House Engrossed

State of Arizona
House of Representatives
Forty-fifth Legislature
First Regular Session
2001

CHAPTER 233

HOUSE BILL 2634

AN ACT

REPEALING SECTIONS 15-747 AND 15-748, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 7, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-773; AMENDING SECTIONS 15-901 AND 15-943, ARIZONA REVISED STATUTES; RELATING TO STATE EDUCATION BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Repeal
Sections 15-747 and 15-748, Arizona Revised Statutes, are repealed.

Sec. 2. Title 15, chapter 7, article 4, Arizona Revised Statutes, is amended by adding section 15-773, to read:

15-773. **Extraordinary special education needs fund:**

A. **THE EXTRAORDINARY SPECIAL EDUCATION NEEDS FUND IS ESTABLISHED CONSISTING OF LEGISLATIVE APPROPRIATIONS, GIFTS, GRANTS AND DONATIONS. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS. THE STATE BOARD OF EDUCATION SHALL ADMINISTER THE FUND.**

B. **A SCHOOL DISTRICT MAY APPLY TO THE STATE BOARD OF EDUCATION FOR AN EXTRAORDINARY SPECIAL EDUCATION NEEDS GRANT FROM THE FUND. THE STATE BOARD OF EDUCATION SHALL PRESCRIBE THE FORMAT OF THE APPLICATIONS. THE APPLICATIONS SHALL INCLUDE THE FOLLOWING:**

1. **DEMONSTRATION OF EXTRAORDINARY NEEDS, INCLUDING A DESCRIPTION AND DOCUMENTATION OF PUPIL SERVICES REQUIRED AND EVIDENCE THAT THE DISTRICT IS NOT ABLE TO ABSORB THE COSTS OF THESE SERVICES.**

2. **EVIDENCE THAT MONIES FROM THE FUND WILL NOT SUPPLANT FEDERAL, LOCAL OR OTHER STATE EFFORTS.**

3. **EVIDENCE THAT BEFORE MAKING AN APPLICATION FOR MONIES FROM THE FUND THE SCHOOL DISTRICT HAS MADE SUFFICIENT EFFORTS TO SEEK BUT HAS NOT RECEIVED FUNDING TO COVER THE EXTRAORDINARY COSTS APPLIED FOR PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION FROM ALL OTHER SOURCES, INCLUDING FEDERAL AND OTHER STATE SOURCES OF FUNDING.**

C. **EXTRAORDINARY SPECIAL EDUCATION NEEDS GRANTS SHALL BE USED IN THE CURRENT YEAR. ALL UNSPENT GRANT MONIES SHALL BE RETURNED TO THE DEPARTMENT OF EDUCATION AT THE END OF THE FISCAL YEAR FOR DEPOSIT IN THE EXTRAORDINARY SPECIAL EDUCATION NEEDS FUND.**

Sec. 3. Section 15-901, Arizona Revised Statutes, is amended to read:

15-901. **Definitions**

A. In this title, unless the context otherwise requires:

1. "Average daily attendance" or "ADA" means actual average daily attendance through the first one hundred days or two hundred days in session, as applicable.

2. "Average daily membership" means the total enrollment of fractional students and full-time students, minus withdrawals, of each school day through the first one hundred days or two hundred days in session, as applicable, for the current year. Withdrawals include students formally withdrawn from schools and students absent for ten consecutive school days, except for excused absences as identified by the department of education. For computation purposes, the effective date of withdrawal shall be retroactive to the last day of actual attendance of the student.

   (a) "Fractional student" means:
(i) For common schools, until fiscal year 2001-2002, a preschool child who is enrolled in a program for preschool children with disabilities of at least three hundred sixty minutes each week or a kindergarten student at least five years of age prior to January 1 of the school year and enrolled in a school kindergarten program that meets at least three hundred forty-six instructional hours during the minimum number of days required in a school year as provided in section 15-341. In fiscal year 2001-2002, the kindergarten program shall meet at least three hundred forty-eight hours. In fiscal year 2002-2003, the kindergarten program shall meet at least three hundred fifty hours. In fiscal year 2003-2004, the kindergarten program shall meet at least three hundred fifty-two hours. In fiscal year 2004-2005, the kindergarten program shall meet at least three hundred fifty-four hours. In fiscal year 2005-2006 and each fiscal year thereafter, the kindergarten program shall meet at least three hundred fifty-six hours. Lunch periods and recess periods may not be included as part of the instructional hours unless the child's individualized education program requires instruction during those periods and the specific reasons for such instruction are fully documented. In computing the average daily membership, preschool children with disabilities and kindergarten students shall be counted as one-half of a full-time student. For common schools, a part-time student is a student enrolled for less than the total time for a full-time student as defined in this section. A part-time common school student shall be counted as one-fourth, one-half or three-fourths of a full-time student if the student is enrolled in an instructional program that is at least one-fourth, one-half or three-fourths of the time a full-time student is enrolled as defined in subdivision (b) of this paragraph.

(ii) For high schools, a part-time student who is enrolled in less than four subjects that count toward graduation as defined by the state board of education in a recognized high school and who is taught in less than twenty instructional hours per week prorated for any week with fewer than five school days. A part-time high school student shall be counted as one-fourth, one-half or three-fourths of a full-time student if the student is enrolled in an instructional program that is at least one-fourth, one-half or three-fourths of a full-time instructional program as defined in subdivision (c) of this paragraph.

(b) "Full-time student" means:

(i) For common schools, a student who is at least six years of age prior to January 1 of a school year, who has not graduated from the highest grade taught in the school district and who is regularly enrolled in a course of study required by the state board of education. Until fiscal year 2001-2002, first, second and third grade students, ungraded students at least six, but under nine, years of age by September 1 or ungraded group B children with disabilities who are at least five, but under six, years of age by September 1 must be enrolled in an instructional program that meets for a total of at least six hundred ninety-two hours during the minimum number of days required in a school year as provided in section 15-341. In fiscal year
2001-2002, the program shall meet at least six hundred ninety-six hours. In fiscal year 2002-2003, the program shall meet at least seven hundred hours. In fiscal year 2003-2004, the program shall meet at least seven hundred four hours. In fiscal year 2004-2005, the program shall meet at least seven hundred eight hours. In fiscal year 2005-2006 and in each fiscal year thereafter, the program shall meet at least seven hundred twelve hours. Until fiscal year 2001-2002, fourth, fifth and sixth grade students or ungraded students at least nine, but under twelve, years of age by September 1 must be enrolled in an instructional program that meets for a total of at least eight hundred sixty-five hours during the minimum number of school days required in a school year as provided in section 15-341. In fiscal year 2001-2002, the program shall meet at least eight hundred seventy hours. In fiscal year 2002-2003, the program shall meet at least eight hundred seventy-five hours. In fiscal year 2003-2004, the program shall meet at least eight hundred eighty hours. In fiscal year 2004-2005, the program shall meet at least eight hundred eighty-five hours. In fiscal year 2005-2006 and each fiscal year thereafter, the program shall meet at least eight hundred ninety hours. Until fiscal year 2001-2002, seventh and eighth grade students or ungraded students at least twelve, but under fourteen, years of age by September 1 must be enrolled in an instructional program that meets for a total of at least one thousand thirty-eight hours during the minimum number of days required in a school year as provided in section 15-341. In fiscal year 2001-2002, the program shall meet at least one thousand forty-four hours. In fiscal year 2002-2003, the program shall meet at least one thousand fifty hours. In fiscal year 2003-2004, the program shall meet at least one thousand fifty-six hours. In fiscal year 2004-2005, the program shall meet at least one thousand sixty-two hours. In fiscal year 2005-2006 and each fiscal year thereafter, the program shall meet at least one thousand sixty-eight hours. Lunch periods and recess periods may not be included as part of the instructional hours unless the student is a child with a disability and the child's individualized education program requires instruction during those periods and the specific reasons for such instruction are fully documented.

(ii) For high schools, a student not graduated from the highest grade taught in the school district, or an ungraded student at least fourteen years of age by September 1, and enrolled in at least a full-time instructional program of subjects that count toward graduation as defined by the state board of education in a recognized high school. A full-time student shall not be counted more than once for computation of average daily membership.

(iii) For homebound or hospitalized, a student receiving at least four hours of instruction per week.

(c) "Full-time instructional program" means at least four subjects, each of which, if taught each school day for the minimum number of days required in a school year, through fiscal year 2000-2001, would meet a minimum of one hundred twenty hours a year, or the equivalent, or one or more subjects taught in amounts of time totalling at least twenty hours per week.
prorated for any week with fewer than five school days. For fiscal years after 2000-2001:

(i) In fiscal years 2001-2002 and 2002-2003, each subject shall meet at least one hundred twenty-two hours. In fiscal year 2003-2004 and each fiscal year thereafter, each subject shall meet at least one hundred twenty-three hours.

(ii) For grades nine, ten and eleven, the total program shall meet at least eight hundred eighty hours in fiscal year 2001-2002. In fiscal year 2002-2003, the total program shall meet at least eight hundred eighty-five hours. In fiscal year 2003-2004, the total program shall meet at least eight hundred ninety hours. In fiscal year 2004-2005, the total program shall meet at least eight hundred ninety-five hours. In fiscal year 2005-2006 and each fiscal year thereafter, the total program shall meet at least nine hundred hours.

3. "Budget year" means the fiscal year for which the school district is budgeting and which immediately follows the current year.

4. "Common school district" means a political subdivision of this state offering instruction to students in programs for preschool children with disabilities and kindergarten programs and grades one through eight.

5. "Current year" means the fiscal year in which a school district is operating.

6. "Daily attendance" means:

(a) For common schools, days in which a pupil:

(i) Of a kindergarten program or ungraded, but not group B children with disabilities, and at least five, but under six, years of age by September 1 attends at least three-quarters of the instructional time scheduled for the day. If the total instruction time scheduled for the year is at least three hundred forty-six hours but is less than six hundred ninety-two hours such attendance shall be counted as one-half day of attendance. If the instructional time scheduled for the year is at least six hundred ninety-two hours, "daily attendance" means days in which a pupil attends at least one-half of the instructional time scheduled for the day. Such attendance shall be counted as one-half day of attendance.

(ii) Of the first, second or third grades, ungraded and at least six, but under nine, years of age by September 1 or ungraded group B children with disabilities and at least five, but under six, years of age by September 1 attends more than three-quarters of the instructional time scheduled for the day.

(iii) Of the fourth, fifth or sixth grades or ungraded and at least nine, but under twelve, years of age by September 1 attends more than three-quarters of the instructional time scheduled for the day, except as provided in section 15-797.

(iv) Of the seventh or eighth grades or ungraded and at least twelve, but under fourteen, years of age by September 1 attends more than three-quarters of the instructional time scheduled for the day, except as provided in section 15-797.
(b) For common schools, the attendance of a pupil at three-quarters or less of the instructional time scheduled for the day shall be counted as follows, except as provided in section 15-797 and except that attendance for a fractional student shall not exceed the pupil's fractional membership:

(i) If attendance for all pupils in the school is based on quarter days, the attendance of a pupil shall be counted as one-fourth of a day's attendance for each one-fourth of full-time instructional time attended.

(ii) If attendance for all pupils in the school is based on half days, the attendance of at least three-quarters of the instructional time scheduled for the day shall be counted as a full day's attendance and attendance at a minimum of one-half but less than three-quarters of the instructional time scheduled for the day equals one-half day of attendance.

(c) For common schools, the attendance of a preschool child with disabilities shall be counted as one-fourth day's attendance for each thirty-six minutes of attendance not including lunch periods and recess periods, except as provided in paragraph 2, subdivision (a), item (i) of this subsection for children with disabilities up to a maximum of three hundred sixty minutes each week.

(d) For high schools or ungraded schools in which the pupil is at least fourteen years of age by September 1, the attendance of a pupil shall not be counted as a full day unless the pupil is actually and physically in attendance and enrolled in and carrying four subjects, each of which, if taught each school day for the minimum number of days required in a school year, would meet a minimum of one hundred twenty hours a year, or the equivalent, that count toward graduation in a recognized high school except as provided in section 15-797 and subdivision (e) of this paragraph. Attendance of a pupil carrying less than the load prescribed shall be prorated.

(e) For high schools or ungraded schools in which the pupil is at least fourteen years of age by September 1, the attendance of a pupil may be counted as one-fourth of a day's attendance for each sixty minutes of instructional time in a subject that counts toward graduation, except that attendance for a pupil shall not exceed the pupil's full or fractional membership.

(f) For homebound or hospitalized, a full day of attendance may be counted for each day during a week in which the student receives at least four hours of instruction.

(g) For school districts which maintain school for an approved year-round school year operation, attendance shall be based on a computation, as prescribed by the superintendent of public instruction, of the one hundred eighty days' equivalency or two hundred days' equivalency, as applicable, of instructional time as approved by the superintendent of public instruction during which each pupil is enrolled.

7. "Daily route mileage" means the sum of:

(a) The total number of miles driven daily by all buses of a school district while transporting eligible students from their residence to the
school of attendance and from the school of attendance to their residence on
scheduled routes approved by the superintendent of public instruction.
(b) The total number of miles driven daily on routes approved by the
superintendent of public instruction for which a private party, a political
subdivision or a common or a contract carrier is reimbursed for bringing an
eligible student from the place of his residence to a school transportation
pickup point or to the school of attendance and from the school
transportation scheduled return point or from the school of attendance to his
residence.
Daily route mileage includes the total number of miles necessary to drive to
transport eligible students from and to their residence as provided in this
paragraph.
8. "District support level" means the base support level plus the
transportation support level.
9. "Eligible students" means:
(a) Students who are transported by or for a school district and who
qualify as full-time students or fractional students, except students for
whom transportation is paid by another school district or a county school
superintendent, and:
(i) For common school students, whose place of actual residence within
the school district is more than one mile from the school facility of
attendance or students who are admitted pursuant to section 15-816.01 and who
meet the economic eligibility requirements established under the national
school lunch and child nutrition acts (42 United States Code sections 1751
through 1785) for free or reduced price lunches and whose actual place of
residence outside the school district boundaries is more than one mile from
the school facility of attendance.
(ii) For high school students, whose place of actual residence within
the school district is more than one and one-half miles from the school
facility of attendance or students who are admitted pursuant to section
15-816.01 and who meet the economic eligibility requirements established
under the national school lunch and child nutrition acts (42 United States
Code sections 1751 through 1785) for free or reduced price lunches and whose
actual place of residence outside the school district boundaries is more than
one and one-half miles from the school facility of attendance.
(b) Kindergarten students, for purposes of computing the number of
eligible students under subdivision (a), item (i) of this paragraph, shall be
counted as full-time students, notwithstanding any other provision of law.
(c) Children with disabilities, as defined by section 15-761, who are
transported by or for the school district or who are admitted pursuant to
chapter 8, article 1.1 of this title and who qualify as full-time students or
fractional students regardless of location or residence within the school
district or children with disabilities whose transportation is required by
the pupil's individualized education program.
(d) Students whose residence is outside the school district and who are transported within the school district on the same basis as students who reside in the school district.

10. "Enrolled" or "enrollment" means when a pupil is currently registered in the school district.

11. "GDP price deflator" means the average of the four implicit price deflators for the gross domestic product reported by the United States department of commerce for the four quarters of the calendar year.

12. "High school district" means a political subdivision of this state offering instruction to students for grades nine through twelve or that portion of the budget of a common school district which is allocated to teaching high school subjects with permission of the state board of education.

13. "Revenue control limit" means the base revenue control limit plus the transportation revenue control limit.

14. "Student count" means average daily membership as prescribed in this subsection for the fiscal year prior to the current year, except that for the purpose of budget preparation student count means average daily membership as prescribed in this subsection for the current year.

15. "Submit electronically" means submitted in a format and in a manner prescribed by the department of education.

16. "Total bus mileage" means the total number of miles driven by all buses of a school district during the school year.

17. "Total students transported" means all eligible students transported from their place of residence to a school transportation pickup point or to the school of attendance and from the school of attendance or from the school transportation scheduled return point to their place of residence.

18. "Unified school district" means a political subdivision of the state offering instruction to students in programs for preschool children with disabilities and kindergarten programs and grades one through twelve.

B. In this title, unless the context otherwise requires:

1. "Base" means the revenue level per student count specified by the legislature.

2. "Base level" means:

(a) For fiscal year 1999-2000, two thousand five hundred fifty-nine dollars ninety-three cents.

(b) For fiscal year 2000-2001, two thousand five hundred eighty-five dollars sixty cents.

(c) For fiscal year 2001-2002, and each subsequent fiscal year, the base level for the prior year adjusted by any growth rate prescribed by law, subject to appropriation. TWO THOUSAND SIX HUNDRED EIGHTY-SEVEN DOLLARS THIRTY-TWO CENTS.

(d) FOR FISCAL YEAR 2002-2003, TWO THOUSAND SEVEN HUNDRED FIFTY-THREE DOLLARS NINETY CENTS.
3. "Base revenue control limit" means the base revenue control limit computed as provided in section 15-944.

4. "Base support level" means the base support level as provided in section 15-943.

5. "Certified teacher" means a person who is certified as a teacher pursuant to the rules adopted by the state board of education, who renders direct and personal services to school children in the form of instruction related to the school district's educational course of study and who is paid from the maintenance and operation section of the budget.

6. "ED, MIMR, SLD, SLI and OHI" means programs for children with emotional disabilities, mild mental retardation, a specific learning disability, a speech/language impairment and other health impairments.

7. "ED-P" means programs for children with emotional disabilities who are enrolled in private special education programs as prescribed in section 15-765, subsection D, paragraph 1 or in an intensive school district program as provided in section 15-765, subsection D, paragraph 2.

8. "Full-time equivalent certified teacher" or "FTE certified teacher" means for a certified teacher the following:
   (a) If employed full time as defined in section 15-501, 1.00.
   (b) If employed less than full time, multiply 1.00 by the percentage of a full school day, or its equivalent, or a full class load, or its equivalent, for which the teacher is employed as determined by the governing board.

9. "Group A" means educational programs for career exploration, a specific learning disability, an emotional disability, mild mental retardation, remedial education, a speech/language impairment, homebound, bilingual, preschool moderate delay, preschool speech/language delay, other health impairments and gifted pupils.

10. "Group B" means educational improvements for pupils in kindergarten programs and grades one through three, educational programs for autism, a hearing impairment, moderate mental retardation, multiple disabilities, multiple disabilities with severe sensory impairment, orthopedic impairments, preschool severe delay, severe mental retardation and emotional disabilities for school age pupils enrolled in private special education programs or in school district programs for children with severe disabilities or visual impairment and limited English proficient pupils enrolled in a program to promote English language proficiency pursuant to section 15-754.

11. "HI" means programs for pupils with hearing impairment.
12. "Homebound" or "hospitalized" means a pupil who is capable of profiting from academic instruction but is unable to attend school due to illness, disease, accident or other health conditions, who has been examined by a competent medical doctor and who is certified by that doctor as being unable to attend regular classes for a period of not less than three school months or a pupil who is capable of profiting from academic instruction but is unable to attend school regularly due to chronic or acute health problems, who has been examined by a competent medical doctor and who is certified by that doctor as being unable to attend regular classes for intermittent periods of time totaling three school months during a school year. The medical certification shall state the general medical condition, such as illness, disease or chronic health condition, that is the reason that the pupil is unable to attend school.

13. "K-3" means kindergarten programs and grades one through three.

14. "LEP" means limited English proficient pupils who are enrolled in a program to promote English language proficiency pursuant to section 15-754.


17. "MDSSI" means a program for pupils with multiple disabilities with severe sensory impairment.

18. "MOMR" means programs for pupils with moderate mental retardation.

19. "OI-R" means a resource program for pupils with orthopedic impairments.


22. "P-SD" means programs for children who meet the definition of preschool severe delay as provided in section 15-771.

23. "Qualifying tax rate" means the qualifying tax rate specified in section 15-971 applied to the assessed valuation used for primary property taxes.

24. "Small isolated school district" means a school district which meets all of the following:
   (a) Has a student count of fewer than six hundred in kindergarten programs and grades one through eight or grades nine through twelve.
   (b) Contains no school which is fewer than thirty miles by the most reasonable route from another school, or, if road conditions and terrain make the driving slow or hazardous, fifteen miles from another school which teaches one or more of the same grades and is operated by another school district in this state.
   (c) Is designated as a small isolated school district by the superintendent of public instruction.
25. "Small school district" means a school district which meets all of the following:
   (a) Has a student count of fewer than six hundred in kindergarten programs and grades one through eight or grades nine through twelve.
   (b) Contains at least one school which is fewer than thirty miles by the most reasonable route from another school which teaches one or more of the same grades and is operated by another school district in this state.
   (c) Is designated as a small school district by the superintendent of public instruction.

26. "Transportation revenue control limit" means the transportation revenue control limit computed as prescribed in section 15-946.

27. "Transportation support level" means the support level for pupil transportation operating expenses as provided in section 15-945.

28. "VI" means programs for pupils with visual impairments.

29. "Voc. Ed." means vocational and technological education programs, as defined in section 15-781, except that for the purpose of computing the district support level as provided in this title vocational and technological education programs only include approved vocational and technological programs for students in grades nine through twelve.

Sec. 4. Section 15-943, Arizona Revised Statutes, is amended to read:

15-943. Base support level

The base support level for each school district shall be computed as follows:

1. The following support level weights shall be used in paragraph 2, subdivision (a) for the following school districts:
   (a) For school districts whose student count in kindergarten programs and grades one through eight is classified in column 1 of this subdivision, the support level weight for kindergarten programs and grades one through eight is the corresponding support level weight prescribed in column 2 or 3 of this subdivision, whichever is appropriate:

<table>
<thead>
<tr>
<th>Student Count</th>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Support Level Weight</td>
<td>Support Level Weight</td>
<td>Support Level Weight</td>
</tr>
<tr>
<td></td>
<td>For Small Isolated School Districts</td>
<td>For Small School Districts</td>
<td></td>
</tr>
<tr>
<td>1-99</td>
<td>1.559</td>
<td></td>
<td>1.399</td>
</tr>
<tr>
<td>100-499</td>
<td>1.358 + ([0.0005 \times (500 - \text{student count})])</td>
<td>1.278 + ([0.0003 \times (500 - \text{student count})])</td>
<td></td>
</tr>
<tr>
<td>500-599</td>
<td>1.158 + ([0.002 \times (600 - \text{student count})])</td>
<td>1.158 + ([0.0012 \times (600 - \text{student count})])</td>
<td></td>
</tr>
</tbody>
</table>

   (b) For school districts whose student count in grades nine through twelve is classified in column 1 of this subdivision, the support level weight for grades nine through twelve is the corresponding support level weight prescribed in column 2 or 3 of this subdivision, whichever is appropriate:
2. Subject to paragraph 1, determine the weighted student count as follows:

(a)  

<table>
<thead>
<tr>
<th>Grade</th>
<th>Base</th>
<th>Group A</th>
<th>Weight</th>
<th>Support Level</th>
<th>Student Weight</th>
<th>Student Count</th>
</tr>
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<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PSD</td>
<td>1.000</td>
<td>0.450</td>
<td>1.450</td>
<td>1.000</td>
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</tr>
<tr>
<td>K-8</td>
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<td>0.158</td>
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<td>1.000</td>
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<td></td>
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<tr>
<td>9-12</td>
<td>1.163</td>
<td>0.105</td>
<td>1.268</td>
<td>1.163</td>
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<tr>
<td>Subtotal A</td>
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<td></td>
</tr>
</tbody>
</table>

(b)  

<table>
<thead>
<tr>
<th>Category</th>
<th>Support Level</th>
<th>Student Weight</th>
<th>Student Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>HI</td>
<td>3.341</td>
<td>4.771</td>
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</tr>
<tr>
<td>K-3</td>
<td>0.060</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LEP</td>
<td>0.060</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MD-R, A-R and SMR-R</td>
<td>4.235</td>
<td>6.024</td>
<td></td>
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<tr>
<td>MD-SC, A-SC and SMR-SC</td>
<td>5.015</td>
<td>5.833</td>
<td></td>
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<tr>
<td>MD-SSI</td>
<td>6.025</td>
<td>6.531</td>
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<tr>
<td>OI-R</td>
<td>3.868</td>
<td>3.158</td>
<td></td>
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<tr>
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<td>5.576</td>
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<tr>
<td>P-SD</td>
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<td>3.595</td>
<td></td>
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<tr>
<td>ED, MIMR, SLD, SLI and OHI</td>
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<td></td>
</tr>
<tr>
<td>ED-P</td>
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<td>4.647</td>
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<tr>
<td>MOMR</td>
<td>4.244</td>
<td>4.421</td>
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</tr>
<tr>
<td>VI</td>
<td>4.832</td>
<td>4.806</td>
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</tr>
<tr>
<td>Subtotal B</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(c) Total of subtotals A and B:

3. Multiply the total determined in paragraph 2 by the base level.

4. Multiply the teacher experience index of the district or 1.00, whichever is greater, by the product obtained in paragraph 3.
Sec. 5. **State treasurer; school facilities transfer**

Notwithstanding section 15-2002, subsection A, paragraph 10, Arizona Revised Statutes, or any other law, the state treasurer shall disregard any instructions of the school facilities board relating to the deficiencies correction fund transfers for fiscal year 2001-2002 and fiscal year 2002-2003 and instead shall not make any transfer in fiscal year 2001-2002 and shall transfer only the sum of $12,000,000 in fiscal year 2002-2003 from transaction privilege revenues to the deficiencies correction fund established by section 15-2021, Arizona Revised Statutes.

Sec. 6. **Board of regents; authorization for acquisition of projects and issuance of bonds**

A. The Arizona board of regents may acquire for and on behalf of northern Arizona university one or more of the projects defined in section 15-1681, Arizona Revised Statutes, and may issue revenue bonds for this purpose subject to subsections B and C of this section, in one or more series but not exceeding in the aggregate $39,100,000 more than any remaining bonding authority of northern Arizona university.

B. Before the issuance of revenue bonds pursuant to this section, the Arizona board of regents shall provide a comprehensive multiyear bonding plan to the joint committee on capital review and to the governor. The joint committee on capital review shall review the multiyear bonding plan and any revisions that are submitted by the board of regents and shall solicit comment on the bonding plan from the governor's office. Revenue bonds shall not be issued for a project that does not appear in the multiyear bonding plan. The multiyear bonding plan shall include the following:

1. A description of the specific projects that will be financed with the revenue bonds.
2. An identification of the source of monies that will be used to repay the bonds for each project.
3. An estimate of the cost to service the debt for each project.

C. The Arizona board of regents shall not issue revenue bonds pursuant to this section for any project unless the project is included in the multiyear bonding plan required by subsection B of this section and the project is subsequently approved by the joint committee on capital review.

Sec. 7. **Reduction of kindergarten and first grade average daily membership counts; early kindergarten and early first grade programs; definitions**

A. Notwithstanding any other law, the department of education may reduce the average daily membership count of a school district or charter school for the 2000-2001 school year in order to eliminate pupils enrolled in early kindergarten or early first grade programs during the 1999-2000 or 2000-2001 school years, but may not reduce the average daily membership count of a school district or charter school in order to eliminate pupils enrolled in early kindergarten or early first grade programs during school years prior to the 1999-2000 school year.

B. For the purposes of this section:
1. "Early first grade program" means a first grade program that was designed to prepare children for first grade and was not designed, based on state standards and district curriculum, to prepare children to advance to the second grade after completing the program.

2. "Early kindergarten program" means a kindergarten program that was designed to prepare children for kindergarten and was not designed, based on state standards and district curriculum, to prepare children to advance to the first grade after completing the program.
