ESA Rulemaking Parent Forum

DECEMBER 16, 2022

State Board Staff Introductions

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Agenda

1. State Board Introductions

2. State Board of Education vs. Department of Education

3. Who is the State Board of Education?

4. What is the State Board's rulemaking process?

5. What are the House Bill 2853 changes?

6. What is in the Rule?

7. What is not in the Rule?

8. What are the next steps?

9. Questions & Discussion

State Board of Education vs. Department of Education

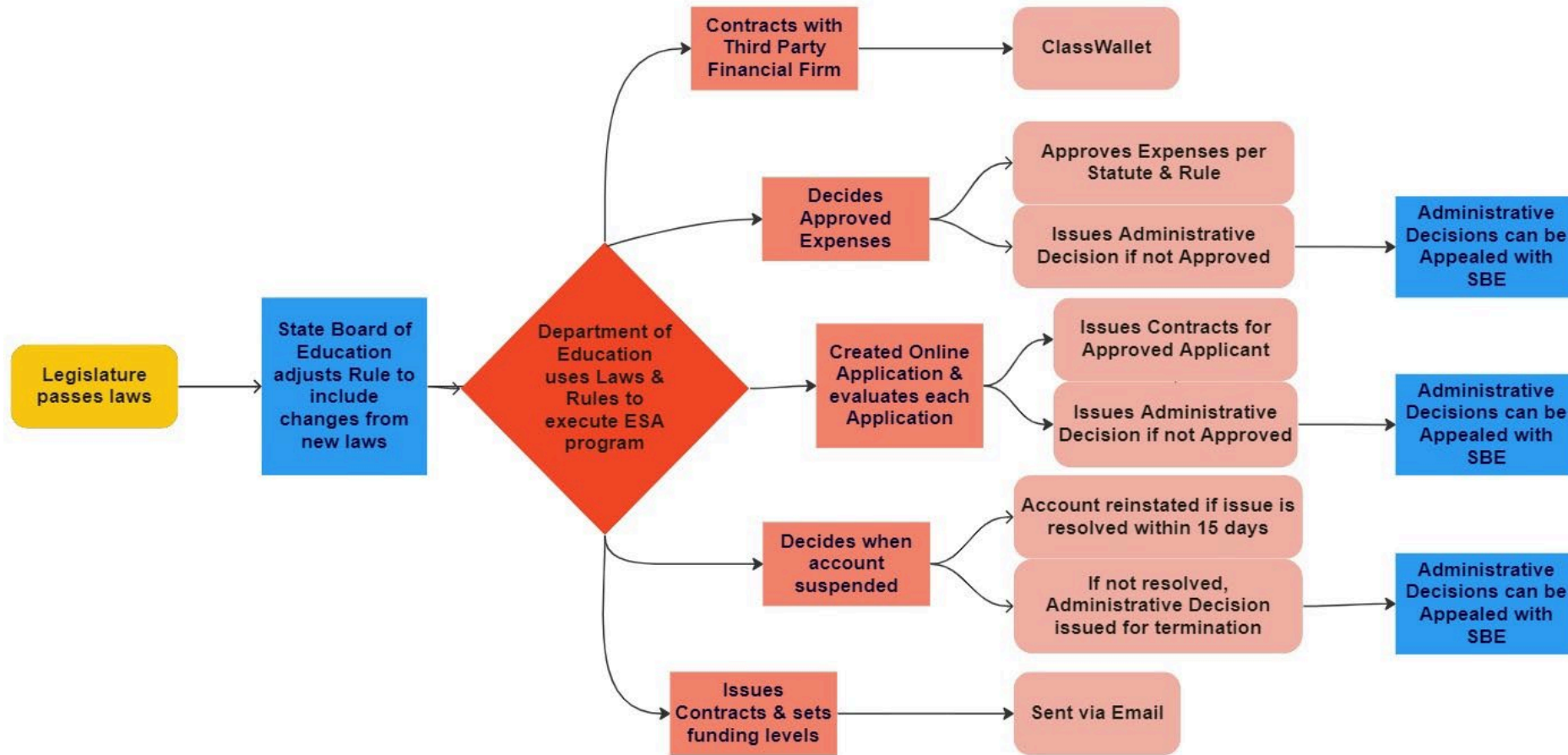State Board of Education (SBE) is the **policy** arm.

- Creates **Rules** for ESA program
  - In collaboration with ADE and stakeholders
- **Updates** the Rules when new ESA legislation is passed
- Receives **Appeals** regarding ADE Administrative Decisions
- **Refers Accounts** to Attorney General's Office of Collections and/or Fraud

Department of Education (ADE) is the **administrative** arm.

- Establishes the **daily processes** and policies for the ESA program
- Performs the **days to day operations** of the ESA program
- Contracts with a **third party financial firm** (i.e. CW)
- **Issues Administrative Decisions** concerning Eligibility, Termination, and Denied Expenses

State Board of Education vs. Department of Education

Who is the State Board of Education?

Constitutional Board, made up of 11 members: 10 members are appointed by the Governor and confirmed by the Senate, one member is elected (Superintendent)

Purpose: General supervision over the conduct of public school system (Title 15)

Adopt Rules and policies to accomplish this purpose:

- Adopt graduation requirements
- Supervise and control the certification of educators, including discipline of unprofessional/immoral conduct
- Approve educator preparation programs
- Adopt statewide proficiency assessments, passing scores, and methods of administering assessments
- Delegate to the Superintendent of Public Instruction the execution of board policies and rules
- Investigate allegations of immoral and unprofessional conduct
- **Receive ESA Appeals, create ESA rules and refer ESA Accounts to the Attorney General's Office for collections and fraud**

What is the State Board's rulemaking process?

Administrative Rule Process:

1. Submit draft of conforming Rules to the State Board of Education to "open" ESA Rules (starts the formal rulemaking process) **(September Board Meeting)**

2. Host a meeting with stakeholders to review conforming changes per House Bill 2853 **(Oct 31st)**

3. Hold a public hearing (opportunity for the public to speak on the open rules) **(Nov 17th)**

4. Update the Board on the open rules at a December 9, 2022 Board meeting **(December Board Meeting)**

5. Hold a second meeting with stakeholders to review conforming changes per House Bill 2853 **(Dec 16th)**

6. Hold a second public hearing if material changes are made to open rules **(Jan 5th)**

7. Bring the open Rule draft to the third Board meeting for the Board to "close" the rules. Could be "closed" at the fourth, fifth, etc. Board Meeting. **(Estimate January 2023 Board Meeting)**

8. Once the Board "closes" the Rule, the Rule becomes enacted. The Board may choose to implement all or portions of the Rule at a later date or the day the Board "closes" the Rule

9. Throughout this process, feedback is gathered through emails, phone calls, meetings, comments etc.

What are House Bill 2853 Changes?

Pursuant to the House Bill 2853:

1. Modifies eligibility requirements as follows:
    ◦ Establishes consistency of AOI hours with in-person instruction hours; and
    ◦ Clarification for Preschool and Kindergarten
    ◦ Redefines "qualified student" (i.e. Universal)

2. Amends the number of days preceding an account suspension/termination

3. Allows ESA funds to be used towards:
    ◦ Transportation, such as a commuter pass
    ◦ Computer hardware and technological devices for educational purposes

4. Allows Account Holders to designate a non-attorney representative to assist in the appeals process

5. Establishes a path for independent third-party evaluations

What is in the Rule Draft?

o Conforming changes from HB 2853

o Clarification on the effective date for the new Handbook

o Changes requested by Board Members:

- ADE Quarterly Report – population, audits, outages, MCC Code requests and denials, reimbursements, HelpDesk tickets, contract updates, database changes, and award formula, etc.

- Any MCC Code exceptions provided to one family will be extended to all families

- Update to the age of Private Evaluations

o Correction of errors

What is not in the Rule?

o Deviations inconsistent with State Statute

o ADE Administrative functions are not included in the rule

o Dictating to the ADE on how to administer the ESA Program.
- This includes internal standard operating procedures that drive how ADE administers the Program on a day to day basis.

o Oversight of ADE staff
- This includes how the staff is organized, how it answers calls or emails and how quickly it does so, etc.

Developing Rule Changes

The following proposals are in development with our Legal experts:

o Compensation for non-attorney legal representation

o Out-of-State accredited post-secondary education institutions

Immediate Next Steps

Fill Out <u>Survey 2</u> to Provide Feedback

COPY and PASTE link into URL: https://forms.gle/KF2PD5AXECwRYjUE7

Or click on the link provided in the chat box

Or visit the website: https://azsbe.az.gov/empowerment-scholarship-account-esa-program

Subsequent Next Steps

Friday, December 30th at 12pm

✓The Second Survey Closes

✓Registration for the Second Public Hearing Closes

The Board staff will review all survey responses

The Board members will receive all feedback ahead of the January Board Meeting

Questions and Discussion

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