

Government Affairs and Community Relations

2024 LEGISLATIVE OVERVIEW (56TH LEGISLATURE, 2ND REGULAR SESSION)

The 2024 legislative session began on January 8th and adjourned sine die on June 15th, lasting 160 days.

The legislature proposed 1660 bills and 138 memorial resolutions, a slight decline from last session. Of those, 331 bills and 31 resolutions passed, with 258 bills signed by the Governor and enacted into law and 73 vetoed. This was a sharp decrease from the 143 bills Governor Hobbs vetoed last session.

FY 2025 BUDGET OVERVIEW

The state of Arizona began the 2024 session facing a combined budget deficit of \$1.4B for FYs 24 and 25.

APPROPRIATIONS TO ARIZONA’S UNIVERSITY SYSTEM

The universities received the third and final year of a funding allocation previously known as the New Economy Initiative, now the Arizona Healthy Tomorrow Initiative. The appropriations are as follows:

NAU	\$10.1M
ASU	\$21.2M
UArizona	\$14.7M

Additionally, \$1M in one-time funding was appropriated to the Arizona Teachers Academy.

REDUCTIONS TO ARIZONA’S UNIVERSITY SYSTEM

The FY 25 budget included significant cuts to most state entities with very few exceptions. Each university received a 3.45% reduction to their lump sum appropriation. The amounts are reflected below:

NAU	\$4M
ASU	\$10.9M
UArizona	\$6.5M

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ADDITIONAL REDUCTIONS TO UNIVERSITY PROGRAMS:

In addition to the lump sum reduction, the following individual programs were reduced or cut in the FY25 budget:

- \$15M for the third year of a DHS Nursing Pilot program was eliminated across the community college and university systems.
- Base funding for the Arizona Promise Program to the university system remains at \$20M. The FY24 one-time investment of an additional \$20M was not continued to FY25.
- Base funding for the Arizona Teachers Academy to the university system remains at \$15M. The FY24 one-time investment of an additional \$15M was not continued to FY25.

ADDITIONAL HIGHER AND CONTINUING EDUCATION REDUCTIONS:

Other significant adjustments to postsecondary education funding are noted below.

- The Spouses and Dependents of Law Enforcement Officers Tuition Scholarship fund was repealed, and any remaining funds were swept into the State General Fund.
- Community colleges received a cut of approximately \$54M. Statutory language was added to institute a community college Arizona Promise Program, contingent on state funding. The Arizona Board of Regents (ABOR) is required to administer the program.

FINAL DISPOSITION OF ABOR/ UNIVERSITY PRIORITY BILLS

ABOR AND THE UNIVERSITIES WERE FORMALLY NEUTRAL ON THE FOLLOWING BILLS:

HB2178-Universities; student fees; clubs; organizations (Kolodin)

Neutral following universities working with sponsor on amendment to make implementation feasible for universities. Directs a public university that allocates student fee monies to support student organizations or clubs to provide each student with the opportunity to select student organizations or clubs that may not receive the student's pro rata share of the monies. *(Signed by the Governor)*

HB2185-Liquor; policies; procedures (Gress)

Makes changes to various liquor statutes, including allowing university presidents to approve special event liquor licenses if the event is held on university property. *(Signed by the Governor)*

HB2735- ABOR; course approval; accounting system (Grantham)

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Authorizes ABOR to delegate the authority to approve academic degrees or organizational units only to a university president. Prohibits a university president from further delegating that authority. Requires a public university to provide ABOR with access to the university's accounting and reporting system. Changes shared governance language from “shall share responsibility with” and “participate in” to “shall consult with.” (*Vetoed by the Governor*)

SCR1019- Preferential treatment; discrimination; prohibited (Kern)

Neutral following universities working with sponsor on amendment ensuring compliance with federal affirmative action requirements. A constitutional amendment that would require voter approval. Prohibits the state from compelling an individual to endorse giving preferential treatment to or discriminating against any individual on the basis of race or ethnicity as a condition of any hiring, promoting or contracting decision. (*Held in House Rules*)

SB1005- Public monies; ideology training; prohibition (Hoffman)

Prohibits a public entity from requiring or spending public monies on a diversity, equity and inclusion (DEI) program. Allows an employee who is required to participate in the program to bring an action against the public entity. Prohibits a public entity from entering into a contract with a company that participates in a DEI program. (*Held awaiting Committee of the Whole in the House*)

SB1013- Government investments; products; fiduciaries; plans (Hoffman)

Prescribes requirements and prohibitions relating to the State Treasurer's investments. Requires a fiduciary to consider only pecuniary factors when evaluating an investment or discharging the fiduciary's duties with respect to a plan and outlines plan voting of ownership interests and proxy voting. (*Held awaiting Committee of the Whole in the House*)

SB1174- Tuition; family; posttraumatic stress; suicide (Gowan)

Grants eligibility for tuition wavier scholarships to spouses and children of veterans, peace officers or firefighters who die by suicide caused by a posttraumatic stress injury. (*Signed by Governor*)

SB1303- ABOR; high school honors endorsements (Kern)

Requires ABOR's program for awarding honors endorsements affixed to high school diplomas to be made available for school district charter school students. (*Held in House Education*)

SB1306- ABOR; administrative powers; delegation; limitation (Kern)

Any delegation of authority from ABOR does not limit or otherwise affect ABOR's responsibility to faithfully execute all of ABOR's duties. (*Held in House Rules*)

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ABOR AND THE UNIVERSITIES FORMALLY OPPOSED THE FOLLOWING LEGISLATION (NONE ENACTED):

HCR2040- Public monies; prohibited expenditures (Smith)

Subject to voter approval, would prohibit a public entity from spending public monies to advocate or plan for, promote or become a member of an association or organization that advocates or plans for or promotes a variety of practices including reducing the consumption of animal products, reducing motor vehicle travel, adopting a climate action plan, or furthering Marxist ideologies. Grants standing to any Arizona qualified elector to bring suit against any public entity for the prohibited use of public monies. *(Held in Senate Rules)*

SB1040- Student activity fees; conscience exemption (Kern)

Requires the ABOR to exempt a student from the requirement to pay student activity fees if the payment would violate the student's conscience or if they are a veteran who recently returned from service, are recently married or became a parent and does not wish to participate in student activities, demonstrates financial hardship, objects on moral or religious grounds, or is only enrolled part time. *(Failed in Senate)*

SB1195- Public monies; prohibited uses (Kern)

Prohibits a public entity from spending public monies to advocate or plan for, promote or become a member of an association or organization that advocates or plans for or promotes a variety of practices including reducing the consumption of animal products, reducing motor vehicle travel, adopting a climate action plan, or furthering Marxist ideologies. *(Held in House Rules)*

SB1198- Disruption; educational institution; concealed weapon (Rogers)

Limits the authority of a university, college or community college governing board to prohibit a person from lawfully possessing a concealed weapon under a valid permit or transporting or storing a firearm in the person's car or motorcycle on university, college or community college campus. *(Held awaiting House Committee of the Whole)*

SB1304- ABOR; postsecondary institutions; policies (Kern)

Establishes posting requirements for the academic units of the public universities requiring that course titles, syllabi and comprehensive list of all materials covered in course. Also requires that instructor name, published works, and resume be posted. Expands what must be included in the personnel policies adopted by the Arizona Board of Regents to require all ABOR and public university officers and employees to protect the rights of students, administrators, faculty members and other employees under the First and Fourteenth Amendments and state constitutional right of freedom of speech and press. Makes changes to the free expression policy that must be adopted by ABOR and each community

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college district (CCD) governing board. Requires ABOR to make programs that award honors endorsements available for all students. Requires each public university to submit a report annually regarding the display of American flags, the U.S. constitution, and the Bill of Rights in every classroom. *(Held awaiting House Committee of the Whole)*

SB1305- Public universities; posting requirements (Kern)

Requires each academic unit at public universities, before classes begin for any term, to prominently post where publicly listed, course titles, syllabi and comprehensive list of all materials covered in course. Also requires that instructor name, published works, and resume be posted. *(Held in House Rules)*

SB1307-Postsecondary institutions; free expression; policies (Kern)

Requires ABOR and each community college district governing board to adopt an enforceable free expression policy and requires the policy to specify that students and faculty may assemble or engage in expressive activities without penalty or retaliation. *(Held in House Rules)*

SB1409- Military veteran spouses; tuition scholarships (Gowan)

Expands the Spouses of Military Veterans' Tuition Scholarship to include private universities in Arizona. *(Held in House awaiting 3rd read)*

SB1472- Prohibited uses; public monies (Kern)

Prohibits the use of public monies to promote, support or maintain diversity, equity and inclusion (DEI) or to engage in political or social activism by the state, a university, a community college or a county, city, town or other political subdivision of Arizona. *(Held in House Education)*

SB1477- Political bias; grade challenge department (Kern)

Requires ABOR to create a Grade Challenge Department, staffed by volunteers selected by ABOR, at each public university to hear challenges from students who allege a grade was impacted because of political bias. *(Held in House awaiting 3rd read)*

SCR1007- Firearms; contracts; prohibited practices (Carroll)

Subject to voter approval, would prohibit a public entity from entering into a contract with a value of over \$100,000 with a company to acquire or dispose of services, supplies, information technology or construction unless the contract stipulates that it will not discriminate against a firearm entity or firearm trade association. *(Held in House Rules)*

OTHER NOTEWORTHY LEGISLATION- NO OFFICIAL POSITION TAKEN BY ABOR OR UNIVERSITIES

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HB2039- Provisional community colleges; accreditation; oversight (Cook)

An emergency measure that allows a provisional community college district (CCD) to maintain a regional accreditation and oversight relationship with another postsecondary institution, rather than only another CCD. *(Signed by the Governor)*

HB2759- Student organizations; terrorism; withholding monies (A. Hernandez)

Prohibits an institution of higher education from formally recognizing a student organization that supports or promotes a foreign terrorist organization (FTO). Requires each institution of higher education to rescind formal recognition of any student organization that violates specified federal laws or any state law relating to supporting an FTO. *(Held in Senate Education)*

HB2477- State planet; Pluto (Wilmeth)

Establishes Pluto as the state planet of Arizona. *(Signed by the Governor)*

SB1435- Public entity liability; sexual offenses (Bolick)

Subjects a public entity to liability for losses arising out of an act or omission by a public employee that is determined to be a felony sexual offense if the victim is a minor or a child with a disability and the public entity was in violation of a statutory duty to obtain information regarding the background of employs, there was a failure of the statutory duty to report, or there exists clear and convincing evidence the public entity knew or should have known the public employee's propensity for harm. *(Vetoed by the Governor)*