

State of Arizona  
Senate  
Fifty-first Legislature  
First Regular Session  
2013

**CHAPTER 252**  
**SENATE BILL 1449**

AN ACT

AMENDING SECTION 15-701.01, ARIZONA REVISED STATUTES; AMENDING TITLE 15,  
CHAPTER 7, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-720.02;  
RELATING TO SCHOOL CURRICULUM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-701.01, Arizona Revised Statutes, is amended to  
3 read:

4 15-701.01. High school; graduation; requirements; community  
5 college or university courses; transfer from  
6 private schools; academic credit

7 A. The state board of education shall:

8 1. Prescribe a minimum course of study, as defined in section 15-101  
9 and incorporating the academic standards adopted by the state board of  
10 education, for the graduation of pupils from high school.

11 2. Prescribe competency requirements for the graduation of pupils from  
12 high school incorporating the academic standards in at least the areas of  
13 reading, writing, mathematics, science and social studies. **THE ACADEMIC**  
14 **STANDARDS PRESCRIBED BY THE STATE BOARD OF EDUCATION IN SOCIAL STUDIES SHALL**  
15 **INCLUDE PERSONAL FINANCE. THIS PARAGRAPH DOES NOT ALLOW THE STATE BOARD OF**  
16 **EDUCATION TO ESTABLISH A REQUIRED SEPARATE PERSONAL FINANCE COURSE FOR THE**  
17 **PURPOSE OF THE GRADUATION OF PUPILS FROM HIGH SCHOOL.**

18 3. Develop and adopt competency tests pursuant to section 15-741 for  
19 the graduation of pupils from high school in at least the areas of reading,  
20 writing and mathematics and shall establish passing scores for each such  
21 test. For the purposes of satisfying the graduation requirements of this  
22 paragraph, a minimum score as determined by the state board of education on  
23 one or more nationally recognized college entrance examinations selected by  
24 the state board of education, if examination information may be accessed at  
25 no cost to this state, may be substituted for passing scores on the Arizona  
26 instrument to measure standards test for a pupil who is in grade twelve. For  
27 the purposes of satisfying the graduation requirements of this paragraph, a  
28 score as determined by the state board of education on a board examination  
29 prescribed in article 6 of this chapter may be substituted for passing scores  
30 on the Arizona instrument to measure standards test if a pupil who is in  
31 grade twelve has previously taken the board examination and has not achieved  
32 the minimum score required to be eligible for a Grand Canyon diploma. A  
33 pupil shall not be required to pass the competency test required in this  
34 paragraph to graduate from high school if the pupil transfers into the  
35 district from out-of-state and has successfully passed a statewide assessment  
36 test on state adopted standards that are substantially equivalent to the  
37 state board adopted academic standards.

38 B. If the state board of education adopts a competency test as a  
39 graduation requirement for a child with a disability as defined in section  
40 15-761 or a child who receives special education pursuant to section 15-763,  
41 pupils with individualized education programs shall not be required to  
42 achieve passing scores on competency tests in order to graduate from high  
43 school unless the pupil is learning at a level appropriate for the pupil's  
44 grade level in a specific academic area and unless passing scores on a  
45 competency test are specifically required in a specific academic area by the  
46 pupil's individualized education program as mutually agreed on by the pupil's

1 parents and the pupil's individualized education program team or the pupil,  
2 if the pupil is at least eighteen years of age. These competency tests shall  
3 be administered to pupils in a manner prescribed in the pupil's  
4 individualized education program, and school districts and charter schools  
5 shall make specific and appropriate accommodations for pupils with  
6 individualized education programs. Pupils with section 504 plans as defined  
7 in section 15-731 shall not be required to achieve passing scores on  
8 competency tests in order to graduate from high school unless the pupil is  
9 learning at a level appropriate for the pupil's grade level in a specific  
10 academic area and unless passing scores on a competency test are specifically  
11 required in a specific academic area by the pupil's section 504 plan that is  
12 developed in consultation with the pupil's parents. These competency tests  
13 shall be administered to pupils in a manner prescribed in the pupil's section  
14 504 plan, and school districts and charter schools shall make specific and  
15 appropriate accommodations for pupils with a section 504 plan. A pupil with  
16 an individualized education program or a section 504 plan who graduates from  
17 high school but who is not required to achieve a passing score on a  
18 competency test in order to graduate from high school shall receive the  
19 standard diploma issued by the school district or charter school.

20 C. The governing board of a school district shall:

21 1. Prescribe curricula that include the academic standards in the  
22 required subject areas pursuant to subsection A, paragraph 1 of this section.

23 2. Prescribe criteria for the graduation of pupils from the high  
24 schools in the school district. These criteria shall include accomplishment  
25 of the academic standards in at least reading, writing, mathematics, science  
26 and social studies, as determined by district assessment. Other criteria may  
27 include additional measures of academic achievement and attendance.

28 D. The governing board may prescribe the course of study and  
29 competency requirements for the graduation of pupils from high school that  
30 are in addition to or higher than the course of study and competency  
31 requirements ~~which~~ THAT the state board prescribes.

32 E. The governing board may prescribe competency requirements for the  
33 passage of pupils in courses that are required for graduation from high  
34 school.

35 F. A teacher shall determine whether to pass or fail a pupil in a  
36 course in high school as provided in section 15-521, paragraph ~~3~~ 4 on the  
37 basis of the competency requirements, if any have been prescribed. The  
38 governing board, if it reviews the decision of a teacher to pass or fail a  
39 pupil in a course in high school as provided in section 15-342, paragraph 11,  
40 shall base its decision on the competency requirements, if any have been  
41 prescribed.

42 G. Graduation requirements established by the governing board may be  
43 met by a pupil who passes courses in the required or elective subjects at a  
44 community college or university, if the course is at a higher level than the  
45 course taught in the high school attended by the pupil or, if the course is  
46 not taught in the high school, the level of the course is equal to or higher

1 than the level of a high school course. The governing board shall determine  
2 if the subject matter of the community college or university course is  
3 appropriate to the specific requirement the pupil intends it to fulfill and  
4 if the level of the community college or university course is less than,  
5 equal to or higher than a high school course, and the governing board shall  
6 award one-half of a carnegie unit for each three semester hours of credit the  
7 pupil earns in an appropriate community college or university course. If a  
8 pupil is not satisfied with the decision of the governing board regarding the  
9 amount of credit granted or the subjects for which credit is granted, the  
10 pupil may request that the state board of education review the decision of  
11 the governing board, and the state board shall make the final determination  
12 of the amount of credit to be given the pupil and for which subjects. The  
13 governing board shall not limit the number of credits that is required for  
14 high school graduation and that may be met by taking community college or  
15 university courses. For the purposes of this subsection:

16 1. "Community college" means an educational institution that is  
17 operated by a community college district as defined in section 15-1401 or a  
18 postsecondary educational institution under the jurisdiction of an Indian  
19 tribe recognized by the United States department of the interior.

20 2. "University" means a university under the jurisdiction of the  
21 Arizona board of regents.

22 H. A pupil who transfers from a private school shall be provided with  
23 a list that indicates those credits that have been accepted and denied by the  
24 school district. A pupil may request to take an examination in each  
25 particular course in which credit has been denied. The school district shall  
26 accept the credit for each particular course in which the pupil takes an  
27 examination and receives a passing score on a test designed and evaluated by  
28 a teacher in the school district who teaches the subject matter on which the  
29 examination is based. In addition to the above requirements, the governing  
30 board of a school district may prescribe requirements for the acceptance of  
31 the credits of pupils who transfer from a private school.

32 I. If a pupil who was previously enrolled in a charter school or  
33 school district enrolls in a school district in this state, the school  
34 district shall accept credits earned by the pupil in courses or instructional  
35 programs at the charter school or school district. The governing board of a  
36 school district may adopt a policy concerning the application of transfer  
37 credits for the purpose of determining whether a credit earned by a pupil who  
38 was previously enrolled in a school district or charter school will be  
39 assigned as an elective or core credit.

40 J. A pupil who transfers from a charter school or school district  
41 shall be provided with a list that indicates which credits have been accepted  
42 as an elective credit and which credits have been accepted as a core credit  
43 by the school district. Within ten school days after receiving the list, a  
44 pupil may request to take an examination in each particular course in which  
45 core credit has been denied. The school district shall accept the credit as  
46 a core credit for each particular course in which the pupil takes an

1 examination and receives a passing score on a test designed and evaluated by  
2 a teacher in the school district who teaches the subject matter on which the  
3 examination is based.

4 K. The state board of education shall adopt rules to allow high school  
5 pupils who can demonstrate competency in a particular academic course or  
6 subject to obtain academic credit for the course or subject without enrolling  
7 in the course or subject.

8 L. Pupils who earn a Grand Canyon diploma pursuant to article 6 of  
9 this chapter are exempt from the graduation requirements prescribed in this  
10 section, including the requirement that a pupil obtain passing scores on the  
11 Arizona instrument to measure standards test in order to graduate from high  
12 school. Pupils who earn a Grand Canyon diploma are entitled to all the  
13 rights and privileges of persons who graduate with a high school diploma  
14 issued pursuant to this section, including access to postsecondary  
15 scholarships and other forms of student financial aid and access to all forms  
16 of postsecondary education. Notwithstanding any other law, a pupil who is  
17 eligible for a Grand Canyon diploma may elect to remain in high school  
18 through grade twelve and shall not be prevented from enrolling at a high  
19 school after the pupil becomes eligible for a Grand Canyon diploma. A pupil  
20 who is eligible for a Grand Canyon diploma and who elects not to pursue one  
21 of the options prescribed in section 15-792.03 may only be readmitted to that  
22 high school or another high school in this state pursuant to policies adopted  
23 by the school district of readmission.

24 Sec. 2. Title 15, chapter 7, article 1, Arizona Revised Statutes, is  
25 amended by adding section 15-720.02, to read:

26 15-720.02. Instruction on personal finance in high schools

27 A. A SCHOOL DISTRICT GOVERNING BOARD OR CHARTER SCHOOL MAY PRESCRIBE A  
28 SEPARATE PERSONAL FINANCE COURSE FOR THE GRADUATION OF PUPILS FROM HIGH  
29 SCHOOL OR INCORPORATE PERSONAL FINANCE INSTRUCTION INTO AN EXISTING COURSE OR  
30 EXISTING CURRICULA FOR THE GRADUATION OF PUPILS FROM HIGH SCHOOL, THAT IS IN  
31 ADDITION TO OR HIGHER THAN THE COURSE OF STUDY AND COMPETENCY REQUIREMENTS  
32 THAT THE STATE BOARD OF EDUCATION PRESCRIBES FOR THE GRADUATION OF PUPILS.

33 B. IF A PERSONAL FINANCE COURSE IS PRESCRIBED BY A SCHOOL DISTRICT  
34 GOVERNING BOARD OR CHARTER SCHOOL OR IF PERSONAL FINANCE INSTRUCTION IS  
35 INCORPORATED INTO AN EXISTING COURSE OR EXISTING CURRICULA, THE COURSE OR  
36 INCORPORATED INSTRUCTION SHALL INCLUDE THE FOLLOWING:

37 1. EXPLANATIONS ON HOW EDUCATION, CAREER CHOICES AND FAMILY  
38 OBLIGATIONS AFFECT FUTURE INCOME.

39 2. ANALYSES OF HOW ADVERTISING INFLUENCES CONSUMER CHOICES.

40 3. THE DETERMINATION OF SHORT-TERM AND LONG-TERM FINANCIAL GOALS AND  
41 PLANS, INCLUDING INCOME, SPENDING, SAVING AND INVESTING.

42 4. COMPARISONS OF THE ADVANTAGES AND DISADVANTAGES OF USING VARIOUS  
43 FORMS OF CREDIT AND THE DETERMINING FACTORS OF CREDIT HISTORY.

44 5. EXPLANATIONS OF THE RISK, RETURN AND LIQUIDITY OF SHORT-TERM AND  
45 LONG-TERM SAVING AND INVESTMENT CHOICES.

1           6. IDENTIFICATION OF INVESTMENT OPTIONS AVAILABLE TO INDIVIDUALS AND  
2 HOUSEHOLDS.

3           C. A SCHOOL DISTRICT GOVERNING BOARD OR CHARTER SCHOOL MAY DEVELOP ITS  
4 OWN CURRICULUM ON PERSONAL FINANCE OR MAY USE A CURRICULUM ON PERSONAL  
5 FINANCE THAT IS CURRENTLY USED BY OTHER PUBLIC SCHOOLS IN THIS STATE OR BY  
6 PUBLIC SCHOOLS IN OTHER STATES. A SCHOOL DISTRICT GOVERNING BOARD OR CHARTER  
7 SCHOOL MAY USE CURRICULUM ON PERSONAL FINANCE DEVELOPED BY OR IN CONJUNCTION  
8 WITH AN ORGANIZATION WITH EXPERTISE IN PROVIDING INSTRUCTION TO HIGH SCHOOL  
9 PUPILS ON PERSONAL FINANCE SKILLS.

APPROVED BY THE GOVERNOR JUNE 20, 2013.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 21, 2013.