The 2021 legislative session began on January 11, 2021 and adjourned sine die on June 30, 2021. At 171 days, 2021 was the longest legislative session since 1992 and the third longest in Arizona history. To minimize transmission of the COVID-19 virus, the House of Representatives allowed minimal public entry, while the Senate remained closed to the public for the duration of session.

There were 1,774 bills and 125 memorial resolutions introduced in the 2021 legislative session, surpassing last year’s record for the highest amount of legislation proposed. Of these, 474 were signed by the governor and enacted into law with various effective dates, 28 bills were vetoed, and 13 resolutions were filed with the secretary of state.

The general effective date for most legislation is September 29, 2021.

**FY 2022 BUDGET OVERVIEW**

**APPROPRIATIONS TO ARIZONA’S UNIVERSITY SYSTEM**

The FY 22 state budget makes $72.5 M in ongoing and $40.9 M in one-time investments to the public universities for the New Economy Initiative. The appropriations are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Ongoing</th>
<th>One-time</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAU</td>
<td>$15.95 M</td>
<td>$9.0 M</td>
<td>$24.95 M</td>
</tr>
<tr>
<td>ASU</td>
<td>$33.35 M</td>
<td>$18.83 M</td>
<td>$52.18 M</td>
</tr>
<tr>
<td>UArizona</td>
<td>$23.2 M</td>
<td>$13.1 M</td>
<td>$36.0 M</td>
</tr>
</tbody>
</table>

**OTHER APPROPRIATIONS SPECIFIC TO NAU**

- $250,000 in one-time dollars to NAU’s Economic Policy Institute

**OTHER UNIVERSITY-RELATED APPROPRIATIONS**

The following one-time appropriations are included in the FY 22 state budget for the indicated purposes:

- $2.75 M to ASU’s School of Civic and Economic Thought
- $250,000 to ASU for the Eastern Europe Cultural Collaborative
External Affairs and Partnerships

- $250,000 to ASU for the Political History and Leadership School
- $1.25 M to UArizona for the Center of Philosophy of Freedom
- $500,000 to UArizona for the Agriculture Workforce Program
- $250,000 to UArizona for the Kazakhstan Exchange Program
- $7.5M to the ABOR for the Arizona Promise Scholarship Program

HEALTH INSURANCE TRUST FUND

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-sponsored health insurance program.

For FY22, the legislature appropriated an additional $11M to the universities to backfill tuition costs associated with health insurance premium increases. The legislature intends that any future employer premium increases continue to be allocated using the overall allocation of state GF and appropriated tuition monies. The appropriations are as follows:

- NAU $244,900
- ASU $5.72 M
- UArizona $5.89 M

The budget reconciliation bill for higher education (SB 1825) contained several policy changes and reporting requirements for ABOR and the universities, including prohibitions on COVID-19 vaccinations and face coverings, the Arizona Promise Scholarship, and the use of specific bonding authority.

FINAL DISPOSITION OF ABOR/UNIVERSITY PRIORITY BILLS

ABOR AND THE UNIVERSITIES PROPOSED THE FOLLOWING LEGISLATION

HB 2138 – ABOR; optional retirement programs (Kavanaugh)
Authorizes ABOR to allow optional retirement programs to be purchased for all employees of the institutions under ABOR jurisdiction, instead of only faculty and administrative officers. (Held in House Government & Elections Committee)

HB 2561 – psychologists; licensure requirements (Dunn)
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. (Signed by Governor 4/16/21)
External Affairs and Partnerships

HB 2832 / SB 1717 – teachers academy; revisions (Udall / Boyer)
Mirror bills which make clarifying 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. Retroactive to January 1, 2021. (Signed by Governor 3/8/21)

SB 1296 – collegiate athletics; compensation (Shope)
Postsecondary education institutions that compete in an intercollegiate sport are required to allow a student athlete to earn compensation from the use of the student athlete’s own name, image or likeness to the extent allowed by rules established by the relevant national association for promoting or regulating collegiate athletics and earning that compensation cannot affect the student athlete’s scholarship eligibility. An athlete agent who advises or represents a student athlete in connection with earning compensation from the use of that student athlete’s own name, image or likeness is required to comply with the Revised Uniform Athlete Agents Act. (Signed by Governor 3/26/21)

SB 1508 – Arizona promise program; appropriation (Boyer)
Requires eligible postsecondary institutions 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. (Language enacting the Promise Program was added to SB 1825 and signed by the Governor on 6/30/21)

ABOR AND THE UNIVERSITIES TOOK THE FORMAL POSITION TO SUPPORT THE FOLLOWING BILLS WHICH WERE ENACTED

HB 2596 – ADOT; telecommunication facilities installation (Cobb)
Permits the Arizona Department of Transportation (ADOT) or a provider authorized by ADOT to install telecommunication facilities. ADOT is authorized to enter into an agreement with a public or private entity for the purpose of using, managing or operating state-owned telecommunication facilities and coordinating activities in Arizona relating to planning, mapping and procuring broadband service. ADOT is permitted to give a provider longitudinal access to the right-of-way of a highway for the installation, operation and maintenance of a telecommunication facility by entering into an agreement with a provider and issuing a permit. (Signed by Governor 5/10/21)

SB 1377 – civil liability; public health pandemic (Leach)
Sets civil liability standards for specified acts or omissions during a public health state of emergency retroactive to March 11, 2020. (Signed by Governor 4/5/21)
External Affairs and Partnerships

SCR 1044 – tuition; postsecondary education (Boyer)
Requires the 2022 general election ballot to carry the question of whether to amend state statute to make a student who graduated from an Arizona high school and attended at least two years of high school 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. (Transmitted to Secretary of State 5/13/21)

ABOR AND THE UNIVERSITIES TOOK THE FORMAL POSITION TO OPPOSE THE FOLLOWING BILLS WHICH WERE ENACTED

HB 2069 – genetic testing; private property (Roberts)
A “direct-to-consumer genetic testing company” is required to provide to consumers clear and complete information on privacy policies for genetic data, and obtain a consumer’s consent for collecting, using or disclosing the consumer’s genetic data. The legislation was amended favorably for the universities and ABOR was neutral on the final version of the bill. (Signed by Governor 4/20/21)

SB 1453 – community colleges; four-year degrees (Boyer)
Authorizes community colleges to offer four-year baccalaureate degrees that are accredited by a regional accreditation agency approved by the U.S. Department of Education. (Signed by Governor 5/4/21)

SB 1078 – medical student loan program (Livingston)
Makes various changes to the Medical Student Loan Program. Removes all current members of the Board of Medical Student Loans except the Director of the Department of Health Services and two Governor’s appointees who are knowledgeable in the problems of health care in Arizona and replace them with one representative from each accredited medical school in Arizona. (Signed by Governor 7/10/21)

SB 1457 – abortion; unborn child; genetic abnormality (Barto)
Prohibits acts related to an abortion based on genetic abnormality. Prohibits public educational institutions from outlined acts related to abortion. Requires outlined disclosures prior to an abortion. Enumerates rights granted to an unborn child.

The adoption of favorable amendments resulted in a final ABOR position of neutral. The bill as amended:

- Removes the prohibition on university employees from participating in the referral of an abortion or counseling in favor of an abortion.
- Removes the prohibition on the state or a political subdivision from contracting with an “abortion provider or an affiliate of an abortion provider.”
External Affairs and Partnerships

- Prohibits state funding and tuition dollars from being used to support research involving fetal remains from an abortion, in addition to human cloning. (Signed by Governor 4/27/21)

HB 2772 / SB 1797 – fantasy sports betting; event wagering (Weninger / Boyer)
An emergency measure establishing laws governing fantasy sports contests and event wagering, including collegiate athletic events. (Signed by Governor 4/15/21)

ABOR AND THE UNIVERSITIES TOOK THE FORMAL POSITION TO SUPPORT THE FOLLOWING BILLS WHICH WERE NOT ENACTED

HB 2017 – appropriation; STEM; learning; workforce development (Udall)
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. (Held Awaiting Senate Committee of the Whole)

HB 2142 – agricultural workforce program; apprenticeship; appropriation (Pratt)
Requires the Department of Agriculture to establish and adopt rules for the Agricultural Workforce Development Program, which shall incentivize food-producing agricultural organizations to hire apprentices through partial reimbursement of apprenticeship costs. The Program terminates on July 1, 2027. Appropriates $500,000 from the general fund in each of FY2021-22 and FY2022-23 to the Dept for the Program. Effective January 1, 2022. (Held in Senate Committees)

HB 2778 – stream adjudications; cooperative extension; appropriation (Griffin)
Authorizes universities 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. (Included in the budget after being held in Senate committees)

SB 1150 – agricultural workforce program; apprentices; appropriation (Shope)
Directs the University of Arizona Cooperative Extension Office to establish the Agricultural Workforce Development Program (Program) to provide incentives to food-producing agricultural organizations to hire apprentices by partially reimbursing apprenticeship costs. The Program terminates on July 1, 2027. Appropriates $500,000 from the general fund in each of FY2021-22 and FY2022-23 to the Office for the Program. (Included in the budget after being held in House COW)
External Affairs and Partnerships

SB 1295 – advanced placement courses; exams; appropriations (Shope)
Establishes the Advanced Placement Course Access, Participation and Success Program within the Arizona Department of Education (ADE) to expand and enhance access to, participation in and student success in advanced placement courses and advanced placement exams. Establishes the Advanced Placement Exam Fee Waiver Program to eliminate or reduce the advanced placement exam fee costs for all students enrolled in public schools in Arizona who have a family income that does not exceed 185 percent of the federal poverty guidelines. (Held Awaiting House Committee of the Whole)

ABOR AND THE UNIVERSITIES TOOK THE FORMAL POSITION TO OPPOSE THE FOLLOWING BILLS WHICH WERE NOT ENACTED

HB 2804 – public meetings; executive sessions (Pingerelli)
A public body is authorized to hold an executive session for legal advice solely for advice in the other areas for which an executive session may be held. Discussion of the objectives on which an officer or employee of a public body will be evaluated must be conducted in a public meeting. (Held in Senate Government Committee)

HB 2841 – attorney general; initiation of action (Parker)
Authorizes the Attorney General to initiate, prosecute and defend any action in court to uphold and ensure compliance with the article of the state Constitution that requires the instruction furnished by state universities to be as nearly free as possible. (Failed House Third Reading)

SB 1648 – COVID-19 vaccine; condition of employment (Barto)
Prohibits a person from being required to receive or disclose whether they have received a COVID-19 vaccine as a condition of employment, entry into any business or public space or receipt of any service or good. (Held in Senate Committees)

OTHER NOTABLE BILLS SIGNED BY THE GOVERNOR

HB 2008 – ASRS; employer; member; contributions (Kavanagh)
HB 2021 – college course credit; dual enrollment (Udall)
HB 2037 – geological survey; state geologist (Griffin)
HB 2045 – civil rights; amendments (Weninger)
HB 2135 – schools; state board; subject competency (Udall)
HB 2266 – medical assistants; training requirements (Grantham)
HB 2298 – medical marijuana; research; grants (Payne)
HB 2438 – commerce authority; career landscape information (Carroll)
HB 2585 – occupational therapists; fingerprint clearance cards (Longdon)
HB 2633 – home health care services (Shah)
External Affairs and Partnerships

HB 2898 – K-12; budget reconciliation; 2021-2022 (Cobb)
HB 2906 – governance; audits; training (Hoffman)
SB 1052 – ASRS; required beginning date; distributions (Livingston)
SB 1053 – ASRS; nonparticipatory employer liability (Livingston)
SB 1236 – college savings program; name change (Leach)
SB 1284 – occupational licensing; licensure; fingerprinting (Pace)
SB 1308 – postsecondary board; tuition recovery fund (Shope)
SB 1420 – consular identification; validity; biometric verification (Boyer)
SB 1572 – schools; early literacy (Shope)

NOTABLE BILLS VETOED BY THE GOVERNOR

SB 1456 – sex education instruction; parental rights (Barto)
SB 1719 – state emergency council; membership; procedures (Rios)

NOTABLE LEGISLATION THAT FAILED TO PASS

HB 2061 – CTEDS; nonprofits; postsecondary institutions; agreements (Fillmore)
HB 2117 – teachers academy; service requirement (Bolick)
HB 2151 – experienced teacher retention; pilot program (Friese)
HB 2174 – Project Rocket pilot program; appropriation (Udall)
HB 2183 – public service scholarship fund (Blackman)
HB 2190 – vaccines; governments; businesses (Roberts)
HB 2501 – legislative subpoena (Bolick)
HB 2725 – state documents; sex identification (Nguyen)
HB 2788 – paid sick leave; COVID-19 (Butler)
HCR 2016 – initiatives; supermajority vote requirement (Dunn)
SB 1174 – appropriation; STEM internships (Bowie)
SB 1338 – historic preservation; state museum; transfer (Gowan)
SB 1362 – abortion; refusal to assist (Rogers)
SB 1376 – schools; curriculum; mental health (Bowie)
SB 1400 – schools; course equivalents (Boyer)
SB 1643 – attorney fees; costs; recovery (Leach)
SB 1687 – governmental entities; social media; prohibition (Ugenti-Rita)