



Arizona Pest Professional Organization Legislative Update April 7, 2017

Dear Supporter:

Day 89 - Roughly 128 Senate bills are in play in the House and 137 House bills are in play in the Senate. The majority of those bills have cleared Committee and are either awaiting action in their Committees of the Whole or a final vote in their second chamber. Believe it or not, a week from Tuesday will mark our 100th day in Session. The following Saturday is the date required by rule for sine die adjournment unless leaders extend the deadline. A lot has to happen in the next two weeks, most notably approving the state budget, if lawmakers want to get out of Session on time.

Late last night, Governor Ducey signed into law [SB1431](#), an expansion of the state's Empowerment Scholarship Account (ESA) program. The signing came after heated exchanges in both the House and Senate between the two parties for most of the day. Prior to the signing, the bill was significantly amended from its original form via a Senator Worsley floor amendment. The expansion of the ESA program has been a priority for many GOP members, including the Governor, favoring school choice.

[The Worsley amendment](#), as approved, extends the cap on new ESA accounts that may be opened per year at 0.5% of the total public school student population through 2022. The bill will still allow all students to apply for an ESA, but it will limit the number who can become eligible. It has been estimated that roughly 5,500 additional students will be allowed to sign up for an ESA each year until being capped at year 2022.

The Joint Legislative Budget Committee (JLBC) estimates that SB 1431, as amended, will decrease General Fund costs by \$(1.6) million in FY 2018, \$(2.9) million in FY 2019, \$(3.5) million in FY 2020, and \$(3.4) million in FY 2021 relative to current law.

The ESA Program was established in 2011 to provide educational options for special needs students outside of the public school system. The ESA

Program has since expanded to include: 1) students attending D and F schools or school districts; 2) foster care children; 3) children in military families; 4) siblings of current or previous ESA recipients; 5) school tuition organization recipients who are eligible for the Arizona Scholarships for Pupils with Disabilities Program; and 6) students residing on an Indian Reservation.

Currently, ESAs are funded at 90% of basic state aid that would otherwise be allocated to an ESA recipient's prior school district or charter school. The Department of Education estimates that 3,100 students are enrolled in the ESA Program and approximately \$46 million will be disbursed in FY2017.

The bill as originally introduced would have expanded the definition of a qualified student under the ESA program to effectively allow any Kindergarten student to begin participating in the program in FY 2018 and phase in eligibility of prior public school students in grades 1 – 12 over 4 years. This would have opened the program to over a million new students.

JLBC estimated that the fiscal impact of the introduced bill would have increased the General Fund costs by \$2.1 million in FY 2018, \$5.8 million in FY 2019, \$12.9 million in FY 2020, and \$24.5 million when all prior public school students would have been eligible in FY 2021.

Democrats and some moderate GOP members argued that the new law will take money away from public schools in order to subsidize higher income families who choose to send their children to private schools.

[SB1121 \(certified qualified applicators; fingerprinting requirement\)](#) was approved by the Committee of the Whole House on Wednesday. The bill was originally scheduled for a final vote yesterday in the House, but the aforementioned ESA debate extended throughout the day and the House ended up adjourning before voting on the remaining bills on the calendar, including ours. We expect the bill will receive a final vote next week. As anticipated the amendment that would require the Department to inquire on whether or not an applicant has ever been convicted of a felony was withdrawn in the Committee of the Whole and the bill is moving as originally introduced to require fingerprint clearance cards for all qualified applicators.

Let me know if you have any questions.

Have a great week.

Regards,

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