1260: Property Tax Exemptions; Statutory Conformity](#)

[SB1294: Community Colleges; Expenditure Limitation](#)

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[SB1179/SB1289/HB2123: CTEDS: Fourth-Year Funding](#)

[SB1341: Schools; Incentive Program; Dual Enrollment](#)

[SB1342: Appropriation; Maricopa Community College District](#)

[SB1343: Community College Opportunity Grants; Appropriations](#)

[SB1344: Community Colleges; Dual Enrollment; Funding](#)

[SB1508: Arizona Promise Program; Appropriation](#)

[SB1509/HB2527: Arizona Community College Promise Scholarships](#)

[SB1528: Maricopa; STEM Workforce Programs; Appropriations](#)

[SB1617: Arizona High School Graduates; Tuition](#)

[HB2017: Appropriation; STEM; Learning; Workforce Development](#)

[HB2061: CTEDS; Nonprofits; Postsecondary Institutions; Agreements](#)

[HB2103: Nursing Shortage; Workforce Preparation; Plan](#)

[HB2117: Teachers Academy; Service Requirement](#)
[HB2179: Adult education; grants](#)
[HB2207: Appropriations; Community Colleges](#)
[HB2405/SB1393: Continuing High School Education Program](#)
[HB2629/SB1375: Arizona Nurses Academy](#)
[HB2633: Nursing Shortage; Workforce Preparation; Plan](#)
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[HB2732: Teachers Academy; Mental Health Professionals](#)
[HB2824: Adult Education; Grant Program; Appropriations](#)
[HB2833: Child Care Assistance; Pilot Program](#)

Other

[SB1603: Appropriation; Refunds; Transwestern Pipeline Litigation](#)
[HB2836: Appropriations; Rural Community Colleges](#)

Legislative Activity this Session

Bills that Passed: MCCCDC Operations

[SB1012: Community Colleges; Lease-Purchase Agreements; Indebtedness](#)

Summary: The maximum period of time a community college district board may enter into a lease-purchase agreement is increased to 20 years, from 15 years. The amount of outstanding indebtedness due to acquiring real property by lease-purchase for community college districts in counties with a population of 750,000 persons or more (Maricopa and Pima Counties) is increased to \$25 million in any one year and \$50 million in the aggregate, from \$2.5 million in any one year and \$15 million in the aggregate.

[SB1420: Schools; Universities; Consular Identification Cards](#)

Summary: School districts and charter schools are required to accept a consular identification card to show verifiable documentation of Arizona residency. Community colleges and universities under the jurisdiction of the Arizona Board of Regents are required to accept a consular identification card as a valid form of identification. The state and political subdivisions are required to accept a consular identification card that is issued by a foreign government as a valid form of identification if the foreign government uses "biometric identity verification techniques" (defined) in issuing the card, instead of being prohibited from accepting a consular identification card as a valid form of identification.

[SCR1044: Tuition; Postsecondary Education](#)

Summary: The 2022 general election ballot is to carry the question of whether to amend state statute to make a student who attended any public or private high school option or homeschool equivalent while physically present in Arizona for at least two years, and who graduated from public or private high school or a homeschool equivalent in Arizona or obtained a high school

equivalency diploma in Arizona eligible for in-state tuition at any university under the jurisdiction of the Arizona Board of Regents or any public community college. Persons without lawful immigration status are eligible for in-state tuition under these provisions.

HB2112: Truth in Taxation; Press Release

Summary: When community college district governing boards and county flood control district governing bodies are required to issue a press release because the proposed primary property tax levy is greater than the amount levied in the preceding tax year, the press release is required to include the name of the newspaper of general circulation in which the truth in taxation notice will be published and the dates on which it will be published. The district or governing body is also required to post the press release on their official website.

HB2373: Community College; Expenditure Limit

Summary: Limits community college districts (districts) that exceed expenditure limitations from receiving state aid in FY 2022 as outlined:

- \$5,000 if the excess expenditures are less than 5 percent of the limitation;
- \$15,000 if the excess expenditures are at least 5 percent, but less than 10 percent of the Limitation;
- \$20,000 if the excess expenditures are at least 10 percent, but less than 12 percent of the limitation; or
- Calculated according to the current statutory withholding, if the excess expenditures are at least 12 percent or more of the limitation.

HB2830: Alternative Organization; Community College Districts

Summary: Modifies the requirements for a provisional community college district to be allowed to organize a community college district to reduce the minimum full-time equivalent student enrollment required to 450, from 900.

HB2906: Governance; Audits; Trainings

Summary: The state, state agencies, counties, municipalities, and political subdivisions are prohibited from requiring an employee to engage in training, orientation, or therapy that presents any form of "blame or judgment on the basis of race, ethnicity or sex" (defined). The state, state agencies, counties, municipalities, and political subdivisions are prohibited from using public monies for training, orientation, or therapy that presents any form of blame or judgment on the basis of race, ethnicity or sex. Does not preclude any training on sexual harassment. Also, within 90 days after completing a financial audit, county boards of supervisors, municipal governing bodies, and community college districts boards must require the certified public accountant or auditor who performed the audit to present the audit results and any findings to the board or governing body in a regular meeting without the use of a consent agenda.

Bills that Passed: MCCCDC Programs

SB1181: Doulas; Voluntary Certification

Summary: Establishes a voluntary certification process for a person to "practice as a state-certified doula" (defined). The Department of Health Services (DHS) is required to prescribe certification requirements by rule, including the scope of practice, core competencies, minimum qualifications, education and training requirements, and standards and requirements for education and training programs. DHS is required to waive the minimum training and education requirements for certification for applicants who provide documentation of current certification with a nationally recognized doula organization. DHS is required to establish by rule nonrefundable fees for state-certified doula certification, and to deposit the fees in a segregated account in the Health Services Licensing Fund. A doula certificate is valid for three years. Establishes the Doula Community Advisory Committee in DHS to consult with the DHS Director on rules relating to doulas.

SB1278: Health Professionals; Preceptorships

Summary: The Arizona Medical Board, Board of Osteopathic Examiners in Medicine and Surgery, Arizona Regulatory Board of Physician Assistants, and Board of Nursing are each required to develop a "preceptorship" (defined) awareness campaign that educates licensed medical professionals on how to become and the benefits of being a medical preceptor for students. Also, a physician who works only at a health care institution's emergency department and who dispenses no more than a two-day supply of a non controlled substance medication that is kept by a health care institution is authorized to dispense it under the dispensing registration of the medical director of the health care institution's emergency department and is not required to register to dispense medications if specified conditions are met.

SB1453: Baccalaureate Degrees at Community Colleges

Summary: Community colleges in counties with a population of 750,000 or less (all but Maricopa and Pima) are authorized to offer four-year baccalaureate degrees that are accredited by a regional accreditation agency approved by the U.S. Department of Education. Community colleges in counties with a population of more than 750,000 (Maricopa and Pima) are authorized to offer four-year baccalaureate degrees that are accredited by a regional accreditation agency approved by the U.S. Department of Education, except that for the first four years baccalaureate degrees are offered those degrees cannot exceed 5 percent of the total number of degrees offered by the college, and for the fifth and subsequent years baccalaureate degrees cannot exceed 10 percent of the total number of degrees offered. In counties with a population of more than 750,000 (Maricopa and Pima), tuition per credit hour for the third and fourth years of a four-year baccalaureate program cannot exceed 150 percent of the tuition per credit hour of any other community college district program. Establishes criteria that a community college district must consider when determining whether to offer baccalaureate degree programs. Each community college offering a baccalaureate degree program is required to submit a report to the Joint Legislative Audit Committee by October 1 of the fifth year after offering baccalaureate degree programs, and information that must be included in the report is specified. Contains legislative findings. Includes a notification and public response period for the universities.

HB2021: College Course Credit; Dual Enrollment

Summary: For high school graduation requirements being fulfilled by a college course, the school board is authorized to award up to 1 Carnegie unit for each three semester hours of credit that the student earns in an appropriate college course. High school freshmen and sophomores are permitted to enroll in dual enrollment courses for college credit.

HB2832: Teachers Academy; Revisions

Summary: Makes changes relating to the Arizona Teachers Academy. If an Academy student enrolls in a summer term, that term cannot be included in the calculation of the student's postgraduation public service commitment. Also blends multiple enactments. Retroactive to January 1, 2021. Due to voter protection, this legislation requires the affirmative vote of at least 3/4 of the members of each house of the Legislature for passage.

Bills that Passed: Other

SB1236: College Savings Program; Name Change

Summary: The Family College Savings Program is renamed "AZ529, Arizona's Education Savings Plan."

SB1377: Civil Liability; Public Health Pandemic

Summary: If the Governor declares a state of emergency for a public health pandemic, a person or "provider" (defined) that acts in good faith to protect a person or the public from injury from the pandemic is not liable for damages in any civil action for any injury, death or loss to person or property that is based on a claim that the person or provider failed to protect the person or the public from the effects of the pandemic, unless it is proven by clear and convincing evidence that the person or provider failed to act or acted with willful misconduct or gross negligence. A person or provider is presumed to have acted in good faith if the person or provider adopted and implemented reasonable policies related to the pandemic. If the Governor declares a state of emergency for a public health pandemic, a health professional or health care institution that acts in good faith is not liable for damages in any civil action for an injury or death that is alleged to be caused by the health professional's or health care institution's action or omission while providing health care services in support of Arizona's response to the state of emergency declared by the Governor, unless it is proven by clear and convincing evidence that the professional or institution failed to act or acted with willful misconduct or gross negligence. A health professional or health care institution is presumed to have acted in good faith if the professional or institution relied on and reasonably attempted to comply with applicable published guidance relating to the pandemic that was issued by a federal or state agency. Applies to all claims filed before or after the effective date of this legislation for an act or omission that occurred on or after March 11, 2020 relating to a pandemic that is the subject of the state of emergency declared by the Governor. Does not apply to workers' compensation claims. Retroactive to March 11, 2020. Includes a severability clause.

HB2016: Child Care Assistance; Education; Training

Summary: The Department of Economic Security is authorized to waive a portion or the entirety of the work requirements to continue to provide supplemental child care assistance to a person

who has been receiving assistance and who has enrolled full time in an accredited educational institution, remedial educational activity or employment training program leading to a vocational, technical or trade certification or an associate degree or bachelor's degree, and the educational or training program is reasonably related to employment goals. The person is required to demonstrate satisfactory progress to the Dept in the education or training activity.

HB2316: Centrally Assessed Property; Valuation; Pipelines

Summary: The "base value" (defined), which is part of the calculation for determining property taxes on pipeline property, is required to be adjusted if one of a list of specified circumstances applies, including a final ruling by a court of competent jurisdiction in Arizona that the full cash value of a pipeline in Arizona is more than the market value using standard appraisal methods, and specified agreements between a pipeline company and the Department of Revenue to adjust the base value as a result of a pending tax appeal or to correct an error in the calculation of full cash value of the system plant in service. Retroactive to tax years beginning with 2016.

Note: This legislation fixes the Transwestern Pipeline property tax issue as part of the Board's legislative priorities.

HB2438: Commerce Authority; Career Landscape Information

Summary: The Arizona Commerce Authority is required to annually collect and compile a list of information related to job demand, average starting salary, costs to attend postsecondary institutions, graduation rates of postsecondary institutions, and student loan payments. All state agencies, universities under the jurisdiction of the Arizona Board of Regents, community colleges, vocational programs and private postsecondary institutions are required to provide data, reports and other information as requested by the Authority for this purpose by October 1 of each year. By December 1 of each year, the Authority is required to transmit the information to each public high school in Arizona to distribute to students. The Authority is required to make the information publicly available on its website. Effective January 1, 2022.

Fiscal Year 2021-2022 Budget Bills

SB1823/HB2895: General Appropriations Act; 2021-2022

Summary: The "feed bill" for FY2021-22, containing appropriations for state agencies and programs. Read the details of the bill provisions [here](#). Highlights include:

- Maricopa Community Colleges is receiving \$10.4 million in FY22 for STEM programs, a significant increase from the \$1.6 million appropriated in FY21.
- Rural community colleges (i.e. all community college districts excluding Maricopa and Pima) are receiving \$28 million above their FY21 appropriation.
- \$7.5 million for community college "Return to Work" scholarships for unemployed individuals looking to reskill or upskill as a result of the pandemic.
- \$400,000 for the adult education program to maximize the state/federal match. Rio Salado college is a recipient of these funds.
- \$5M for the CTE 4th Year funding, which would be eligible to high school graduates to complete CTE programs the immediate year following their graduation.

- \$17M for the Transwestern Pipeline Settlement, a priority on the Board's legislative agenda, a small portion of which will be allocated to Maricopa Community Colleges (~\$300,000).

SB1825/HB2897: Higher Education; Budget Reconciliation; 2021-2022

Summary: Makes policy changes in community college and university programs that affect the state budget. Read the details of the bill provisions [here](#). Highlights include:

- Details for the community college Return to Work scholarship program.
- Vaccine and mask prohibitions for higher education institutions.

SB1826/HB2898: K-12 education; budget reconciliation; 2021-2022

Summary: Makes policy changes in K-12 programs that affect the state budget. Read the details of the bill provisions [here](#). Highlights include:

- Outlines restrictions and penalties relating to the inclusion of controversial issues of public policy and social affairs within coursework. Although K-12 focused, there are concerns about the potential impact on the delivery of dual enrollment instruction.
- Allows high school Career and Technical Education (CTE) programs to be funded for students the immediate year after graduation to complete their CTE program for certification if prescribed requirements are met.

Bills that were introduced that did not pass: Operations

SB1074: Local Governments; Audits; Public Meetings

Summary: The state, state agencies, counties, municipalities, and political subdivisions are prohibited from requiring an employee to engage in training, orientation, or therapy that presents any form of "blame or judgment on the basis of race, ethnicity or sex" (defined). The state, state agencies, counties, municipalities, and political subdivisions are prohibited from using public monies for training, orientation, or therapy that presents any form of blame or judgment on the basis of race, ethnicity or sex. Does not preclude any training on sexual harassment. Also, within 90 days after completing a financial audit, county boards of supervisors, municipal governing bodies, and community college districts boards must require the certified public accountant or auditor who performed the audit to present the audit results and any findings to the board or governing body in a regular meeting without the use of a consent agenda.

Note: This legislation was reintroduced and passed as HB2906.

SB1260: Property Tax Exemptions; Statutory Conformity

Summary: Exempts the property of veterans with service or non service connected disabilities who are Arizona residents from taxation, with an allowed exemption amount of \$4,117 multiplied by the percentage of the veteran's disability, as rated by the U.S. Department of Veterans Affairs, if the person's total assessment does not exceed \$27,970. The exemption limit for property of widows, widowers and persons with total and permanent disabilities is increased to \$4,117, from \$3,000, if the person's total assessment does not exceed \$27,970, increased from \$20,000. Also makes various changes to property tax statutes in order to conform to proposed changes to property tax exemptions contained in the state Constitution. Conditionally enacted on the state

Constitution being amended by a vote of the people at the next general election by the passage of Senate Concurrent Resolution 1019 to consolidate and reorganize provisions relating to exemptions from property taxation.

SB1294: Community Colleges; Expenditure Limitation

Summary: For the purposes of calculating community college district expenditure limitations, the multiplier for the number of full-time equivalent students enrolled in career and technical education courses is increased to 1.0, from 0.3. As session law, retroactive to July 1, 2020, if a community college district exceeds its expenditure limitation for FY2020-21, FY2021-22, or FY2022-23, the district cannot have any state aid withheld and the penalty is \$100.

Note: This legislation was utilized as a strike-everything amendment, meaning the original bill impacting community colleges was no longer being offered, and the bill transformed into text impacting criminal justice reform.

SB1302: CTEDS; Average Daily Membership

Summary: Students in an approved Career Technical Education District (CTED) centralized program, including one provided by a satellite campus, or a leased centralized program may generate an average daily membership (ADM) up to 0.25 for 150 hours of instruction received during any hour of the day, any day of the week, and at any time between July 1 and June 30 of each fiscal year. The ADM for a student who is enrolled in a career technical education course or program provided by a community college is 0.25 for the accumulation of every three community college credits for which a student is enrolled in career technical education courses. Establishes calculations for ADM for students in approved career technical education programs based on the number of instructional hours of enrollment. Contains a legislative intent section.

SB1436: Postsecondary Institutions; Criminal History; Applications

Summary: An institution of higher education is prohibited from using an initial admissions application that requests information about the applicant's criminal history. After an applicant has otherwise been determined to be qualified for admission, an institution of higher education may inquire into or obtain information about the applicant's criminal history for specified purposes. An institution of higher education may not automatically or unreasonably deny an applicant's admission or restrict access to campus residency based on that applicant's criminal history. Each institution of higher education is required to develop a process to determine whether there is a relationship between an applicant's criminal history and a specific academic program or campus residency to justify denying admission or restricting access to campus residency, and factors that must be considered as part of the process are listed.

SB1772: Community Colleges; Employment Contracts; Duration

Summary: The maximum length of a community college district board employment contract with chancellors, vice-chancellors and presidents is decreased to three years, from five years. Applies to all new employment contracts entered into on and after the effective date of this legislation. All chancellors, vice-chancellors and presidents who are under an existing employment contract with a community college district board can continue to serve until the expiration of their existing contract.

SCR1019: Constitutional Property Tax Exemptions

Summary: Subject to voter approval, amends the Constitution of Arizona to repeal sections relating to property tax exemptions and replaces the sections with one consolidated property tax exemption section.

SCR1027: Property Tax Exemption; Veterans Disabilities

Summary: The 2022 general election ballot is to carry the question of whether to amend the state Constitution to repeal and replace the property tax exemption for veterans. Impossible to determine new provisions without a line by line comparison. Applies to tax years beginning with 2023.

HB2190: Vaccines; Government; Businesses

Summary: Prohibits the state or a county or local government entity or official from requiring a person to receive a vaccine, with exceptions. Prohibits a business entity, ticket issuer, the state or a county or local government entity or official from conditioning service or access on if a person has received a vaccine. Prescribes penalties for violations.

HB2279: Community Colleges; Joint Study; Benefits

Summary: The community colleges in Arizona are required to jointly conduct a study to determine the best method or other methods for helping community college students learn about state and federal programs that offer financial or other benefits to community college students, and apply for those benefits. The community colleges are required to jointly submit a report of the findings and recommendations of the study to the Governor and the Legislature by February 1, 2022. Contains an emergency clause.

HB2340: Student Loan Servicers; Licensure

Summary: Adds a chapter to Title 6 (Banks & Financial Institutions) requiring a person acting as a "student loan servicer" (defined) to obtain a license from the Superintendent of the Financial Institutions Division of the Department of Insurance and Financial Institutions (DIFI). Some exceptions. Establishes license application requirements and fees. Student loan servicer licenses expire on September 30 of each odd-numbered year and may be biannually renewed. Establishes requirements and prohibited practices for licensees as well as penalties for violations. Establishes a student loan ombudsman in DIFI to attempt to resolve complaints from student loan borrowers and establish a student loan borrower education course by October 1, 2021. Due to a potential increase in state revenue, this legislation requires the affirmative vote of at least 2/3 of the members of each house of the Legislature for passage, and becomes effective on signature of the Governor.

HB2597: Noncredit Courses; Workforce Training; Enrollment

Summary: "Noncredit courses that are offered for the purposes of workforce training" (defined) at a community college are eligible for the calculation of the number of full-time equivalent students for the purpose of state aid.

Bills that were introduced that did not pass: Programs

SB1099: Teachers Academy; Counselors; Social Workers

Latest Action: Did not receive a hearing in the House in time for the committee deadline, so it is likely this legislation is not moving forward. Removing from the bill tracking sheet next week.

Summary: Expands the Arizona Teachers Academy, which offers scholarships to students who commit to teaching in a public school in Arizona, to include students who commit to working as school social workers and school counselors in Arizona. Changes the name of the Academy to the Arizona Teacher, School Social Workers and School Counselors Academy. Due to voter protection, a section of this legislation with a conforming change requires the affirmative vote of at least 3/4 of the members of each house of the Legislature for passage.

SB1179/SB1289/HB2123: CTEDS: Fourth-Year Funding

Summary: Students in 9th grade and students in the school year immediately following graduation who are enrolled in courses that are approved jointly by the governing board of the Career Technical Education District (CTED) and each participating school district or charter school may be included in a CTED's calculation of student count or average daily membership. Funding cannot be provided for more than four years for the same student. Funding for students in grade 9 is provided only if the student reaches the 40th day of grade 10, and at that time funding is provided for that student for grade 9 and for any subsequent year in which the student is eligible for funding. By September 1 of each year, the Office of Economic Opportunity in collaboration with the Department of Education is required to compile an in-demand regional education list of the approved career technical education programs that lead directly to a career path in high demand with median-to-high-wage jobs in that region. The Office is required to submit the in-demand regional education list to the Arizona Career and Technical Education Quality Commission for review and approval. For a student in grade 9 or in the school year immediately following graduation, funding is provided to the CTED only if the student is enrolled in a program that was included on the in-demand regional education list for that student's region for the year in which the student began the program. Session law provides that for FY2021-22 through FY2024-25, a student participating in an approved CTED program included on the in-demand regional education list on the date the list is compiled qualifies for funding in the year immediately following graduation.

Note: This legislation was included in the FY22 Budget bill (SB1826)

SB1341: Schools; Incentive Program; Dual Enrollment

Summary: The College Credit by Examination Incentive Program is renamed the Dual Enrollment and College Credit by Examination Incentive Program, and the Program is expanded to provide an incentive bonus to teachers, school districts and charter schools for students who complete a qualifying dual enrollment course with a passing grade. Each community college district governing board is required to maintain a list of qualifying dual enrollment courses that a high school student may take and the passing grade required in each dual enrollment course in order to receive college credit, and to provide the list of dual enrollment courses and passing grades to the Arizona Department of Education (ADE) and the Joint Legislative Budget Committee by September 1 of each year. Beginning in FY2022-23, ADE is required to pay an incentive bonus to school districts

and charter schools for each student in grades 9 through 12 who completes a qualifying dual enrollment course and who is enrolled in a school where 50 percent or more of the students are eligible for free or reduced-price lunches. Each qualifying student generates a bonus of \$450 per passing grade in a qualifying dual enrollment course for the school. If the statewide sum of per student bonuses exceeds the amount available, bonus monies must be reduced proportionally.

SB1342: Appropriation: Maricopa Community College District

Summary: Appropriates \$2 million from the general fund in FY2021-22 to the Maricopa County Community College District. The Legislature intends that the monies be used for the Achieving a College Education (ACE) Program.

SB1343: Community College Opportunity Grants: Appropriations

Summary: Beginning August 1, 2021, each community college district governing board and tribal college is required to administer community college opportunity grants for eligible students. Requirements for grant eligibility are specified. The grants must be used to pay for tuition and approved educational fees for up to 18 credit hours at any tribal college or community college within the community college district for one year. Appropriates \$5 million from the general fund in each of FY2021-22 through FY2023-24 to the newly established Community College Opportunity Grant Fund for the purposes of this legislation. Retroactive to August 1, 2021.

SB1344: Community Colleges: Dual Enrollment: Funding

Summary: For a student who takes a course for which credit is awarded by both a community college and a high school, in which the instructor is an employee of the high school and in which the class is being taught on the high school campus during the normal high school operating hours, the amount of state aid that the community college is entitled to receive for that student is prohibited from being reduced, instead of being required to be reduced by 50 percent. Appropriates a total of \$1.06 million from the general fund in FY2021-22 in specified amounts to each community college district to fully fund dual-enrollment students as required by this legislation.

SB1508: Arizona Promise Program: Appropriation

Summary: "Eligible postsecondary institutions" (defined) are required to implement an Arizona Promise Scholarship Program to provide financial assistance for Arizona high school graduates who meet specified eligibility requirements, including qualifying for in-state student status and establishing financial need. Each eligible postsecondary institution is required to provide to each eligible student an award up to the actual cost of in-state tuition and fees, reduced by the amount of any other federal aid scholarships or public grants. The Program terminates on July 1, 2031. Appropriates \$50 million from the general fund in FY2021-22 to the newly established Arizona Promise Scholarship Fund for the Program.

SB1509/HB2527: Arizona Community College Promise Scholarships

Summary: Establishes the Arizona Community College Promise Scholarship Program is established, to be administered by the Department of Administration. Establishes a 5-member Arizona Community College Promise Scholarship Commission to oversee the Program, and

requires the Commission to contract with a nonprofit organization to provide student support to scholarship recipients. Eligible students may apply to the Dept for a scholarship, and eligibility requirements are specified. The Dept is required to award to each eligible applicant a scholarship of up to \$3,000 each year for up to two years. Appropriates \$10 million from the general fund in FY2021-22 to the newly established Arizona Community College Promise Scholarship Fund for the Program.

SB1528: Maricopa; STEM Workforce Programs; Appropriations

Summary: Appropriates \$10.33 million from the general fund in FY2021-22 to the Maricopa County Community College District for additional science, technology, engineering and mathematics and workforce programs. The District is required to distribute the monies first to Estrella Mountain Community College (EMCC) and Glendale Community College (GCC) to develop and expand program offerings in high need health care programs. The District is required to distribute any remaining monies to other community colleges in the district to develop and expand programs in the high need workforce areas of health care, technology, and manufacturing.

Note: Although this bill did not pass, this funding was included in the FY22 Budget (without the earmark for EMCC and GCC).

SB1617: Arizona High School Graduates; Tuition

Summary: A person who applies for admission to a state university or community college after graduating from a public or private high school in Arizona is entitled to the Arizona high school graduate tuition rate in an amount prescribed by the Arizona Board of Regents or the community college district governing board. A person who has previously qualified for the Arizona high school graduate tuition rate remains qualified for that tuition rate as long as that person remains "continuously enrolled" (defined) at that educational institution.

HB2017: Appropriation; STEM; Learning; Workforce Development

Summary: Appropriates \$3 million from the general fund in FY2021-22 to the Arizona Commerce Authority to administer a grant program charged with cultivating STEM learning and STEM workforce development opportunities in Arizona. The legislature intends that the appropriation be considered ongoing funding in future years. By December 31, 2021, the Authority is required to report to the Legislature on distribution of grant monies.

HB2061: CTEDS; Nonprofits; Postsecondary Institutions; Agreements

Summary: The list of entities that may enter into agreements to provide administrative, operational and educational services and facilities for a Career Technical Education District (CTED) Board is expanded to include a nonprofit organization that is devoted to vocational training or a public or private postsecondary institution.

HB2103: Nursing Shortage; Workforce Preparation; Plan

Summary: Establishes an 18-member Nursing Workforce Preparation and Shortage Work Group in the Department of Health Services to review nursing education curriculum, establish a long-term plan to address Arizona's nursing workforce preparation and shortage, and prepare recommendations for changes to curriculum and the feasibility of a nurse residency pilot program.

The Work Group is required to report its recommendations to the Legislature, the Arizona Board of Regents, and the Joint Legislative Budget Committee by June 30, 2022. Self-repeals January 1, 2024.

HB2117: Teachers Academy; Service Requirement

Summary: An undergraduate student who is receiving a scholarship from the Arizona Teachers Academy is allowed to begin fulfilling the student's service requirement after the student completes at least one year of the program in good academic standing but before the student graduates from the undergraduate program. The student may begin fulfilling the service requirement through volunteer or paid work in a school, including serving as a tutor, as an assistant teacher or in another position that is student-learning focused. Student teaching does not count toward the service requirement.

HB2179: Adult education; grants

Summary: Establishes the Innovative Adult Education Grant Program (Grant Program) and the Innovative Adult Education Grant Program Fund (Grant Program Fund) to provide adult learners with education services and prescribes application, approval, evaluation and reporting requirements. Allows schools to provide high school education to persons who are at least 22 years old and have not yet graduated from high school.

HB2207: Appropriations; Community Colleges

Summary: Makes supplemental appropriations of \$29.5 million from the general fund in FY2021-22 to community college districts (CCDs) for specified purposes: \$8.3 million to Pima County CCD, \$16.1 million to Maricopa County CCD, \$618,100 to Pinal County CCD and \$500,000 each to Cochise County CCD, Coconino County CCD, Gila County CCD, Graham County CCD, Mohave County CCD, Navajo County CCD, Santa Cruz County CCD, Yavapai County CCD, and Yuma/La Paz County CCD.

HB2405/SB1393: Continuing High School Education Program

Summary: The State Board of Education is required to establish a continuing high school program to provide adult learners with alternative study services that lead to the issuance of a high school diploma and industry-recognized credentials. The Board is required to authorize service providers that are qualified 501(c)(3) organizations that meet specified requirements to operate schools through partnerships with school districts, nonprofit charter schools or Career Technical Education Districts. A school participating in the program is eligible to receive base support level funding and additional assistance in the same manner as a school district or charter school, but is not eligible for transportation funding or Arizona online instruction funding. Establishes reporting requirements for service providers, and requires the Department of Education to report on the Program to the Governor and the Legislature by December 15, 2024 and by December 15 of each year after. The Board is authorized to approve program service providers with a total projected average daily membership of up to 350 in FY2022-23, up to 700 in FY2023-24, and up to 1,400 in FY2024-25 and each FY after. The program terminates on July 1, 2031.

HB2629/SB1375: Arizona Nurses Academy

Summary: "Eligible postsecondary institutions" (defined) are required to implement an Arizona Nurses Academy to provide incentives for students to enter the nursing profession and commit to practice in Arizona in a hospital, community health center, skilled nursing facility or public school that is located in a county with a population of less than 500,000 persons or on an Indian reservation or for a home health agency under contract with the Division of Developmental Disabilities in the Department of Economic Security. Each eligible postsecondary institution is required to develop formalized partnerships in Arizona to build commitments for nurse employment on a student's completion of the Academy. Each eligible postsecondary institution is required to provide to each full-time student who is enrolled in the Academy an annual scholarship of \$5,000 per year for a maximum of four academic years or eight semesters for undergraduate university students, or \$3,000 per year for a maximum of two academic years or four semesters for community college students, for tuition and fees associated with the student's program of study. Requirements to qualify for the scholarships are established. By September 1, 2022 and each year thereafter, the Arizona Board of Regents is required to report to the Governor and the Legislature specified information relating to the Academy.

HB2633: Nursing Shortage; Workforce Preparation; Plan

Summary: Establishes an 18-member Nursing Workforce Preparation and Shortage Work Group in the Department of Health Services to review nursing education curriculum, establish a long-term plan to address Arizona's nursing workforce preparation and shortage, and prepare recommendations for changes to curriculum and the feasibility of a nurse residency pilot program. The Work Group is required to report its recommendations to the Legislature, the Arizona Board of Regents, and the Joint Legislative Budget Committee by December 31, 2021. Self-repeals January 1, 2024. Emergency clause.

Note: This legislation was utilized as a strike-everything amendment, meaning the original bill developing a nursing shortage plan was no longer being offered, and the bill transformed into text impacting long-term care services (which passed).

HB2675: Appropriations; Medical Workforce Development

Summary: Makes a supplemental appropriation of \$5 million from the general fund in FY2021-22 to Pima County Community College District and a supplemental appropriation of \$5 million from the general fund in FY2021-22 to Maricopa County Community College District. The districts are required to use the appropriations to train health-related professionals and develop a medical workforce development plan that includes a component for increasing the number of graduating professionals who will serve in rural counties in Arizona.

HB2732: Teachers Academy; Mental Health Professionals

Summary: Expands the Arizona Teachers Academy, which offers scholarships to students who commit to teaching in a public school in Arizona, to include students who commit to working as school psychologists, school social workers and school counselors in Arizona. Changes the name of the Academy to the Arizona Teacher, School Psychologists, School Social Workers and School Counselors Academy. Due to voter protection, a section of this legislation with a conforming

change requires the affirmative vote of at least 3/4 of the members of each house of the Legislature for passage.

HB2824: Adult Education; Grant Program; Appropriations

Summary: The Arizona Department of Education (ADE) is required to establish an adult education community college co-enrollment grant program that provides adult learners pursuing a high school equivalency diploma with enhanced study services and that leads to the issuance of both a high school diploma and a community college-offered, industry-recognized credential or degree. To be eligible to participate, the grant applicant must be a recognized high school equivalency program provider through ADE as part of the federal Workforce Innovation and Opportunity Act. ADE is required to establish application criteria for the grant program. Makes a supplemental appropriation of \$3.5 million from the general fund in FY2021-22 to the newly established Adult Education Community College Co-enrollment Fund for the program, and a supplemental appropriation of \$1.5 million from the general fund in FY2021-22 to ADE for the program.

HB2833: Child Care Assistance; Pilot Program

Summary: Appropriates \$5 million in FY2021-22 and \$10 million in FY2022-23 from the Child Care Development Fund Block Grant to the Department of Economic Security to administer a child care grant pilot program to provide child care assistance to students pursuing degrees in nursing and education at eligible postsecondary institutions.

Bills that were introduced that did not pass: Other

SB1603: Appropriation; Refunds; Transwestern Pipeline Litigation

Summary: Appropriates \$16.1 million from the general fund in FY2021-22 to the Department of Administration to disburse to political subdivisions in Arizona that paid refunds ordered in the Transwestern Pipeline Co. v. Arizona Department of Revenue litigation.

Note: Although this bill did not pass, this funding was included in the FY22 Budget.

HB2836: Appropriations; Rural Community Colleges

Summary: Makes supplemental appropriations totaling \$21.26 million in specified amounts from the general fund in FY2021-22 to the community college districts in Cochise County, Coconino County, Gila County, Graham County, Mohave County, Navajo County, Pinal County, Santa Cruz County, Yavapai County, and Yuma/LaPaz County.

Note: Although this bill did not pass, this funding was included in the FY22 Budget.