Children's Action Alliance Priority Bills for the 2016 Legislative Session
March 28, 2016

We have the latest news on proposed bills that will build children’s health, education and security, as well as bad ideas that will make it harder for children and families to succeed.

BILLS STILL MOVING THROUGH THE LEGISLATURE

Good for Kids

HB 2452: TANF cash assistance for children raised by grandparents
Sponsor: Rep. Weninger

This bill keeps families together with financial assistance and stability. It wipes out the “grandmother penalty” by allowing qualified children to participate in TANF cash assistance if they are living with their grandparents or other relatives in unlicensed foster care or if a court has granted legal custody to a relative. Status: Passed on a 57-0 vote in the House. Amended and Passed by the Senate Health & Human Services Committee and the Senate Appropriations Committee.

HB 2270: Private contractors for DCS backlog
Sponsor: Sen. Lesko

This bill addresses the backlog of Department of Child Safety investigations and cases that haven’t been touched in 60 days or more. They require DCS to enter into contracts with private organizations for the backlog cases, under plans approved by the Department. This bill has an emergency clause and is repealed after June 30, 2017. Status: Introduced in the Senate Health and Human Services Committee as a strike everything amendment, where it was passed. Calendar: 3/28 Senate Caucus

HB 2262: Child care assistance
Sponsor: Rep. Brophy McGee

This bill helps employers, child care businesses, parents and children by improving the continuity of child care and sustaining federal child care funding for Arizona working families. The bill has three major provisions: 1) participating families can’t lose assistance as long as their family income remains below 85% of the state median income; 2) the renewal process occurs not more than once a year; and 3) the department of economic security may reimburse child care providers at a higher rate if they meet a state-approved quality indicator. Status: Passed by the House on a 54-3-3 vote. Amended and passed by the Senate Health & Human Services Committee and the Senate Appropriations Committee.

SB 1308: Juvenile Detention
Sponsor: Sen. Griffin

This bill would improve conditions and outcomes for youth. It would allow a criminal court judge to order that a youth who is awaiting trial in adult court be detained in a juvenile detention facility rather than in a county jail holding adult offenders. Many counties have a difficult time providing appropriate and required services for the very small number of youth in their custody. Status: Passed by the Senate on a 30-0 vote. Amended and passed by the House Judiciary Committee. Calendar: 3/28 House COW
Bad Ideas

HB 2482 and SB 1279: Empowerment Scholarships; Expansion; Phase-In
*Sponsors: Rep. Olson and Sen. Lesko*

Empowerment Scholarship Accounts (ESA) are vouchers that give parents a debit card with money they can spend on tutoring, private school, home school, or other costs for their child’s education outside of public school. Currently these accounts are limited to students who meet certain criteria. While Arizona has been focused on adding more and more accountability measures to public schools for educational outcomes, these vouchers have NO accountability – no student assessments, no report cards for the educational programs, no teacher evaluations. HB2482 would expand ESA vouchers to every student in Arizona and SB 1279 would expand them to all children who qualify for the federal free and reduced price school lunch program (about half the students in the state). Neither bill provides any way to make sure those dollars are being spent wisely. A massive amount of new voucher accounts could be created, cutting funding to public school classrooms and teachers even more deeply. The Department of Education has expressed concerns about their ability to prevent fraud and abuse in this program. *Status: HB 2482 passed by a 5-3 vote in the House Ways and Means Committee, passed by the House Rules Committee and was retained on the House COW calendar twice. SB 1279 passed by the Senate as a different proposal. The House Appropriations Committee passed a strike-everything amendment that makes all children who qualify for the free and reduced lunch program eligible for an ESA. Hearing: House Rules (Monday 03/28/16, House Rm. 4)*

SB 1316: consumer lending; regulation; licensure
*Sponsors: Sen. Kavanagh*

SB 1447, a bill defeated earlier this session has been brought back to life as SB 1316 consumer lending; regulation; licensure. SB 1316 would create loans which could charge more than 204% in interest annually. Under this bill, consumers could end up owing up to four times what they originally borrowed. A $2,500 loan could become more than $10,000 over a period of two years, making it difficult for a struggling family to ever get their debt under control. *Status: SB 1316 was introduced as a striker in the House Ways and Means Committee and passed by the House. It must pass the Senate if it’s going to become law.*

INACTIVE BILLS

INACTIVE BILLS NOT MOVING NOW

Good for Kids

HB 2309 and SB 1385: Reinstating KidsCare

This bill opens opportunity for regular health care to approximately 30,000 uninsured children by lifting the temporary freeze on KidsCare health enrollment. It uses 100% federal funding to open enrollment to qualified children in low-income, working families at no cost to the state budget. *Status: HB 2309 was passed by the House on a 47-12 vote. Neither bill has gotten a hearing in the Senate.*

HB 2063: Cap on growth of corporate private school tax credit
*Sponsor: Rep. Coleman*

This bill adds fiscal accountability and control to the corporate tax credit that now balloons automatically every
year. The bill slows the growth of the corporate tax credit for private school student scholarships from 20% every year down to the greater of inflation or 2%. It also lowers the amount that can be spent by School Tuition organizations for administrative costs from 10% to 5% of contributions – the rest must be spent on scholarships. **Status:** This bill was not assigned to any committee.

**SB 1404: Child Neglect Cases**  
**Sponsor:** Sen. Hobbs

This bill will help improve child safety and keep families together by informing the Department of Child Safety, the legislature, and the public about the patterns and factors shaping the growing number of reports of child neglect. The bill requires DCS to contract with a university to report on the characteristics of a one-week sample of reports of neglect. **Status:** This bill was assigned, but was not scheduled for a hearing in the Senate Health and Human Services committee.

**SB 1138 and HB 2327: TANF cash assistance lifetime limit**  
**Sponsors:** Sen. Hobbs and Rep. Friese

This bill protects children from poverty, hunger, domestic violence, and homelessness by restoring the 24 month lifetime limit for families participating in TANF cash assistance. **Status:** SB 1138 was assigned to both the Senate Health and Human Services and Appropriations Committees, but was never scheduled for a hearing. HB 2327 was assigned to both the House Children and Family Affairs and Appropriations Committees, but was never scheduled for a hearing.

***INACTIVE BAD BILLS***

**HCR 2037: First Things First early childhood learning**  
**Sponsor:** Rep. Borrelli

This resolution would ask Arizonans to vote for a third time on their commitment to dedicate tobacco tax funds to children five and younger so that they arrive at school healthy and ready to succeed. The bill would cut $99 million out of $122 million in tobacco tax funding from learning programs to prepare children for kindergarten and would shift the funds to charter schools and school districts for literacy for children ages 5-7. This shift would dismantle Arizona’s partnerships for early learning and eliminate at least $30 million in federal funds coming to Arizona each year. The evidence is overwhelming that third grade reading won’t improve if fewer children are prepared for kindergarten. **Status:** This bill was scheduled for a January 27th hearing in the House Education Committee, but was held by Chairman Boyer, who withdrew his support for the proposal.

**HCR 2044: School Monies; Early childhood literacy**  
**Sponsor:** Rep. Borrelli

The 2016 general election ballot is to carry the question of whether to amend state statute to require the first $30 million of monies from the Early Childhood Development and Health Fund to be spent on programs that qualify as matching state expenditures under the federal Child Care and Development Block Grant Act of 2014,
and to require additional monies from the Fund to be transferred to the Department of Education to be distributed to school districts and charter schools to provide early childhood literacy programs for children between zero and seven years of age. Each school district and charter school is eligible to receive $1,162 per student enrolled in 3rd grade if sufficient monies are deposited in the Fund, or a pro rata reduced per pupil amount. Beginning in FY2020-21, the Dept is required to reduce the monies transferred to a school district or charter school by a percentage of the amount that would otherwise be due that is equal to the percentage of 3rd grade students who are not promoted to 4th grade due to reading below grade level. Also, if at the end of a fiscal year unexpended and unencumbered monies remain in the Fund, the first $5 million is transferred to the Internet Crimes Against Children Enforcement Fund. **Status: Assigned to the House Appropriations Committee.**

**HB 2401 and SB 1125: Schools; desegregation funding; phase-down**

**Sponsors: Rep. Leach and Sen. Lesko**

Arizona statute allows school districts who are under a federal order of desegregation to levy local property taxes in order to comply with the agreements between the Office of Civil Rights (OCR) or a federal court order. These funds allow districts to implement programs and services intended to alleviate the effects of systemic segregation within the district. Currently, 19 Arizona school districts use desegregation levies.

This legislation will eliminate an estimated $211 million in desegregation funding that impacts approximately 260,000 students (about 23% of the total student population). Eliminating this funding will result in the termination of numerous programs providing equal educational opportunities to disadvantaged students, as well as thousands of teachers losing their jobs. Since it interferes with legally binding agreements between school districts and the federal government, it will also likely lead to additional costly lawsuits. **Status: SB 1125 passed the Senate Finance and Rules Committees. HB 2401 was scheduled and retained in House COW.**