

State of Arizona
Senate
Fifty-second Legislature
First Regular Session
2015

SENATE BILL 1306

AN ACT

AMENDING SECTIONS 15-185, 15-249.01 AND 15-874, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 9, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1041.01; AMENDING SECTIONS 15-1042 AND 15-1043, ARIZONA REVISED STATUTES; REPEALING SECTION 15-1044, ARIZONA REVISED STATUTES; AMENDING SECTION 15-1045, ARIZONA REVISED STATUTES; REPEALING SECTION 41-3016.23, ARIZONA REVISED STATUTES; RELATING TO STUDENT DATA.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-185, Arizona Revised Statutes, is amended to
3 read:

4 15-185. Charter schools; financing; civil penalty;
5 transportation; definitions

6 A. Financial provisions for a charter school that is sponsored by a
7 school district governing board are as follows:

8 1. The charter school shall be included in the district's budget and
9 financial assistance calculations pursuant to paragraph 3 of this subsection
10 and chapter 9 of this title, except for chapter 9, article 4 of this title.
11 The charter of the charter school shall include a description of the methods
12 of funding the charter school by the school district. The school district
13 shall send a copy of the charter and application, including a description of
14 how the school district plans to fund the school, to the state board of
15 education before the start of the first fiscal year of operation of the
16 charter school. The charter or application shall include an estimate of the
17 student count for the charter school for its first fiscal year of operation.
18 This estimate shall be computed pursuant to the requirements of paragraph 3
19 of this subsection.

20 2. A school district is not financially responsible for any charter
21 school that is sponsored by the state board of education, the state board for
22 charter schools, a university under the jurisdiction of the Arizona board of
23 regents, a community college district or a group of community college
24 districts.

25 3. A school district that sponsors a charter school may:

26 (a) Increase its student count as provided in subsection B, paragraph
27 2 of this section during the first year of the charter school's operation to
28 include those charter school pupils who were not previously enrolled in the
29 school district. A charter school sponsored by a school district governing
30 board is eligible for the charter additional assistance prescribed in
31 subsection B, paragraph 4 of this section. The district additional
32 assistance allocation as provided in section 15-961 for the school district
33 sponsoring the charter school shall be increased by the amount of the charter
34 additional assistance. The school district shall include the full amount of
35 the charter additional assistance in the funding provided to the charter
36 school.

37 (b) Compute separate weighted student counts pursuant to section
38 15-943, paragraph 2, subdivision (a) for its noncharter school versus charter
39 school pupils in order to maintain eligibility for small school district
40 support level weights authorized in section 15-943, paragraph 1 for its
41 noncharter school pupils only. The portion of a district's student count
42 that is attributable to charter school pupils is not eligible for small
43 school district support level weights.

44 4. If a school district uses the provisions of paragraph 3 of this
45 subsection, the school district is not eligible to include those pupils in

1 its student count for the purposes of computing an increase in its revenue
2 control limit and district support level as provided in section 15-948.

3 5. A school district that sponsors a charter school is not eligible to
4 include the charter school pupils in its student count for the purpose of
5 computing an increase in its district additional assistance as provided in
6 section 15-961, subsection B, except that if the charter school was
7 previously a school in the district, the district may include in its student
8 count any charter school pupils who were enrolled in the school district in
9 the prior year.

10 6. A school district that sponsors a charter school is not eligible to
11 include the charter school pupils in its student count for the purpose of
12 computing the revenue control limit which is used to determine the maximum
13 budget increase as provided in chapter 4, article 4 of this title unless the
14 charter school is located within the boundaries of the school district.

15 7. If a school district converts one or more of its district public
16 schools to a charter school and receives assistance as prescribed in
17 subsection B, paragraph 4 of this section, and subsequently converts the
18 charter school back to a district public school, the school district shall
19 repay the state the total charter additional assistance received for the
20 charter school for all years that the charter school was in operation. The
21 repayment shall be in one lump sum and shall be reduced from the school
22 district's current year equalization assistance. The school district's
23 general budget limit shall be reduced by the same lump sum amount in the
24 current year.

25 B. Financial provisions for a charter school that is sponsored by the
26 state board of education, the state board for charter schools, a university,
27 a community college district or a group of community college districts are as
28 follows:

29 1. The charter school shall calculate a base support level as
30 prescribed in section 15-943, except that section 15-941 does not apply to
31 these charter schools.

32 2. Notwithstanding paragraph 1 of this subsection, the student count
33 shall be determined initially using an estimated student count based on
34 actual registration of pupils before the beginning of the school year.
35 Notwithstanding section 15-1042, subsection ~~F~~ E, student level data
36 submitted to the department may be used to determine estimated student
37 counts. After the first forty days, one hundred days or two hundred days in
38 session, as applicable, the charter school shall revise the student count to
39 be equal to the actual average daily membership, as defined in section
40 15-901, of the charter school. Before the fortieth day, one hundredth day or
41 two hundredth day in session, as applicable, the state board of education,
42 the state board for charter schools, the sponsoring university, the
43 sponsoring community college district or the sponsoring group of community
44 college districts may require a charter school to report periodically
45 regarding pupil enrollment and attendance, and the department of education

1 may revise its computation of equalization assistance based on the report. A
2 charter school shall revise its student count, base support level and charter
3 additional assistance before May 15. A charter school that overestimated its
4 student count shall revise its budget before May 15. A charter school that
5 underestimated its student count may revise its budget before May 15.

6 3. A charter school may utilize section 15-855 for the purposes of
7 this section. The charter school and the department of education shall
8 prescribe procedures for determining average daily membership.

9 4. Equalization assistance for the charter school shall be determined
10 by adding the amount of the base support level and charter additional
11 assistance. The amount of the charter additional assistance is one thousand
12 seven hundred seven dollars seventy-seven cents per student count in
13 preschool programs for children with disabilities, kindergarten programs and
14 grades one through eight and one thousand nine hundred ninety dollars
15 thirty-eight cents per student count in grades nine through twelve.

16 5. The state board of education shall apportion state aid from the
17 appropriations made for such purposes to the state treasurer for disbursement
18 to the charter schools in each county in an amount as determined by this
19 paragraph. The apportionments shall be made as prescribed in section 15-973,
20 subsection B.

21 6. The charter school shall not charge tuition for pupils who reside
22 in this state, levy taxes or issue bonds. A charter school may admit pupils
23 who are not residents of this state and shall charge tuition for those pupils
24 in the same manner prescribed in section 15-823.

25 7. Not later than noon on the day preceding each apportionment date
26 established by paragraph 5 of this subsection, the superintendent of public
27 instruction shall furnish to the state treasurer an abstract of the
28 apportionment and shall certify the apportionment to the department of
29 administration, which shall draw its warrant in favor of the charter schools
30 for the amount apportioned.

31 C. If a pupil is enrolled in both a charter school and a public school
32 that is not a charter school, the sum of the daily membership, which includes
33 enrollment as prescribed in section 15-901, subsection A, paragraph 1,
34 subdivisions (a) and (b) and daily attendance as prescribed in section
35 15-901, subsection A, paragraph 5, for that pupil in the school district and
36 the charter school shall not exceed 1.0. If a pupil is enrolled in both a
37 charter school and a public school that is not a charter school, the
38 department of education shall direct the average daily membership to the
39 school with the most recent enrollment date. On validation of actual
40 enrollment in both a charter school and a public school that is not a charter
41 school and if the sum of the daily membership or daily attendance for that
42 pupil is greater than 1.0, the sum shall be reduced to 1.0 and shall be
43 apportioned between the public school and the charter school based on the
44 percentage of total time that the pupil is enrolled or in attendance in the
45 public school and the charter school. The uniform system of financial

1 records shall include guidelines for the apportionment of the pupil
2 enrollment and attendance as provided in this section.

3 D. Charter schools are allowed to accept grants and gifts to
4 supplement their state funding, but it is not the intent of the charter
5 school law to require taxpayers to pay twice to educate the same pupils. The
6 base support level for a charter school or for a school district sponsoring a
7 charter school shall be reduced by an amount equal to the total amount of
8 monies received by a charter school from a federal or state agency if the
9 federal or state monies are intended for the basic maintenance and operations
10 of the school. The superintendent of public instruction shall estimate the
11 amount of the reduction for the budget year and shall revise the reduction to
12 reflect the actual amount before May 15 of the current year. If the
13 reduction results in a negative amount, the negative amount shall be used in
14 computing all budget limits and equalization assistance, except that:

15 1. Equalization assistance shall not be less than zero.

16 2. For a charter school sponsored by the state board of education, the
17 state board for charter schools, a university, a community college district
18 or a group of community college districts, the total of the base support
19 level and the charter additional assistance shall not be less than zero.

20 3. For a charter school sponsored by a school district, the base
21 support level for the school district shall not be reduced by more than the
22 amount that the charter school increased the district's base support level
23 and district additional assistance allocation.

24 E. If a charter school was a district public school in the prior year
25 and is now being operated for or by the same school district and sponsored by
26 the state board of education, the state board for charter schools, a
27 university, a community college district, a group of community college
28 districts or a school district governing board, the reduction in subsection D
29 of this section applies. The reduction to the base support level of the
30 charter school or the sponsoring district of the charter school shall equal
31 the sum of the base support level and the charter additional assistance
32 received in the current year for those pupils who were enrolled in the
33 traditional public school in the prior year and are now enrolled in the
34 charter school in the current year.

35 F. Equalization assistance for charter schools shall be provided as a
36 single amount based on average daily membership without categorical
37 distinctions between maintenance and operations or capital.

38 G. At the request of a charter school, the county school
39 superintendent of the county where the charter school is located may provide
40 the same educational services to the charter school as prescribed in section
41 15-308, subsection A. The county school superintendent may charge a fee to
42 recover costs for providing educational services to charter schools.

43 H. If the sponsor of the charter school determines at a public meeting
44 that the charter school is not in compliance with federal law, with the laws
45 of this state or with its charter, the sponsor of a charter school may submit

1 a request to the department of education to withhold up to ten ~~per cent~~
2 PERCENT of the monthly apportionment of state aid that would otherwise be due
3 the charter school. The department of education shall adjust the charter
4 school's apportionment accordingly. The sponsor shall provide written notice
5 to the charter school at least seventy-two hours before the meeting and shall
6 allow the charter school to respond to the allegations of noncompliance at
7 the meeting before the sponsor makes a final determination to notify the
8 department of education of noncompliance. The charter school shall submit a
9 corrective action plan to the sponsor on a date specified by the sponsor at
10 the meeting. The corrective action plan shall be designed to correct
11 deficiencies at the charter school and to ensure that the charter school
12 promptly returns to compliance. When the sponsor determines that the charter
13 school is in compliance, the department of education shall restore the full
14 amount of state aid payments to the charter school.

15 I. In addition to the withholding of state aid payments pursuant to
16 subsection H of this section, the sponsor of a charter school may impose a
17 civil penalty of one thousand dollars per occurrence if a charter school
18 fails to comply with the fingerprinting requirements prescribed in section
19 15-183, subsection C or section 15-512. The sponsor of a charter school
20 shall not impose a civil penalty if it is the first time that a charter
21 school is out of compliance with the fingerprinting requirements and if the
22 charter school provides proof within forty-eight hours of written
23 notification that an application for the appropriate fingerprint check has
24 been received by the department of public safety. The sponsor of the charter
25 school shall obtain proof that the charter school has been notified, and the
26 notification shall identify the date of the deadline and shall be signed by
27 both parties. The sponsor of a charter school shall automatically impose a
28 civil penalty of one thousand dollars per occurrence if the sponsor
29 determines that the charter school subsequently violates the fingerprinting
30 requirements. Civil penalties pursuant to this subsection shall be assessed
31 by requesting the department of education to reduce the amount of state aid
32 that the charter school would otherwise receive by an amount equal to the
33 civil penalty. The amount of state aid withheld shall revert to the state
34 general fund at the end of the fiscal year.

35 J. A charter school may receive and spend monies distributed by the
36 department of education pursuant to section 42-5029, subsection E and section
37 37-521, subsection B.

38 K. If a school district transports or contracts to transport pupils to
39 the Arizona state schools for the deaf and the blind during any fiscal year,
40 the school district may transport or contract with a charter school to
41 transport sensory impaired pupils during that same fiscal year to a charter
42 school if requested by the parent of the pupil and if the distance from the
43 pupil's place of actual residence within the school district to the charter
44 school is less than the distance from the pupil's place of actual residence

1 within the school district to the campus of the Arizona state schools for the
2 deaf and the blind.

3 L. Notwithstanding any other law, a university under the jurisdiction
4 of the Arizona board of regents, a community college district or a group of
5 community college districts shall not include any student in the student
6 count of the university, community college district or group of community
7 college districts for state funding purposes if that student is enrolled in
8 and attending a charter school sponsored by the university, community college
9 district or group of community college districts.

10 M. The governing body of a charter school shall transmit a copy of its
11 proposed budget or the summary of the proposed budget and a notice of the
12 public hearing to the department of education for posting on the department
13 of education's website no later than ten days before the hearing and meeting.
14 If the charter school maintains a website, the charter school governing body
15 shall post on its website a copy of its proposed budget or the summary of the
16 proposed budget and a notice of the public hearing.

17 N. The governing body of a charter school shall collaborate with the
18 private organization that is approved by the state board of education
19 pursuant to section 15-792.02 to provide approved board examination systems
20 for the charter school.

21 O. If permitted by federal law, a charter school may opt out of
22 federal grant opportunities if the charter holder or the appropriate
23 governing body of the charter school determines that the federal requirements
24 impose unduly burdensome reporting requirements.

25 P. For the purposes of this section:

26 1. "Monies intended for the basic maintenance and operations of the
27 school" means monies intended to provide support for the educational program
28 of the school, except that it does not include supplemental assistance for a
29 specific purpose or title VIII of the elementary and secondary education act
30 of 1965 monies. The auditor general shall determine which federal or state
31 monies meet the definition in this paragraph.

32 2. "Operated for or by the same school district" means the charter
33 school is either governed by the same district governing board or operated by
34 the district in the same manner as other traditional schools in the district
35 or is operated by an independent party that has a contract with the school
36 district. The auditor general and the department of education shall
37 determine which charter schools meet the definition in this subsection.

38 Sec. 2. Section 15-249.01, Arizona Revised Statutes, is amended to
39 read:

40 15-249.01. Data governance commission; membership; terms;
41 duties; commission termination; definition

42 A. The data governance commission is established in the department of
43 education consisting of:

44 1. The chief technology managers, or the managers' designees, of each
45 of the universities under the jurisdiction of the Arizona board of regents.

1 2. The chief technology manager, or the manager's designee, of a
2 community college district located in a county with a population of eight
3 hundred thousand persons or more who has expertise in technology and who is
4 appointed by the governor.

5 3. The chief technology manager, or the manager's designee, of a
6 community college district located in a county with a population of less than
7 eight hundred thousand persons who has expertise in technology and who is
8 appointed by the governor.

9 4. The chief executive officer of the Arizona early childhood
10 development and health board or the chief executive officer's designee.

11 5. An officer or employee of a school district located in a county
12 with a population of eight hundred thousand persons or more who has expertise
13 in technology and who is appointed by the governor.

14 6. An officer or employee of a school district located in a county
15 with a population of less than eight hundred thousand persons who has
16 expertise in technology and who is appointed by the governor.

17 7. An officer or employee of a charter school located in a county with
18 a population of eight hundred thousand persons or more who has expertise in
19 technology and who is appointed by the president of the senate.

20 8. An officer or employee of a charter school located in a county with
21 a population of less than eight hundred thousand persons who has expertise in
22 technology and who is appointed by the speaker of the house of
23 representatives.

24 9. Two representatives of the business community, one of whom is
25 appointed by the president of the senate and one of whom is appointed by the
26 speaker of the house of representatives.

27 10. The director of the department of administration or the director's
28 designee.

29 11. The superintendent of public instruction or the superintendent's
30 designee.

31 B. The initial appointed members shall assign themselves by lot to
32 terms of two, three and four years in office. All subsequent appointed
33 members of the commission shall serve four-year terms. The chairperson shall
34 notify the governor, the speaker of the house of representatives and the
35 president of the senate on appointments of these terms. Members of the
36 commission shall elect a chairperson from among the members of the
37 commission. Members of the commission shall not receive compensation. The
38 department of education shall provide adequate staff support for the
39 commission.

40 C. The commission shall identify, examine and evaluate the needs of
41 public institutions that provide instruction to pupils in preschool programs,
42 kindergarten programs, grades one through twelve and postsecondary programs
43 in Arizona and shall:

- 1 1. Establish guidelines related to the following:
 - 2 (a) Managed data access.
 - 3 (b) Technology.
 - 4 (c) Privacy and security.
 - 5 (d) Adequacy of training.
 - 6 (e) Adequacy of data model implementation.
 - 7 (f) Prioritization of funding opportunities.
 - 8 (g) Resolution of data conflicts.
 - 9 (h) The form and format of data elements that are required for state
10 and federal reporting and interagency data sharing.
- 11 2. Provide recommendations on technology spending.
- 12 3. Provide analyses and recommendations of the following:
 - 13 (a) The control of data confidentiality and data security for stored
14 data and data in transmission.
 - 15 (b) Access privileges and access management.
 - 16 (c) Data audit management, including data quality metrics, sanctions
17 and incentives for data quality improvement.
 - 18 (d) Data standards for stored data and data in transmission, including
19 rules for definition, format, source, provenance, element level and
20 contextual integrity.
 - 21 (e) Documentation standards for data elements and systems components.
 - 22 (f) Data archival and retrieval management systems, including change
23 control and change tracking.
 - 24 (g) Publication of standard and ad hoc reports for state and local
25 level use on student achievement.
 - 26 (h) Publication of implementation timelines and progress.
- 27 4. CREATE, PUBLISH AND MAKE PUBLICLY AVAILABLE ON THE DEPARTMENT'S
28 WEBSITE A DATA DICTIONARY WITH DEFINITIONS OF STUDENT DATA ELEMENTS IN THE
29 EDUCATION DATA SYSTEM, INCLUDING:
 - 30 (a) STUDENT DATA ELEMENTS REQUIRED TO BE REPORTED BY STATE AND FEDERAL
31 EDUCATION MANDATES.
 - 32 (b) ANY STUDENT DATA ELEMENT THAT HAS BEEN PROPOSED FOR INCLUSION IN
33 THE EDUCATION DATA SYSTEM WITH A STATEMENT REGARDING THE PURPOSE OR REASON
34 FOR THE PROPOSED COLLECTION.
 - 35 (c) ANY STUDENT DATA ELEMENTS THE DEPARTMENT COLLECTS OR MAINTAINS
36 WITH NO CURRENTLY IDENTIFIED PURPOSE.
- 37 5. REVIEW AND APPROVE DATA ELEMENTS TO BE INCLUDED IN THE EDUCATION
38 DATA SYSTEM PURSUANT TO SECTION 15-1042. ANY NEW STUDENT DATA COLLECTION
39 SHALL BE ANNOUNCED TO THE GENERAL PUBLIC AND POSTED FOR A REVIEW AND COMMENT
40 PERIOD OF AT LEAST SIXTY DAYS.
- 41 ~~4.~~ 6. Ensure that the guidelines and recommendations adopted pursuant
42 to this subsection reduce duplication and administrative requirements for
43 public schools, postsecondary institutions and public agencies.
- 44 ~~5.~~ 7. Submit an annual report on or before December 1 regarding the
45 commission's activities to the governor, the speaker of the house of

1 representatives and the president of the senate. The data governance
2 commission shall provide copies of this report to the secretary of state.

3 THE REPORT SHALL INCLUDE:

4 (a) ANY NEW DATA ELEMENTS PROPOSED FOR INCLUSION IN THE EDUCATION DATA
5 SYSTEM.

6 (b) CHANGES TO EXISTING DATA COLLECTIONS REQUIRED FOR ANY REASON,
7 INCLUDING CHANGES TO FEDERAL REPORTING REQUIREMENTS.

8 (c) AN EXPLANATION OF ANY EXCEPTIONS GRANTED BY THE DEPARTMENT DURING
9 THE YEAR REGARDING THE RELEASE OF STUDENT LEVEL DATA OUT OF STATE PURSUANT TO
10 SECTION 15-1045, SUBSECTION E.

11 (d) THE RESULTS OF ANY PRIVACY OR SECURITY AUDIT CONDUCTED WITHIN THE
12 PRECEDING YEAR. THE REPORT MAY NOT INCLUDE ANY INFORMATION THAT WOULD POSE A
13 THREAT TO THE SECURITY OR THE CONFIDENTIALITY OF THE EDUCATION DATA SYSTEM OR
14 TO THE SECURE TRANSMISSION OF DATA BETWEEN SCHOOL DISTRICTS, CHARTER SCHOOLS
15 AND THE DEPARTMENT.

16 D. The commission established by this section ends on July 1, 2020
17 pursuant to section 41-3103.

18 E. FOR THE PURPOSES OF THIS SECTION, "EDUCATION DATA SYSTEM" HAS THE
19 SAME MEANING PRESCRIBED IN SECTION 15-1041.01.

20 Sec. 3. Section 15-874, Arizona Revised Statutes, is amended to read:

21 15-874. Records; reporting requirements

22 A. Each pupil's immunizations shall be recorded on the school
23 immunization record. The school immunization record shall be a standardized
24 form developed by the department of health services in conjunction with the
25 department of education and provided by the department of health services and
26 shall be ~~a part of the mandatory permanent student record~~ MAINTAINED
27 ACCORDING TO STANDARDS SET BY THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC
28 RECORDS. The records are open to inspection by the department of health
29 services and the local health department.

30 B. Each immunization record shall contain at least the following
31 information:

32 1. The pupil's name and birth date.

33 2. The date of the pupil's admission to the school.

34 3. The type of immunizing agents administered to the pupil.

35 4. The date each dose of immunizing agent is administered to the
36 pupil.

37 5. The established schedule for completion of immunizations if the
38 pupil is admitted to or allowed to continue to attend a school pursuant to
39 section 15-872, subsection E.

40 6. Laboratory evidence of immunity if this evidence is presented as
41 part of a pupil's documentary proof.

42 7. If an exemption from immunization as provided in section 15-873 is
43 submitted to the school administrator, the date the exemption is submitted
44 and the reason for the exemption.

1 8. Additional information prescribed by the director of the department
2 of health services by rule.

3 C. A school shall transfer an immunization record with the mandatory
4 permanent student record and provide at no charge, on request, a copy of the
5 immunization record to the parent or guardian of the pupil.

6 D. By November 30 of each school year, each school district and
7 private school shall complete and file a report with the local health
8 department and the department of health services, using forms provided by the
9 department of health services. The report shall state the number of pupils
10 attending who have completed required immunizations or who have submitted
11 laboratory evidence of immunity, the number of pupils attending with
12 uncompleted required immunizations and the number of pupils attending with an
13 exemption from immunization pursuant to section 15-873.

14 Sec. 4. Title 15, chapter 9, article 8, Arizona Revised Statutes, is
15 amended by adding section 15-1041.01, to read:

16 15-1041.01. Definitions

17 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

18 1. "AGGREGATED DATA" MEANS DATA THAT IS COLLECTED OR REPORTED AT THE
19 GROUP, COHORT, SCHOOL, SCHOOL DISTRICT, CHARTER SCHOOL OR STATE LEVEL.

20 2. "EDUCATION DATA SYSTEM" MEANS THE STUDENT ACCOUNTABILITY
21 INFORMATION SYSTEM ESTABLISHED BY SECTION 15-1041, OR ITS SUCCESSOR SYSTEM,
22 AND THE EDUCATION LEARNING AND ACCOUNTABILITY SYSTEM ESTABLISHED PURSUANT TO
23 SECTION 15-249, OR ITS SUCCESSOR SYSTEM, AND ALL OF THOSE SYSTEMS' RESPECTIVE
24 COMPONENTS.

25 3. "LOCAL EDUCATION AGENCY" MEANS A SCHOOL DISTRICT, CHARTER HOLDER,
26 OR EDUCATION SERVICE AGENCY.

27 4. "MASKED STUDENT LEVEL DATA" MEANS DATA THAT ALONE OR IN COMBINATION
28 CANNOT BE USED TO PERSONALLY IDENTIFY STUDENTS.

29 5. "PERSONALLY IDENTIFIABLE INFORMATION" MEANS INFORMATION THAT MAY BE
30 USED ON ITS OWN OR WITH OTHER INFORMATION TO IDENTIFY AN INDIVIDUAL PUPIL.

31 6. "PUPIL RECORDS" MEANS EITHER OF THE FOLLOWING:

32 (a) ANY PUPIL-RELATED INFORMATION MAINTAINED BY A LOCAL EDUCATION
33 AGENCY.

34 (b) ANY INFORMATION ACQUIRED DIRECTLY FROM THE PUPIL THROUGH THE USE
35 OF SOFTWARE OR APPLICATIONS ASSIGNED TO THE PUPIL BY A LOCAL EDUCATION AGENCY
36 OR ITS EMPLOYEES.

37 7. "STUDENT LEVEL DATA" MEANS ALL DATA ELEMENTS THAT ARE COMPILED AND
38 SUBMITTED FOR EACH INDIVIDUAL STUDENT IN THIS STATE AND THAT ARE NECESSARY
39 FOR THE COMPLETION OF THE STATUTORY REQUIREMENTS OF THE DEPARTMENT OF
40 EDUCATION AND THE STATE BOARD OF EDUCATION RELATING TO THE CALCULATION OF
41 FUNDING FOR PUBLIC EDUCATION, THE DETERMINATION OF STUDENT ACADEMIC PROGRESS
42 AS MEASURED BY STUDENT TESTING PROGRAMS IN THIS STATE, STATE AND FEDERAL
43 REPORTING REQUIREMENTS AND OTHER DUTIES PRESCRIBED BY LAW TO THE DEPARTMENT
44 OF EDUCATION OR THE STATE BOARD OF EDUCATION. STUDENT LEVEL DATA DOES NOT
45 INCLUDE DATA ELEMENTS THAT ARE RELATED TO STUDENT BEHAVIOR, DISCIPLINE,

1 CRIMINAL HISTORY, MEDICAL HISTORY, RELIGIOUS AFFILIATION, PERSONAL PHYSICAL
2 DESCRIPTORS OR FAMILY INFORMATION AND THAT ARE NOT AUTHORIZED BY THE PARENT
3 OR GUARDIAN OF THE PUPIL OR NOT OTHERWISE REQUIRED BY LAW.

4 8. "THIRD-PARTY PROVIDER" MEANS A PROVIDER OF DIGITAL SOFTWARE AND
5 SERVICES, INCLUDING CLOUD-BASED SERVICES, FOR INSTRUCTIONAL, DIAGNOSTIC AND
6 ASSESSMENT PURPOSES AND FOR THE DIGITAL STORAGE, MANAGEMENT AND RETRIEVAL OF
7 PUPIL RECORDS.

8 9. "UNIQUE PUPIL IDENTIFIER" MEANS THE METHOD OF IDENTIFYING EACH
9 INDIVIDUAL STUDENT ESTABLISHED BY THE DEPARTMENT PURSUANT TO SECTION
10 15-1045.

11 Sec. 5. Section 15-1042, Arizona Revised Statutes, is amended to read:
12 15-1042. Student level data; requirements; confidentiality

13 A. The department of education shall notify school districts, joint
14 technical education districts and charter schools of electronic data
15 submission procedures and shall distribute a list of the specific student
16 level data elements, including the statutory or regulatory reference for each
17 data element, that school districts, joint technical education districts and
18 charter schools are required to submit. The department of education shall
19 not make any changes to the student level data elements to be collected
20 unless the student level data element has been reviewed and adopted by the
21 data governance commission established by section 15-249.01.

22 B. Each school district, joint technical education district and
23 charter school shall submit electronic data on a school-by-school basis,
24 including student level data, to the department of education in order for the
25 school district, joint technical education district or charter school to
26 receive monies for the cost of educating students pursuant to this title.

27 ~~C. The department of education shall grant a school district, joint~~
28 ~~technical education district or charter school an extension to the deadline~~
29 ~~for the submission of student level data or may provide for an alternative~~
30 ~~method for the submission of student level data if the school district, joint~~
31 ~~technical education district or charter school proves that good cause exists~~
32 ~~for the extension, and the school district, joint technical education~~
33 ~~district or charter school shall continue to receive monies for the cost of~~
34 ~~educating students pursuant to this title. The request for an extension of~~
35 ~~the deadline for the submission of student level data pursuant to this~~
36 ~~subsection shall include a justification for the extension and the status of~~
37 ~~current efforts towards complying with the submission of student level data.~~

38 ~~D.~~ C. A pupil or the parent or guardian of a pupil shall not be
39 required to submit data that does not relate to the provision of educational
40 services or assistance to the pupil.

41 ~~E.~~ D. Unless otherwise prescribed, school districts, joint technical
42 education districts and charter schools shall begin to report new data
43 elements on July 1 of the year that follows the effective date of the law
44 that requires the collection of the data.

1 ~~F.~~ E. Student level data items submitted to the department of
2 education by school districts, joint technical education districts and
3 charter schools pursuant to this section shall not be used to adjust funding
4 levels or calculate the average daily membership for the purpose of funding
5 school districts at any time other than the fortieth, one hundredth and two
6 hundredth days of the school year.

7 ~~G.~~ F. A school district, joint technical education district or
8 charter school is not required to submit student level data to the department
9 of education more often than once every twenty school days.

10 ~~H.~~ G. ~~Notwithstanding subsection J of this section,~~ The student level
11 data shall include reasons for the withdrawal if reasons are provided by the
12 withdrawing pupil or the pupil's parent or guardian. For the purposes of
13 this subsection, the department of education shall include in the specific
14 student level data elements that school districts, joint technical education
15 districts and charter schools are required to submit data relating to
16 students who withdraw from school because the student is pregnant or because
17 the student is the biological parent of a child.

18 ~~I.~~ H. All student level data collected pursuant to this section is
19 confidential and is not a public record. The data collected may be used for
20 aggregate research and reporting and for providing access of student level
21 data to school districts, joint technical education districts, charter
22 schools, community colleges and universities under the jurisdiction of the
23 Arizona board of regents.

24 ~~J. For the purposes of this section, "student level data" means all~~
25 ~~data elements that are compiled and submitted for each student in this state~~
26 ~~and that are necessary for the completion of the statutory requirements of~~
27 ~~the department of education and the state board of education relating to the~~
28 ~~calculation of funding for public education, the determination of student~~
29 ~~academic progress as measured by student testing programs in this state,~~
30 ~~state and federal reporting requirements and other duties prescribed to the~~
31 ~~department of education or the state board of education by law. Student~~
32 ~~level data does not include data elements related to student behavior,~~
33 ~~discipline, criminal history, medical history, religious affiliation,~~
34 ~~personal physical descriptors or family information not authorized by the~~
35 ~~parent or guardian of the pupil or otherwise required by law.~~

36 Sec. 6. Section 15-1043, Arizona Revised Statutes, is amended to read:

37 15-1043. Student level data; access; confidentiality

38 A. Any disclosure of educational records compiled by the department of
39 education pursuant to this article shall comply with the family educational
40 rights and privacy act [OF 1974](#) (20 United States Code section 1232g).

41 B. Student level data may not be updated unless the change is
42 authorized by the school district, joint technical education district or
43 charter school.

44 C. The department of education shall adopt policies and procedures to
45 allow access ~~of~~ [TO](#) student level data for currently enrolled students to

1 school districts, joint technical education districts and charter schools,
2 SUBJECT TO SECTION 15-1045, SUBSECTION D.

3 D. THE DEPARTMENT SHALL DEVELOP CRITERIA FOR THE APPROVAL OF DATA
4 REQUESTS FROM STATE AND LOCAL AGENCIES, THE LEGISLATURE AND RESEARCHERS. IF
5 THE DEPARTMENT APPROVES A REQUEST PURSUANT TO THIS SUBSECTION, THE DEPARTMENT
6 SHALL ONLY RELEASE MASKED STUDENT LEVEL DATA UNLESS OTHERWISE ALLOWED BY LAW
7 OR IF THE DEPARTMENT DETERMINES THE REQUEST QUALIFIES FOR AN EXCEPTION UNDER
8 THE FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974 (20 UNITED STATES CODE
9 SECTION 1232g).

10 Sec. 7. Repeal

11 Section 15-1044, Arizona Revised Statutes, is repealed.

12 Sec. 8. Section 15-1045, Arizona Revised Statutes, is amended to read:
13 15-1045. Education data system; pupil privacy

14 A. Any collection, maintenance or disclosure of pupil educational
15 records compiled by the department of education in an education ~~database of~~
16 ~~pupil records~~ DATA SYSTEM shall comply with the family educational rights and
17 privacy act OF 1974 (20 United States Code section 1232g).

18 ~~B. The department of education shall maintain the database in the~~
19 ~~following manner:~~

20 ~~1. The use of the information is limited to comply with statutory~~
21 ~~obligations.~~

22 ~~2. Personally identifiable information is confidential and is not~~
23 ~~public record.~~

24 ~~3. Proper security measures are employed to ensure the confidentiality~~
25 ~~and integrity of the education database.~~

26 ~~4. Data is secured from breaches and identity theft through~~
27 ~~implementation of protections and standards.~~

28 B. PERSONALLY IDENTIFIABLE INFORMATION AND STUDENT LEVEL DATA
29 CONTAINED IN THE EDUCATION DATA SYSTEM ARE CONFIDENTIAL AND ARE NOT A PUBLIC
30 RECORD.

31 C. THE DEPARTMENT SHALL CREATE A UNIQUE PUPIL IDENTIFIER FOR EACH
32 PUPIL IN THE EDUCATION DATA SYSTEM. The pupil identifier ~~in the education~~
33 ~~database is unique,~~ MAY not BE identifiable by anyone other than officials
34 maintaining the education ~~database~~ DATA SYSTEM and ~~shall~~ MAY not be the
35 pupil's social security number or any variation of the pupil's social
36 security number.

37 D. THE DEPARTMENT SHALL DEVELOP, PUBLISH AND MAKE PUBLICLY AVAILABLE
38 POLICIES AND PROCEDURES TO COMPLY WITH ALL RELEVANT STATE AND FEDERAL PRIVACY
39 LAWS, INCLUDING THE FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974 (20
40 UNITED STATES CODE SECTION 1232g). THE POLICIES SHALL REQUIRE THAT:

41 1. ACCESS TO STUDENT LEVEL DATA IN THE EDUCATION DATA SYSTEM BE
42 RESTRICTED TO:

43 (a) THE AUTHORIZED STAFF OF THE DEPARTMENT WHO REQUIRE ACCESS TO
44 PERFORM THEIR ASSIGNED DUTIES AS REQUIRED BY LAW, BY INTERAGENCY DATA SHARING
45 AGREEMENTS OR OTHER LEGAL OBLIGATIONS.

1 (b) SCHOOL DISTRICT AND CHARTER SCHOOL ADMINISTRATORS, TEACHERS AND
2 SCHOOL PERSONNEL WHO REQUIRE ACCESS TO PERFORM THEIR ASSIGNED DUTIES.

3 (c) A STUDENT AND THE STUDENT'S PARENTS, EXCEPT THAT THE STUDENT AND
4 PARENTS MAY HAVE ACCESS TO DATA ABOUT ONLY THAT PARTICULAR STUDENT.

5 (d) THE AUTHORIZED STAFF OF OTHER STATE AGENCIES IN THIS STATE OR
6 POLITICAL SUBDIVISIONS OF THIS STATE AS REQUIRED BY LAW OR AS DEFINED BY
7 INTERAGENCY DATA SHARING AGREEMENTS PURSUANT TO THIS SECTION.

8 (e) RESEARCHERS CONDUCTING STUDIES THAT HAVE BEEN APPROVED PURSUANT TO
9 SECTION 15-1043, SUBSECTION D.

10 2. THE DEPARTMENT USE ONLY AGGREGATED DATA THAT DOES NOT CONTAIN
11 PERSONALLY IDENTIFIABLE INFORMATION IN PUBLIC REPORTS AND IN RESPONSE TO
12 PUBLIC RECORDS REQUESTS, EXCEPT AS PROVIDED IN SUBSECTION E OF THIS SECTION.

13 3. STUDENTS AND PARENTS BE NOTIFIED OF THEIR RIGHTS TO PRIVACY OF
14 EDUCATIONAL RECORDS UNDER FEDERAL AND STATE LAW.

15 E. UNLESS OTHERWISE ALLOWED BY LAW, SUBJECT TO SECTION 15-1043, THE
16 DEPARTMENT MAY NOT TRANSFER STUDENT LEVEL DATA DEEMED CONFIDENTIAL UNDER THIS
17 ARTICLE TO ANY FEDERAL AGENCY OR ANY STATE OR LOCAL AGENCY.

18 F. THE DEPARTMENT SHALL DEVELOP AND IMPLEMENT A DETAILED SECURITY PLAN
19 THAT INCLUDES:

20 1. PROCEDURES FOR AUTHORIZING ACCESS TO THE EDUCATION DATA SYSTEM AND
21 TO STUDENT LEVEL DATA.

22 2. STANDARDS FOR COMPLIANCE WITH FEDERAL AND STATE PRIVACY LAWS AND
23 REGULATIONS.

24 3. PRIVACY AND SECURITY AUDITS.

25 4. PLANNING FOR A POSSIBLE BREACH OF DATA SECURITY, INCLUDING
26 NOTIFICATION PROCEDURES TO ENTITIES THAT OWN DATA THAT MAY BE AFFECTED.

27 5. DATA RETENTION AND DESTRUCTION POLICIES, CONSISTENT WITH GUIDELINES
28 ADOPTED BY THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS.

29 6. AT A MINIMUM, COMPLIANCE WITH STATEWIDE TECHNOLOGY SECURITY
30 STANDARDS ADOPTED BY THE DEPARTMENT OF ADMINISTRATION.

31 G. THE DEPARTMENT SHALL ENSURE THAT ANY CONTRACTS WITH PRIVATE VENDORS
32 GOVERNING DATABASES, ASSESSMENTS OR INSTRUCTIONAL SUPPORTS THAT INCLUDE
33 STUDENT LEVEL DATA INCLUDE EXPRESS PROVISIONS THAT SAFEGUARD PRIVACY AND
34 SECURITY AND INCLUDE CIVIL PENALTIES FOR NONCOMPLIANCE.

35 H. SCHOOL DISTRICTS AND CHARTER SCHOOLS MAY NOT REPORT THE FOLLOWING
36 STUDENT LEVEL DATA TO THE DEPARTMENT:

37 1. JUVENILE DELINQUENCY RECORDS.

38 2. CRIMINAL RECORDS, EXCEPT FOR INCIDENT DATA REQUIRED TO BE REPORTED
39 FOR SCHOOL SAFETY PURPOSES.

40 3. MEDICAL AND HEALTH RECORDS.

41 I. SCHOOL DISTRICTS AND CHARTER SCHOOLS MAY NOT COLLECT THE FOLLOWING
42 DATA ABOUT ANY STUDENT:

43 1. POLITICAL AFFILIATION.

44 2. RELIGIOUS AFFILIATION.

45 3. BIOMETRIC INFORMATION, EXCEPT AS PROVIDED IN SECTION 15-109.

- 1 4. FIREARMS OWNERSHIP.
- 2 J. THE SUPERINTENDENT SHALL APPOINT A CHIEF PRIVACY OFFICER, WHO SHALL
- 3 ASSUME PRIMARY RESPONSIBILITY FOR THE AGENCY PRIVACY POLICY. THE CHIEF
- 4 PRIVACY OFFICER SHALL:
 - 5 1. ENSURE THAT THE USE OF TECHNOLOGIES SUSTAIN, AND DO NOT ERODE,
 - 6 PRIVACY PROTECTIONS.
 - 7 2. ENSURE THAT STUDENT LEVEL DATA CONTAINED IN THE EDUCATION DATA
 - 8 SYSTEM IS HANDLED IN FULL COMPLIANCE WITH THIS SECTION AND OTHER APPLICABLE
 - 9 STATE AND FEDERAL LAWS.
 - 10 3. IN CONJUNCTION WITH THE CHIEF DATA OFFICER, EVALUATE LEGISLATIVE
 - 11 AND REGULATORY PROPOSALS INVOLVING THE COLLECTION, USE AND DISCLOSURE OF
 - 12 STUDENT DATA BY THE DEPARTMENT.
 - 13 4. IN CONJUNCTION WITH THE CHIEF DATA OFFICER, CONDUCT A PRIVACY
 - 14 IMPACT ASSESSMENT ON PROPOSED RULES OF THE DEPARTMENT IN GENERAL, AND THE
 - 15 PROPOSED RULES OF THE DEPARTMENT ON THE PRIVACY OF STUDENT DATA, INCLUDING
 - 16 THE TYPE OF PERSONAL INFORMATION COLLECTED AND THE NUMBER OF STUDENTS
 - 17 AFFECTED.
 - 18 5. COORDINATE WITH THE ATTORNEY GENERAL AND CHIEF DATA OFFICER TO
 - 19 ENSURE THAT PROGRAMS, POLICIES AND PROCEDURES AFFECTING CIVIL RIGHTS, CIVIL
 - 20 LIBERTIES AND PRIVACY CONSIDERATIONS ARE ADDRESSED IN AN INTEGRATED AND
 - 21 COMPREHENSIVE MANNER.
 - 22 6. ESTABLISH AND OPERATE A PROCESS FOR PARENTS TO FILE COMPLAINTS OF
 - 23 POSSIBLE PRIVACY VIOLATIONS, INCLUDING COMPLAINTS MADE PURSUANT TO SECTION
 - 24 15-142, SUBSECTION C, AND TO PROVIDE REDRESS.
 - 25 7. ENSURE THAT ALL PRIVACY-RELATED INCIDENTS ARE PROPERLY REPORTED,
 - 26 INVESTIGATED AND MITIGATED, AS APPROPRIATE.
 - 27 8. WORK WITH THE CHIEF DATA OFFICER TO PROVIDE TRAINING, EDUCATION AND
 - 28 OUTREACH TO BUILD A CULTURE OF PRIVACY THROUGHOUT THE DEPARTMENT.
 - 29 9. MAKE INVESTIGATIONS AND REPORTS REGARDING THE ADMINISTRATION OF
 - 30 PROGRAMS AND OPERATIONS OF THE DEPARTMENT REGARDING PRIVACY MATTERS AND SHALL
 - 31 HAVE ACCESS TO ALL RECORDS, REPORTS, AUDITS, REVIEWS, DOCUMENTS, PAPERS,
 - 32 RECOMMENDATIONS AND OTHER MATERIALS AVAILABLE TO THE DEPARTMENT THAT ARE
 - 33 NECESSARY TO COMPLETE THE CHIEF PRIVACY OFFICER'S RESPONSIBILITIES.
 - 34 K. THE CHIEF INFORMATION OFFICER OF THE DEPARTMENT SHALL APPOINT A
 - 35 CHIEF DATA OFFICER. THE CHIEF DATA OFFICER SHALL:
 - 36 1. COORDINATE WITH THE CHIEF PRIVACY OFFICER TO FULFILL THE
 - 37 REQUIREMENTS OF THIS SECTION.
 - 38 2. ESTABLISH POLICIES AND PROCEDURES TO ENSURE THE EFFICIENT AND
 - 39 SECURE COLLECTION, STORAGE, MAINTENANCE AND DISPOSITION OF ALL DATA COLLECTED
 - 40 IN THE EDUCATION DATA SYSTEM ACCORDING TO APPLICABLE LAWS.
 - 41 3. ESTABLISH DEPARTMENT POLICIES NECESSARY FOR IMPLEMENTING FAIR
 - 42 INFORMATION PRACTICE PRINCIPLES TO ENHANCE PRIVACY PROTECTIONS.
 - 43 4. WORK WITH THE CHIEF PRIVACY OFFICER AND OTHER OFFICIALS IN ENGAGING
 - 44 STAKEHOLDERS ABOUT THE QUALITY, USEFULNESS, OPENNESS AND PRIVACY OF DATA.

1 5. ESTABLISH AND OPERATE A DEPARTMENT PRIVACY INCIDENT RESPONSE
2 PROCESS IN COORDINATION WITH THE CHIEF INFORMATION OFFICER.

3 L. THE DEPARTMENT MAY ASSESS FEES FOR THE PRODUCTION OF REQUESTS FOR
4 DATA PURSUANT TO SECTION 15-1043 OR FOR THE ASSEMBLY OF DATA THAT IS
5 OTHERWISE CONFIDENTIAL AND NOT A PUBLIC RECORD, INTO AGGREGATED REPORTS THAT
6 ARE NOT ALREADY AVAILABLE FROM THE DEPARTMENT.

7 M. THE PARENT OR GUARDIAN OF A STUDENT MAY REQUEST TO REVIEW A COPY OF
8 THE STUDENT'S EDUCATIONAL RECORD, INCLUDING DATA SUBMITTED TO THE EDUCATION
9 DATA SYSTEM, USING THE PROCESS PRESCRIBED IN SECTION 15-102.

10 Sec. 9. Repeal

11 Section 41-3016.23, Arizona Revised Statutes, is repealed.