

**OFFICE OF EXTERNAL AFFAIRS AND PARTNERSHIPS
2019 LEGISLATIVE SUMMARY
(54TH LEGISLATURE, 1ST REGULAR SESSION)**

The 2019 legislative session began on January 14, 2019. The legislature passed a state budget in late May and completed its labors in 134 days, adjourning sine die on May 28, 2019.

There were 1,318 bills and 100 memorials and resolutions introduced in the 2019 legislative session – a small increase over last year. Of these, 320 were signed by the Governor and enacted into law with various effective dates, 11 bills were vetoed, and 24 resolutions/memorials were filed with the Arizona Secretary of State.

The general appropriations act ([HB 2747](#)) and bills signed with an emergency clause are effective upon signature of the governor. The general effective date for most bills is August 27, 2019.

FY 20 BUDGET OVERVIEW

APPROPRIATIONS TO ARIZONA’S UNIVERSITY SYSTEM

The FY 20 budget appropriates a total of \$35 million in additional one-time monies to the university system. This is compared to \$10.5 million in one-time monies appropriated in FY19. The universities’ base budgets remain unchanged.

The \$35 million is proportionately distributed to the three public universities based on the number of Arizona resident students served by each institution. These monies may be used for capital improvements or operating expenditures. The allocation is as follows:

- NAU \$6,650,000
- ASU \$18,900,000
- UA \$9,450,000

In 2017 the public universities and Arizona community colleges were asked to develop and implement programs to provide opportunities for future educators to complete their degrees as debt free as possible. The FY 20 budget provides \$15 million of ongoing dollars to the Arizona Board of Regents (ABOR) for distribution to NAU, ASU, UA, and some community colleges to fund this program. Details of the program can be found in the higher education budget reconciliation bill ([HB 2750](#)).

Additionally, ABOR received:

- \$300,000 to be equally distributed to each university for student internship opportunities in public policy in Washington D.C.
- \$160,000 to be distributed to each university for qualifying intercollegiate adaptive athletics programs

APPROPRIATIONS SPECIFIC TO NAU

- \$500,000 in ongoing monies for the purposes of supporting the Economic Policy Institute in the W. A. Franke College of Business

- \$3,000,000 in ongoing monies to provide grants to a nonprofit medical research foundation in this state that collaborates with universities, hospitals, biotechnology and health research centers

OTHER UNIVERSITY-RELATED APPROPRIATIONS

- \$8,000,000 in ongoing monies to the University of Arizona's College of Medicine – Phoenix to grow the college and provide tuition waivers to medical students

HEALTH INSURANCE TRUST FUND TRANSFERS

The FY20 budget continues to transfer dollars from the universities into the state's Health Insurance Trust Fund (HITF) to offset statewide health insurance costs. The Joint Legislative Budget Committee shall determine the amount each entity must contribute. This transfer affects state general fund appropriations as well as other agency funds. For the universities this means that some amount of tuition dollars will be swept from the institutions to HITF to help finance statewide health insurance costs.

Unlike ASU and UA, NAU is not required to participate in the state health insurance system, however we do have some employees who choose to participate in the state health insurance program. The total impact to the system is anticipated to surpass \$10 million. Of that amount, NAU's portion is anticipated to be less \$300,000.

The budget reconciliation bill for higher education ([HB 2750](#)) contained several policy changes and reporting requirements for ABOR and the universities, including details on the Arizona Teachers Academy and positive changes to university tech transfer operations.

FINAL DISPOSITION OF ABOR/UNIVERSITY PRIORITY BILLS

ABOR AND THE UNIVERSITIES PROPOSED THE FOLLOWING LEGISLATION

HB 2579 – psychologists; licensure; requirements (Osborne)

Grants that an applicant for licensure as a psychologist automatically meets the list of licensure requirements if the applicant earned a doctoral degree from a program that was accredited by the Commission on Accreditation or the Psychological Clinical Science Accreditation System, and allows doctoral students to demonstrate competency through coursework and practical experience in lieu of passing comprehensive examinations. *(Held in House Committees).*

ABOR AND THE UNIVERSITIES TOOK THE FOLLOWING FORMAL POSITIONS ON THE LISTED PIECES OF LEGISLATION AND THE BILLS WERE SIGNED INTO LAW

HB 2061 – foster tuition waiver scholarship; age (Barto)

ABOR position was to support with funding

Requires ABOR and the universities to provide tuition waiver scholarships to an Arizona resident who was in foster care while at least 14 years of age instead of 16 years of age. No appropriation provided. *(Signed by the Governor April 24, 2019).*

HB 2303 – NOW: computer science; credit; science; mathematics (Udall)**ABOR position was neutral**

Requires ABOR and the State Board of Education to provide guidelines for charter schools and school districts on the necessary rigor and content that a mathematics or science course must have in order to meet high school graduation and university admissions requirements. Also, makes changes to an existing grant related to computer science. (Signed by the Governor April 24, 2019).

HB 2423 – space flight activities, release agreement (Weninger)**ABOR position was to support**

Allows a space flight entity to enter into a liability release agreement with crew to limit the entity's civil liability for injury arising out of space flight activities. (Signed by the Governor April 16, 2019).

SB 1029 – qualifying physicians; opiate-dependent patients (Carter)**ABOR position was to support**

Requires the Arizona Medical Board and the Arizona Board of Osteopathic Examiners to determine if a licensed physician demonstrates the necessary training or experience to treat and manage opioid-dependent patients as a qualifying physician. (Signed by the Governor May 7, 2019).

SB 1069 – postsecondary institutions; free express policies (Boyer)**ABOR position was neutral**

Makes a technical correction to statute regarding university free expression policies. (Signed by the Governor April 10, 2019).

SB 1468 – schools; suicide prevention training (Bowie)**ABOR position was to support**

Requires the Arizona Health Care Cost Containment System Administration to make suicide awareness and prevention training available and requires school districts, charter schools, and Arizona teacher training programs to include suicide awareness and prevention training. (Signed by the Governor May 8, 2019).

ABOR AND THE UNIVERSITIES TOOK THE FORMAL POSITION TO SUPPORT THE FOLLOWING LEGISLATION BUT THE BILLS WERE NOT SIGNED INTO LAW

HB 2321 – public service scholarship fund (Lieberman)

Establishes the John McCain Public Service Scholarship Fund and appropriates monies from the state General Fund in FY 20 through FY 22 for deposit in the scholarship fund. (Held in Senate Appropriations Committee).

SB 1217 – Arizona high school graduate tuition (Carter)

Establishes the Arizona high school graduate tuition rate for Arizona students who attend an Arizona community college or public university, and meet certain requirements. (Held in House Rules).

SB 1354 – graduate medical education; appropriation (Carter)

Appropriates \$20 million to AHCCCS for GME programs; \$11 million to the UA Health Sciences; \$10 million to DHS for clinical training and stipends, malpractice premiums, and other benefits; \$4 million to

DHS for loan repayment programs; and \$5 million to the board of medical student loans. (Held in House Health and Human Services Committee).

SB 1518 – appropriations; universities; resident tuition (Carter)

Appropriates over three years amounts sufficient to fund 50% of the cost to education Arizona resident students at the three public universities. (Held in Senate Appropriations).

ABOR and the universities supported multiple measures that amended statute and the Arizona constitution to increase funding to higher education and Arizona’s education pipeline. These included:

- **HB 2563/SB 1345 – education funding; use tax; TPT (Udall/Brophy McGee)**
(Held in Chambers of Origin)
- **HCR 2024/SCR 1011 – TPT and use; education (Udall/Brophy McGee)**
(Held in Chambers of Origin)
- **SB 1080 – TPT; use tax; education (S. Allen)**
(Held in Senate Committee of the Whole)
- **SCR 1001 – education; TPT; use tax (S. Allen)**
(Held in Senate Committee of the Whole)

ABOR AND THE UNIVERSITIES TOOK THE FORMAL POSITION OF NEUTRAL ON THE FOLLOWING LEGISLATION BUT THE BILLS WERE NOT SIGNED INTO LAW

SB 1472 – TPT; distribution; education; use tax (E. Farnsworth)

Increases the fixed amount of Proposition 301 monies that is distributed to the Classroom Site Fund to \$300,000,000. Adds fixed-amount distributions to universities' Technology and Research Initiative Fund and the community college districts' Workforce Development Accounts. (Held in House Rules Committee).

ABOR AND THE UNIVERSITIES TOOK THE FORMAL POSITION TO OPPOSE THE FOLLOWING LEGISLATION BUT THE BILLS WERE NOT SIGNED INTO LAW

HB 2677 – JLAC; auditor general (Kern)

Makes various changes to Auditor General and Joint Legislative Audit Committee processes. Requires the Auditor General to conduct an audit on a county transportation excise tax in the fifth year in which the transportation excise tax takes effect, instead of the tenth year. Revises factors in determining the need for continuation or termination of an agency for purposes of sunset review reports. (Vetoed by the Governor).

SB 1285 – construction contracts; public works; payments (Borelli)

Establishes prompt payment requirements for public construction contracts. Outlines requirements for payment approval and rejection, payment timeframes, retention, termination or suspension of work and complaints relating to public construction contracts. (Held in House Committee of the Whole).

OTHER NOTABLE BILLS SIGNED BY THE GOVERNOR

HB 2113 – NOW: public restrooms; diaper changing stations (Griffin)
HB 2123 – TPT; distribution; community college districts.. (Udall)
HB 2176 – college credit by examination; payments (Weninger)
HB 2422 – public retirement systems (Blackman)
HB 2519 – physicians assistants; physician relationship (Barto)
SB 1014 – English language learners; instruction; budgeting (Boyer)
SB 1021 – commission for postsecondary education; continuation (S. Allen)
SB 1048 – community colleges; admission criteria (Carter)
SB 1091 – budget stabilization fund; deposits (Mesnard)
SB 1096 – NOW: health professionals data; repository (Carter)
SB 1146 – PSPRS;EORP; CORP; modifications
SB 1184 – schools; economics; personal financial management (S. Allen)
SB 1213 – NOW: ASRS; return to work (Livingston)
SB 1235 – possessory improvements; government property; assessment (Mesnard)
SB 1340 – ABOR; regents scholarships; report (Carter)

NOTABLE BILLS VETOED BY THE GOVERNOR

SB 1143 – conformity; internal revenue code; rates (Mesnard)
SB 1558 – legislators; mileage rate; distance (Livingston)

NOTABLE LEGISLATION THAT FAILED TO PASS

HB 2003 – university employees; tenure; retirement eligibility (Finchem)
HB 2040 – community colleges; baccalaureate degrees (Cook)
HB 2044 – statewide assessment; college placement exams (Fillmore)
HB 2161 – order of protection; firearm possession (Hernandez)
HB 2187 – appropriation; K-12 rollover (Udall)
HB 2193 – high schools; college accessibility awareness (Bolding)
HB 2242 – postsecondary students; disciplinary proceedings (Kern)
HB 2257 – civil liability; gun-free zones (Thorpe)
HB 2335 – student loan services; licensure (Salman)
HB 2338 – appropriation; financial aid trust (Salman)
HB 2354 – schools; financial literacy; mathematics credit (Bowers)
HB 2355 – student organization fees; prohibition; repeal (Salman)
HB 2427 – postsecondary education; residents; financial aid (Sierra)
HB 2491 – Arizona national board certification fund (Bolding)
HB 2523 – youth employment (Grantham)
HB 2525 – experienced teacher retention pilot program (Friese)
HB 2560 – event tickets; transferability (Shope)
HB 2632 – teacher recruitment and retention (Engel)
HB 2682 – children; veterans; disabilities; tuition waivers (Blackman)

HB 2714/SB 1518 – appropriations; universities; resident tuition (Salman/Carter)

SB 1049 – GPLET; definitions (Leach)

SB 1051 – high quality teacher pilot program (S. Allen)

SB 1129 – postsecondary institutions; sexual consent policies (Quezada)

SB 1174 – Arizona health education centers; increase (Carter)

SB 1238 – schools; graduation requirements; adjustment (Brophy McGee)

SB 1319 – postsecondary institutions; courses; constitutions (Livingston)

SB 1364 – appropriation; medical school; primary care (Carter)

SB 1523 – universities; scholarships; funding (Carter)