
There were 1,607 bills and 127 memorials and resolutions introduced in the 2020 legislative session – the highest amounts on record. Of these, 90 were signed by the governor and enacted into law with various effective dates, 0 bills were vetoed, and 1 resolution was filed with the secretary of state.

**FY 2021 BUDGET OVERVIEW**

**APPROPRIATIONS TO ARIZONA’S UNIVERSITY SYSTEM**

The FY 21 state budget did not continue the majority of one-time funding initiatives from the previous year. Among those discontinued was the $35 million appropriated to the university system in FY 20. The universities’ base budgets remain unchanged.

The $35 million decrease from the previous year is applied to the three public universities based on the number of Arizona resident students served by each institution. The reductions are as follows:

- NAU $(6,650,000)
- ASU $(18,900,000)
- UArizona $(9,450,000)

**OTHER UNIVERSITY-RELATED APPROPRIATIONS**

The FY 21 budget allocates $15M to the Arizona Board of Regents (ABOR) for the Arizona Teachers Academy.

**HEALTH INSURANCE TRUST FUND TRANSFERS**

The FY 21 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 (JLBC) shall determine the amount each entity must contribute. This transfer affects state general fund appropriations as well as the amount each entity must contribute.
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 UArizona, 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.

**FINAL DISPOSITION OF ABOR/UNIVERSITY PRIORITY BILLS**

**ABOR AND THE UNIVERSITIES PROPOSED THE FOLLOWING LEGISLATION**

**HB 2599 – psychologists; licensure requirements (Roberts)**
An applicant for licensure as a psychologist automatically meets a list of specified licensure requirements if the applicant earned a doctoral degree from a program that was accredited by the Psychological Clinical Science Accreditation System at the time of graduation.
(Held in House Rules)

**ABOR AND THE UNIVERSITIES TOOK THE FORMAL POSITION TO SUPPORT THE FOLLOWING BILLS WHICH WERE SIGNED INTO LAW**

**SB 1445 – suicide prevention training; school employees (Bowie)**
Requires every school counselor or school social worker training program in Arizona to develop or adopt evidence-based instruction on suicide awareness and prevention and provide that instruction to all school counselor and school social worker candidates in the training program.
(Signed by Governor on 6/5)

**SB 1446 – student identification cards; suicide prevention (Bowie)**
Beginning July 1, 2021, requires institutions of higher education as well as school districts or charter schools that issue identification cards to students in grades 9 through 12 to include at least one suicide prevention resource on each new identification card issued to a student.
(Signed by Governor on 6/5)

**SB 1492 – Arizona teachers academy; program pathways (Boyer)**
Expands the Arizona Teachers Academy to include students who commit to working for or in "schools that serve primarily public school students with disabilities" (defined). Requires the Academy to include accelerated models for teachers who are currently teaching a dual enrollment course to satisfy the requirements for doing so as mandated by a qualified higher learning commission. Authorizes a college to participate in the Academy and receive monies.
from its Fund if it 1) is in Arizona; 2) is owned, operated or chartered by a qualifying Indian tribe on its own Indian Reservation; and 3) offers baccalaureate teacher education programs.
(Signed by Governor on 6/5)

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

**HB 2620 – ombudsman; assistance; surface water adjudications (Bowers)**
Authorizes a university under the jurisdiction of the Arizona Board of Regents to offer pro bono assistance to claimants in the general stream adjudication of water rights who are not represented by counsel and whose adjusted gross income for any of the preceding three years is less than 500 percent of the federal poverty guidelines. A university that offers such assistance must fulfill certain requirements, including submitting an annual report to the governor and the legislature. Appropriates $500,000 from the general fund in FY2020-21 to the University of Arizona to establish an adjudication law clinic to assist claimants in the general stream adjudication of water rights. *(Held in Senate Committees)*

**HB 2639 – public service scholarship fund (Blackman)**
Establishes the John McCain Public Service Scholarship Fund, to be administered by the Arizona Board of Regents (ABOR) and used to provide scholarships to students who complete a term of service in a national service program, receive a federal post-service education award, and use the award to attend an educational institution or program in Arizona. ABOR is required to establish a scholarship application process and adopt policies to award scholarships with priority given to applicants based on financial need. Requirements for use of the scholarship monies are specified. Appropriates $5 million from the general fund in FY2020-21 to the Fund. *(Held in Senate Committees)*

**HB 2762 – project rocket pilot program; appropriations (Udall)**
Establishes the Project Rocket Pilot Program to improve academic outcomes for all students in schools that meet the eligibility requirements. Establishes the Project Rocket Fund to be administered by the Department of Education at the direction of the State Board of Education. Sets eligibility requirements based on school letter grades for the distribution of Fund monies for FY2020-21, FY2021-22 and FY2022-23. Appropriates $42.61 million from the general fund in each of FY2020-21, FY2021-22 and FY2022-23 to the Project Rocket Fund. Appropriates $1 million and seven FTEs from the general fund in each of FY2020-21, FY2021-22 and FY2022-23 to the Board to administer the Program. Retroactive to July 1, 2020. *(Held in House Committee of the Whole)*
HB 2819 – geological survey; state geologist; appointment (Griffin)
In lieu of the requirement to be a graduate of an accredited institution, the State Geologist may be registered as a geologist by the State Board of Technical Registration or a "trained geologist" (defined elsewhere in statute). Repeals the statutory termination date of July 1, 2022 for the Arizona Geological Survey. (Held in Senate Committee of the Whole)

SB 1152 – medical student loan program (Livingston)
Makes various changes to the Medical Student Loan Program. Membership of the Board of Medical Student Loans is modified to replace all current members, excepting the Director of the Department of Health Services and two Governor's appointees, with one representative from each accredited Arizona medical school. Removes the requirement that at least 50 percent of loan monies be apportioned for students attending private medical schools. Modifies penalties for a loan recipient who does not fulfill the conditions of the loan contract. Appropriates $2 million from the general fund in FY2020-21 to the Medical Student Loan Fund. (Held in House Committees)

SB 1234 – additional assistance; restoration (Allen S)
Eliminates the reductions in basic state aid and the reductions in charter additional assistance adopted in the FY2018-19 budget for FY2020-21 and FY2021-22. (Held in House Rules)

SB 1572 – Arizona promise scholarship program; appropriation (Brophy McGee)
Requires each university under the jurisdiction of ABOR is to implement an Arizona Promise Scholarship Program to increase college access and affordability for Arizona high school graduates. Requires ABOR to develop and implement centralized administrative processes for the Program. Establishes scholarship eligibility requirements and requires each university to award eligible student applicants a maximum of four academic years or eight semesters of annual scholarship monies that cover the balance of tuition and fees after all other financial gifts, aid or grants received by the student. The Program terminates on July 1, 2030. Appropriates $20 million from the general fund in FY2020-21 to the newly established Arizona Promise Scholarship Fund for the Program. (Held in House Rules)

SCR 1002 – education; TPT; use tax (Brophy McGee)
The 2020 general election ballot is to carry the question of whether to amend the state Constitution to levy a separate 1% transaction privilege tax beginning July 1, 2021 to raise revenues for education. The net revenues derived from the tax are appropriated as follows: 75% for primary and secondary classroom education purposes, 20% for maintaining an in-state tuition rate that is consistent with the state Constitutional requirement for tuition to be as nearly free as possible, and 5% for community college trade and workforce development programs. (Held in Senate Committee of the Whole)
External Affairs and Partnerships

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

HB 2072 – mental health professionals; loan repayment (Blackman)
Requires Northern Arizona University (NAU) to implement a three-year Arizona Mental Health Professionals Academy Pilot Program to incentivize students to enter the mental health profession. NAU must formally partner with the Department of Corrections, the Department of Juvenile Corrections, and public schools in Arizona to facilitate employment of Academy graduates. NAU must provide eligible full-time master's students enrolled in the Academy a scholarship of $7,500 per semester for up to six semesters. Appropriates $5 million from the general fund in each of FY2020-21, FY2021-22, and FY2022-23 to the Fund for the Academy. Retroactive to July 1, 2020. (Held in Senate Appropriations)

SB 1059 – TPT; use tax; education (Allen S)
Establishes a required distribution formula for all monies collected from a new article in the state Constitution or from the additional transaction privilege tax rate increment of 0.6% imposed from July 1, 2022 through June 30, 2041. Requires monies generated from either tax to be paid in monthly installments as follows: 82% to the Classroom Site Fund, except that $86.28 million annually must be paid in monthly installments to the Department of Education to fund Basic State Aid for additional school days and $7.8 million annually must be paid in monthly installments to the Dept for school safety; 13.75% to ABOR to be distributed proportionally to each university based on the number of students who receive in-state tuition to subsidize resident student tuition costs, with $86.47 million of that 13.75% being distributed to the TRIF Fund; and 4.25% for community college trade and workforce development programs and provisional community colleges. Prohibits these monies from supplanting, replacing or causing a reduction in other funding sources and modifies the use and allocation of Classroom Site Fund monies. Conditionally enacted effective July 1, 2021 if the state Constitution is amended by a vote of the people at the 2020 general election by passage of Senate Concurrent Resolution 1002. (Held in House Rules)

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

HB 2115 – JLAC; auditor general (Kern)
Makes various changes relating to government audits. Requires all applicable parties to afford reasonable and needed facilities for Auditor General (AG) staff and make records available in the form and at the time prescribed. Classifies obstructing or misleading the AG in the execution of their duties as a class 2 misdemeanor. Modifies the list of factors a committee of reference considers when determining the need for continuation or termination of an agency.
Requires the Joint Legislative Budget Committee (JLBC) staff to notify all members of the Legislature as soon as practicable of the cost to conduct a special audit. The Auditor General is required to conduct a performance audit of transportation excise tax revenues in the fifth year, instead of the tenth year, in which the tax is in effect in a county. Removes requirement for the AG to submit an annual report to the governor and JLBC and changes requirements for community college district expenditure reporting. *(Held in Senate Government)*

**HB 2128 – school districts; universities; recesses; coordination (Petersen)**
Each year, the Department of Education and ABOR are required to jointly designate one week in the fall and one week in the spring during which all school districts and all universities under the jurisdiction of ABOR are required to recess. Schools operating on a year-round school year basis are exempt. *(Held in House Majority Caucus)*

**HB 2143 – collegiate athletics; compensation; representation (Kern)**
Postsecondary education institutions and organizations with authority over intercollegiate athletics may not prevent a student athlete from earning compensation for the use of the student athlete's name, image or likeness (NIL). These institutions and organizations are prohibited from compensating a prospective student athlete for the use of the student athlete's NIL and from preventing the student athlete from obtaining professional legal representation. Student athletes may not enter into a contract that provides compensation for the use of their NIL if a provision of the contract conflicts with the student athlete's team contract. For contracts entered into, modified or renewed on or after September 1, 2021, a team contract of a postsecondary education institution's athletic program is prohibited from preventing a student athlete from using the student athlete's name, image or likeness for a commercial purpose when the athlete is not engaged in official team activities. Contains a legislative intent clause. Effective January 1, 2023. *(Held in Senate Higher Education and Workforce Development)*

**HB 2166 – schools; graduation requirements; university admissions (Udall)**
The State Board of Education must require a minimum of four credits of English language arts, three credits of social studies, two credits of laboratory science, two credits of mathematics including algebra 1 and geometry, three additional STEM credits, one credit of fine or practical arts, seven credits of electives, and one online course in order to graduate from an Arizona high school. The university admissions requirements prescribed by the ABOR must be consistent with these competency requirements. *(Held in House Education)*

**HB 2238 – universities; public policy events (Kern)**
ABOR is required to establish, fund and staff an office of public policy events at each university under their jurisdiction. Each office of public policy events must organize, publicize and stage
debates, group forums and individual lectures that address, from multiple, divergent and opposing perspectives, an extensive range of public policy issues that are widely discussed and debated in society at large. (Held in Senate Higher Education and Workforce Development)

**HB 2790 - baccalaureate degrees; community colleges (Nutt)**
Community college districts are authorized to offer four-year baccalaureate degrees that are accredited by a regional accreditation agency approved by the U.S. Department of Education. (Failed in Senate Education)

**OTHER NOTABLE BILLS SIGNED BY THE GOVERNOR**

HB 2625 – civics celebration day; civics education (Bolick)
HB 2910 – public school closures; coronavirus disease (Udall)
SB 1036 – empowerment scholarships; third-party administrator; repeal (Allen S)
SB 1050 – board of athletic training; continuation (Brophy-McGee)
SB 1224 – empowerment scholarships; qualified schools; reservations (Allen S)
SB 1305 – personal delivery devices (Livingston)