

State of Arizona
House of Representatives
Fifty-first Legislature
First Regular Session
2013

HOUSE BILL 2047

AN ACT

AMENDING SECTIONS 8-521, 15-105, 15-183, 15-203, 15-211, 15-241, 15-701 AND 15-701.01, ARIZONA REVISED STATUTES; PROVIDING FOR THE DELAYED REPEAL OF SECTION 15-701.02, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-702, 15-704, 15-720.01, 15-741, 15-742 AND 15-743, ARIZONA REVISED STATUTES; PROVIDING FOR THE DELAYED REPEAL OF SECTION 15-744, ARIZONA REVISED STATUTES; AMENDING SECTION 15-746, ARIZONA REVISED STATUTES; PROVIDING FOR THE DELAYED REPEAL OF SECTION 15-747, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-763, 15-792.02, 15-977, 15-1805.01 AND 15-2002, ARIZONA REVISED STATUTES; RELATING TO PUPIL ASSESSMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 8-521, Arizona Revised Statutes, is amended to
3 read:
4 8-521. Independent living program; conditions; eligibility;
5 rules; case management unit; reports
6 A. The department or a licensed child welfare agency may establish an
7 independent living program for youths who are the subject of a dependency
8 petition or who are adjudicated dependent and are all of the following:
9 1. In the custody of the department, a licensed child welfare agency
10 or a tribal child welfare agency.
11 2. At least seventeen years of age.
12 3. Employed or full-time students.
13 B. The independent living program may consist of a residential program
14 of less than twenty-four hours' a day supervision for youths under the
15 supervision of the department through a licensed child welfare agency or a
16 foster home under contract with the department. Under the independent living
17 program the youth is not required to reside at a licensed child welfare
18 agency or foster home.
19 C. The director or the director's designee shall review and approve
20 any recommendation to the court that a youth in the custody of the department
21 be ordered to an independent living program.
22 D. For a youth to participate in an independent living program, the
23 court must order such a disposition pursuant to section 8-845.
24 E. The department, a licensed child welfare agency or a tribal child
25 welfare agency having custody of the youth shall provide the cost of care as
26 required by section 46-134 for each child placed in an independent living
27 program pursuant to this section, except that the monthly amount provided
28 shall not exceed the average monthly cost of purchased services for the child
29 in the three months immediately preceding placement in an independent living
30 program.
31 F. The department shall adopt rules pursuant to title 41, chapter 6 to
32 carry out this section.
33 G. The department shall provide quarterly progress reports to the
34 court and to local foster care review boards for each youth participating in
35 the independent living program.
36 H. The local foster care review boards shall review at least once
37 every six months the case of each youth participating in the independent
38 living program.
39 I. The department shall establish an educational case management unit
40 within the division consisting of two case managers to develop and coordinate
41 educational case management plans for youths participating in the independent
42 living program and to assist youths in the program to do the following:
43 1. Graduate from high school.
44 ~~2. Pass the Arizona instrument to measure standards test.~~

1 2. ACHIEVE SCORES INDICATIVE OF COLLEGE AND CAREER READINESS ON THE
2 COMPETENCY TEST ADOPTED BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION
3 15-741.

4 3. Apply for postsecondary financial assistance.

5 4. Apply for postsecondary education.

6 J. The department shall prepare a report on or before March 1 of each
7 year that contains the following information for the previous calendar year:

8 1. The number of children in the program.

9 2. The number of children in the program by age and grade.

10 3. The number of children in the program by county of residence.

11 4. The number of children in the program who graduated from high
12 school.

13 5. The number of children in the program who received a general
14 equivalency diploma.

15 6. The number of children in the program enrolled in postsecondary
16 education.

17 K. The department shall submit a copy of the report prescribed in
18 subsection J of this section to the governor, the president of the senate,
19 the speaker of the house of representatives, ~~AND the secretary of state and~~
20 ~~the director of the Arizona state library, archives and public records.~~

21 Sec. 2. Section 15-105, Arizona Revised Statutes, is amended to read:
22 15-105. Early graduation scholarship program; fund; program
23 termination; definition

24 A. Each school district or charter school that provides instruction in
25 grades nine through twelve in this state shall participate in and promote to
26 students an early graduation scholarship program.

27 B. The commission for postsecondary education shall develop
28 application forms, procedures and deadlines to implement and administer the
29 early graduation scholarship program in conjunction with the department of
30 education and shall select eligible students each year for participation in
31 the early graduation scholarship program. The school district or charter
32 school that the student attends shall notify the department of education and
33 the commission for postsecondary education if the student graduates at least
34 one year before the student's scheduled graduation date.

35 C. Participating full-time students who graduate at least one year
36 early shall receive a scholarship grant in an amount not to exceed one
37 thousand two hundred fifty dollars or the actual cost of tuition, books and
38 fees, whichever is less, in the first academic year of postsecondary
39 instruction, and an amount not to exceed seven hundred fifty dollars or the
40 actual cost of tuition, books and fees, whichever is less, in the second
41 academic year of postsecondary instruction, to be used to pay all or a
42 portion of the tuition, books and fees charged at a qualifying postsecondary
43 institution for a maximum of two academic years, which must be completed
44 within thirty-six months after the student's actual graduation date from high
45 school. The amount of a scholarship grant awarded to a participating

1 part-time student enrolled at least half-time for the academic year as
2 defined in 20 United States Code section 1088 shall be prorated in accordance
3 with the part-time status of the student.

4 D. A student who provides satisfactory proof to the commission for
5 postsecondary education that the student has met all of the following
6 criteria is eligible to submit an application for consideration for a
7 scholarship grant under the early graduation scholarship program:

8 1. The student has graduated from a charter school or a public high
9 school that is part of a school district in this state at least one year
10 earlier than the student's class is scheduled to graduate.

11 ~~2. The student has achieved a passing score on each component of the~~
12 ~~Arizona instrument to measure standards test that is required for graduation~~
13 ~~from high school.~~

14 ~~3.~~ 2. The student is currently a resident of this state and has been
15 a resident of this state for at least the past twelve months.

16 ~~4.~~ 3. The student has completed and submitted a free application for
17 federal student aid.

18 E. The school district or charter school from which the student
19 graduated shall include the student who graduates early in the school
20 district's or charter school's student count until the student's class is
21 scheduled to graduate and shall continue to receive per pupil funding minus
22 two thousand two hundred dollars for a student who graduates at least one
23 year early until the student's class is scheduled to graduate. The school
24 district or charter school shall place the per pupil funding received in the
25 school district's or charter school's maintenance and operations fund.

26 F. The department of education shall transmit both of the following to
27 the commission for postsecondary education:

28 1. A list of early graduates with their identifying information,
29 cohort graduation date, early graduation date and high school of graduation.

30 2. Two thousand two hundred dollars of the amount of per pupil funding
31 provided to a school district or charter school for a student who graduates
32 at least one year early for deposit in the early graduation scholarship fund
33 established by this section.

34 G. The commission for postsecondary education shall make awards from
35 the early graduation scholarship fund for payment of tuition, books and fees
36 at qualifying postsecondary institutions to students who are selected to
37 participate in the early graduation scholarship program on verification of
38 admission, enrollment and certification of the cost of each student's tuition
39 and fees by the qualifying postsecondary institutions.

40 H. If the amount of monies available for scholarship grants in any
41 fiscal year is insufficient to provide scholarship grants to all eligible
42 applicants, the commission for postsecondary education shall award
43 scholarship grants to eligible students in the order in which the
44 applications were received by the commission, except that priority shall be
45 given to eligible students who received a scholarship grant in the previous

1 fiscal year and who are still in good academic standing at the same
2 qualifying postsecondary institution or who transferred to a different
3 qualifying postsecondary institution but remain in good academic standing at
4 the previous qualifying postsecondary institution. The commission for
5 postsecondary education shall maintain a waiting list for all other
6 applicants.

7 I. A qualifying postsecondary institution shall notify the commission
8 for postsecondary education if a student who has received a scholarship grant
9 is no longer in good academic standing at the qualifying postsecondary
10 institution or is no longer enrolled at the qualifying postsecondary
11 institution.

12 J. The student or the qualifying postsecondary institution shall
13 reimburse the early graduation scholarship fund for any unused scholarship
14 grant funds received pursuant to subsection C of this section if the student
15 does not complete the academic year as defined in 20 United States Code
16 section 1088. A student shall complete the first year in good academic
17 standing from a qualifying postsecondary institution before receiving monies
18 for the second year from the early graduation scholarship fund.

19 K. A student who receives an early graduation scholarship grant shall
20 be allowed, at no additional cost except for fees charged to all students, to
21 both:

22 1. Participate in extracurricular activities until the student's high
23 school class is scheduled to graduate.

24 2. Participate in the student's high school class graduation
25 ceremonies.

26 L. The early graduation scholarship fund is established consisting of
27 monies deposited pursuant to subsection F of this section and all repayments
28 that are received pursuant to subsection J of this section. The commission
29 for postsecondary education shall administer the fund. Monies in the fund
30 are continuously appropriated and are exempt from the provisions of section
31 35-190 relating to lapsing of appropriations. On notice from the commission,
32 the state treasurer shall invest and divest monies in the fund as provided by
33 section 35-313, and monies earned from the investment shall be credited to
34 the fund. The commission may retain up to five per cent of the monies in the
35 fund for administrative costs. The commission may hire up to two full-time
36 equivalent positions for the implementation and administration of the early
37 graduation scholarship program.

38 M. The commission for postsecondary education shall submit an annual
39 report by December 1 to the governor, the president of the senate and the
40 speaker of the house of representatives and a copy of the report shall be
41 submitted to the secretary of state ~~and the director of the Arizona state~~
42 ~~library, archives and public records~~. The report shall contain at least the
43 following:

1 1. The number of students who graduated at least one year early for
2 each year of implementation of the program by each school district and
3 charter school.

4 2. The number of scholarships provided pursuant to this section.

5 3. The average amount per scholarship provided pursuant to this
6 section.

7 4. The balance in the early graduation scholarship fund.

8 5. The number of students using a scholarship to attend a regionally
9 or nationally accredited public or private postsecondary institution and the
10 number of students using a scholarship to attend a regionally or nationally
11 accredited vocational program.

12 6. A description of how the commission expended monies for
13 administrative costs of the program pursuant to subsection L of this section.

14 N. The program established by this section ends on July 1, 2017
15 pursuant to section 41-3102.

16 O. For the purposes of this section, "qualifying postsecondary
17 institution" means a regionally or nationally accredited public or private
18 postsecondary educational institution in this state or a regionally or
19 nationally accredited vocational program in this state.

20 Sec. 3. Section 15-183, Arizona Revised Statutes, is amended to read:

21 15-183. Charter schools; application; requirements; immunity;
22 exemptions; renewal of application; reprisal; fee;
23 funds

24 A. An applicant seeking to establish a charter school shall submit a
25 written application to a proposed sponsor as prescribed in subsection C of
26 this section. The application shall include a detailed business plan for the
27 charter school and may include a mission statement for the charter school, a
28 description of the charter school's organizational structure and the
29 governing body, a financial plan for the first three years of operation of
30 the charter school, a description of the charter school's hiring policy, the
31 name of the charter school's applicant or applicants and requested sponsor, a
32 description of the charter school's facility and the location of the school,
33 a description of the grades being served and an outline of criteria designed
34 to measure the effectiveness of the school.

35 B. The sponsor of a charter school may contract with a public body,
36 private person or private organization for the purpose of establishing a
37 charter school pursuant to this article.

38 C. The sponsor of a charter school may be either a school district
39 governing board, the state board of education, the state board for charter
40 schools, a university under the jurisdiction of the Arizona board of regents,
41 a community college district with enrollment of more than fifteen thousand
42 full-time equivalent students or a group of community college districts with
43 a combined enrollment of more than fifteen thousand full-time equivalent
44 students, subject to the following requirements:

1 1. For charter schools that submit an application for sponsorship to a
2 school district governing board:

3 (a) An applicant for a charter school may submit its application to a
4 school district governing board, which shall either accept or reject
5 sponsorship of the charter school within ninety days. An applicant may
6 submit a revised application for reconsideration by the governing board. If
7 the governing board rejects the application, the governing board shall notify
8 the applicant in writing of the reasons for the rejection. The applicant may
9 request, and the governing board may provide, technical assistance to improve
10 the application.

11 (b) In the first year that a school district is determined to be out
12 of compliance with the uniform system of financial records, within fifteen
13 days of the determination of noncompliance, the school district shall notify
14 by certified mail each charter school sponsored by the school district that
15 the school district is out of compliance with the uniform system of financial
16 records. The notification shall include a statement that if the school
17 district is determined to be out of compliance for a second consecutive year,
18 the charter school will be required to transfer sponsorship to another entity
19 pursuant to subdivision (c) of this paragraph.

20 (c) In the second consecutive year that a school district is
21 determined to be out of compliance with the uniform system of financial
22 records, within fifteen days of the determination of noncompliance, the
23 school district shall notify by certified mail each charter school sponsored
24 by the school district that the school district is out of compliance with the
25 uniform system of financial records. A charter school that receives a
26 notification of school district noncompliance pursuant to this subdivision
27 shall file a written sponsorship transfer application within forty-five days
28 with the state board of education, the state board for charter schools or the
29 school district governing board if the charter school is located within the
30 geographic boundaries of that school district. A charter school that
31 receives a notification of school district noncompliance may request an
32 extension of time to file a sponsorship transfer application, and the state
33 board of education, the state board for charter schools or a school district
34 governing board may grant an extension of not more than an additional thirty
35 days if good cause exists for the extension. The state board of education
36 and the state board for charter schools shall approve a sponsorship transfer
37 application pursuant to this paragraph.

38 (d) A school district governing board shall not grant a charter to a
39 charter school that is located outside the geographic boundaries of that
40 school district.

41 (e) A school district that has been determined to be out of compliance
42 with the uniform system of financial records during either of the previous
43 two fiscal years shall not sponsor a new or transferring charter school.

44 2. The applicant may submit the application to the state board of
45 education or the state board for charter schools. The state board of

1 education or the state board for charter schools may approve the application
2 if the application meets the requirements of this article and may approve the
3 charter if the proposed sponsor determines, within its sole discretion, that
4 the applicant is sufficiently qualified to operate a charter school and that
5 the applicant is applying to operate as a separate charter holder by
6 considering factors such as whether:

7 (a) The schools have separate governing bodies, governing body
8 membership, staff, facilities, and student population.

9 (b) Daily operations are carried out by different administrators.

10 (c) The applicant intends to have an affiliation agreement for the
11 purpose of providing enrollment preferences.

12 (d) The applicant's charter management organization has multiple
13 charter holders serving varied grade configurations on one physical site or
14 nearby sites serving one community.

15 (e) It is reconstituting an existing school site population at the
16 same or new site.

17 (f) It is reconstituting an existing grade configuration from a prior
18 charter holder with at least one grade remaining on the original site with
19 the other grade or grades moving to a new site.

20 The state board of education or the state board for charter schools may
21 approve any charter schools transferring charters. The state board of
22 education and the state board for charter schools shall approve any charter
23 schools transferring charters from a school district that is determined to be
24 out of compliance with the uniform system of financial records pursuant to
25 this section, but may require the charter school to sign a new charter that
26 is equivalent to the charter awarded by the former sponsor. If the state
27 board of education or the state board for charter schools rejects the
28 preliminary application, the state board of education or the state board for
29 charter schools shall notify the applicant in writing of the reasons for the
30 rejection and of suggestions for improving the application. An applicant may
31 submit a revised application for reconsideration by the state board of
32 education or the state board for charter schools. The applicant may request,
33 and the state board of education or the state board for charter schools may
34 provide, technical assistance to improve the application.

35 3. The applicant may submit the application to a university under the
36 jurisdiction of the Arizona board of regents, a community college district or
37 a group of community college districts. A university, a community college
38 district or a group of community college districts may approve the
39 application if it meets the requirements of this article and if the proposed
40 sponsor determines, in its sole discretion, that the applicant is
41 sufficiently qualified to operate a charter school.

42 4. Each applicant seeking to establish a charter school shall submit a
43 full set of fingerprints to the approving agency for the purpose of obtaining
44 a state and federal criminal records check pursuant to section 41-1750 and
45 Public Law 92-544. If an applicant will have direct contact with students,

1 the applicant shall possess a valid fingerprint clearance card that is issued
2 pursuant to title 41, chapter 12, article 3.1. The department of public
3 safety may exchange this fingerprint data with the federal bureau of
4 investigation. The criminal records check shall be completed before the
5 issuance of a charter.

6 5. All persons engaged in instructional work directly as a classroom,
7 laboratory or other teacher or indirectly as a supervisory teacher, speech
8 therapist or principal shall have a valid fingerprint clearance card that is
9 issued pursuant to title 41, chapter 12, article 3.1, unless the person is a
10 volunteer or guest speaker who is accompanied in the classroom by a person
11 with a valid fingerprint clearance card. A charter school shall not employ a
12 teacher whose certificate has been surrendered or revoked, unless the
13 teacher's certificate has been subsequently reinstated by the state board of
14 education. All other personnel shall be fingerprint checked pursuant to
15 section 15-512. Before employment, the charter school shall make documented,
16 good faith efforts to contact previous employers of a person to obtain
17 information and recommendations that may be relevant to a person's fitness
18 for employment as prescribed in section 15-512, subsection F. The charter
19 school shall notify the department of public safety if the charter school or
20 sponsor receives credible evidence that a person who possesses a valid
21 fingerprint clearance card is arrested for or is charged with an offense
22 listed in section 41-1758.03, subsection B. Charter schools may hire
23 personnel that have not yet received a fingerprint clearance card if proof is
24 provided of the submission of an application to the department of public
25 safety for a fingerprint clearance card and if the charter school that is
26 seeking to hire the applicant does all of the following:

27 (a) Documents in the applicant's file the necessity for hiring and
28 placement of the applicant before receiving a fingerprint clearance card.

29 (b) Ensures that the department of public safety completes a statewide
30 criminal records check on the applicant. A statewide criminal records check
31 shall be completed by the department of public safety every one hundred
32 twenty days until the date that the fingerprint check is completed.

33 (c) Obtains references from the applicant's current employer and the
34 two most recent previous employers except for applicants who have been
35 employed for at least five years by the applicant's most recent employer.

36 (d) Provides general supervision of the applicant until the date that
37 the fingerprint card is obtained.

38 (e) Completes a search of criminal records in all local jurisdictions
39 outside of this state in which the applicant has lived in the previous five
40 years.

41 (f) Verifies the fingerprint status of the applicant with the
42 department of public safety.

43 6. A charter school that complies with the fingerprinting requirements
44 of this section shall be deemed to have complied with section 15-512 and is

1 entitled to the same rights and protections provided to school districts by
2 section 15-512.

3 7. If a charter school operator is not already subject to a public
4 meeting or hearing by the municipality in which the charter school is
5 located, the operator of a charter school shall conduct a public meeting at
6 least thirty days before the charter school operator opens a site or sites
7 for the charter school. The charter school operator shall post notices of
8 the public meeting in at least three different locations that are within
9 three hundred feet of the proposed charter school site.

10 8. A person who is employed by a charter school or who is an applicant
11 for employment with a charter school, who is arrested for or charged with a
12 nonappealable offense listed in section 41-1758.03, subsection B and who does
13 not immediately report the arrest or charge to the person's supervisor or
14 potential employer is guilty of unprofessional conduct and the person shall
15 be immediately dismissed from employment with the charter school or
16 immediately excluded from potential employment with the charter school.

17 9. A person who is employed by a charter school and who is convicted
18 of any nonappealable offense listed in section 41-1758.03, subsection B or is
19 convicted of any nonappealable offense that amounts to unprofessional conduct
20 under section 15-550 shall immediately do all of the following:

21 (a) Surrender any certificates issued by the department of education.

22 (b) Notify the person's employer or potential employer of the
23 conviction.

24 (c) Notify the department of public safety of the conviction.

25 (d) Surrender the person's fingerprint clearance card.

26 D. An entity that is authorized to sponsor charter schools pursuant to
27 this article has no legal authority over or responsibility for a charter
28 school sponsored by a different entity. This subsection does not apply to
29 the state board of education's duty to exercise general supervision over the
30 public school system pursuant to section 15-203, subsection A, paragraph 1.

31 E. The charter of a charter school shall do all of the following:

32 1. Ensure compliance with federal, state and local rules, regulations
33 and statutes relating to health, safety, civil rights and insurance. The
34 department of education shall publish a list of relevant rules, regulations
35 and statutes to notify charter schools of their responsibilities under this
36 paragraph.

37 2. Ensure that it is nonsectarian in its programs, admission policies
38 and employment practices and all other operations.

39 3. Ensure that it provides a comprehensive program of instruction for
40 at least a kindergarten program or any grade between grades one and twelve,
41 except that a school may offer this curriculum with an emphasis on a specific
42 learning philosophy or style or certain subject areas such as mathematics,
43 science, fine arts, performance arts or foreign language.

44 4. Ensure that it designs a method to measure pupil progress toward
45 the pupil outcomes adopted by the state board of education pursuant to

1 section 15-741.01, including participation in the ~~Arizona instrument to~~
2 ~~measure standards test and the nationally standardized norm referenced~~
3 ~~achievement test as designated~~ COMPETENCY TEST ADOPTED by the state board OF
4 EDUCATION PURSUANT TO SECTION 15-741 and the completion and distribution of
5 an annual report card as prescribed in chapter 7, article 3 of this title.

6 5. Ensure that, except as provided in this article and in its charter,
7 it is exempt from all statutes and rules relating to schools, governing
8 boards and school districts.

9 6. Ensure that, except as provided in this article, it is subject to
10 the same financial and electronic data submission requirements as a school
11 district, including the uniform system of financial records as prescribed in
12 chapter 2, article 4 of this title, procurement rules as prescribed in
13 section 15-213 and audit requirements. The auditor general shall conduct a
14 comprehensive review and revision of the uniform system of financial records
15 to ensure that the provisions of the uniform system of financial records that
16 relate to charter schools are in accordance with commonly accepted accounting
17 principles used by private business. A school's charter may include
18 exceptions to the requirements of this paragraph that are necessary as
19 determined by the district governing board, the state board of education or
20 the state board for charter schools. The department of education or the
21 office of the auditor general may conduct financial, program or compliance
22 audits.

23 7. Ensure compliance with all federal and state laws relating to the
24 education of children with disabilities in the same manner as a school
25 district.

26 8. Ensure that it provides for a governing body for the charter school
27 that is responsible for the policy decisions of the charter school.
28 Notwithstanding section 1-216, if there is a vacancy or vacancies on the
29 governing body, a majority of the remaining members of the governing body
30 constitute a quorum for the transaction of business, unless that quorum is
31 prohibited by the charter school's operating agreement.

32 9. Ensure that it provides a minimum of one hundred seventy-five
33 instructional days before June 30 of each fiscal year unless it is operating
34 on an alternative calendar approved by its sponsor. The superintendent of
35 public instruction shall adjust the apportionment schedule accordingly to
36 accommodate a charter school utilizing an alternative calendar.

37 F. The charter of a charter school shall include a description of the
38 charter school's personnel policies, personnel qualifications and method of
39 school governance and the specific role and duties of the sponsor of the
40 charter school. A charter school shall keep on file the resumes of all
41 current and former employees who provide instruction to pupils at the charter
42 school. Resumes shall include an individual's educational and teaching
43 background and experience in a particular academic content subject area. A
44 charter school shall inform parents and guardians of the availability of the
45 resume information and shall make the resume information available for

1 inspection on request of parents and guardians of pupils enrolled at the
2 charter school. ~~Nothing in~~ This subsection ~~shall be construed to~~ DOES NOT
3 require any charter school to release personally identifiable information in
4 relation to any teacher or employee, including the teacher's or employee's
5 address, salary, social security number or telephone number.

6 G. The charter of a charter school may be amended at the request of
7 the governing body of the charter school and on the approval of the sponsor.

8 H. Charter schools may contract, sue and be sued.

9 I. An approved plan to establish a charter school is effective for
10 fifteen years from the first day of the fiscal year the charter school is in
11 operation, subject to the following:

12 1. At least eighteen months before the expiration of the approved
13 plan, the sponsor shall notify the charter school that the charter school may
14 apply for renewal. A charter school that elects to apply for renewal shall
15 file an application for renewal at least fifteen months before the expiration
16 of the approved plan. In addition to any other requirements, the application
17 for renewal shall include a detailed business plan for the charter school, a
18 review of fiscal audits and academic performance data for the charter school
19 that are annually collected by the sponsor and a review of the current
20 contract between the sponsor and the charter school. A sponsor shall give
21 written notice of its intent not to renew the charter school's request for
22 renewal to the charter school at least twelve months before the expiration of
23 the approved plan to allow the charter school an opportunity to apply to
24 another sponsor to transfer the operation of the charter school. If the
25 operation of the charter school is transferred to another sponsor, the
26 fifteen-year period of the current charter shall be maintained. The sponsor
27 shall make data used in making renewal decisions available to the school and
28 the public and shall provide a public report summarizing the evidence basis
29 for each decision. The sponsor may deny the request for renewal if, in its
30 judgment, the charter holder has failed to do any of the following:

31 (a) Meet or make sufficient progress toward the academic performance
32 expectations set forth in the performance framework or any improvement plans.

33 (b) Meet the operational performance expectations set forth in the
34 performance framework or any improvement plans.

35 (c) Complete the obligations of the contract.

36 (d) Comply with this article or any provision of law from which the
37 charter school is not exempt.

38 2. A charter operator may apply for early renewal. At least nine
39 months before the charter school's intended renewal consideration, the
40 operator of the charter school shall submit a letter of intent to the sponsor
41 to apply for early renewal. The sponsor shall review fiscal audits and
42 academic performance data for the charter school that are annually collected
43 by the sponsor, review the current contract between the sponsor and the
44 charter school and provide the qualifying charter school with a renewal

1 application. On submission of a complete application, the sponsor shall give
2 written notice of its consideration of the renewal application.

3 3. A sponsor shall review a charter at five year intervals using a
4 performance framework adopted by the sponsor and may revoke a charter at any
5 time if the charter school breaches one or more provisions of its charter.
6 At least ninety days before the effective date of the proposed revocation,
7 the sponsor shall give written notice to the operator of the charter school
8 of its intent to revoke the charter. Notice of the sponsor's intent to
9 revoke the charter shall be delivered personally to the operator of the
10 charter school or sent by certified mail, return receipt requested, to the
11 address of the charter school. The notice shall incorporate a statement of
12 reasons for the proposed revocation of the charter. The sponsor shall allow
13 the charter school at least ninety days to correct the problems associated
14 with the reasons for the proposed revocation of the charter. The final
15 determination of whether to revoke the charter shall be made at a public
16 hearing called for such purpose.

17 J. The charter may be renewed for successive periods of twenty years
18 if the sponsor deems that the school is in compliance with its own charter
19 and this article.

20 K. A charter school that is sponsored by the state board of education,
21 the state board for charter schools, a university, a community college
22 district or a group of community college districts may not be located on the
23 property of a school district unless the district governing board grants this
24 authority.

25 L. A governing board or a school district employee who has control
26 over personnel actions shall not take unlawful reprisal against another
27 employee of the school district because the employee is directly or
28 indirectly involved in an application to establish a charter school. A
29 governing board or a school district employee shall not take unlawful
30 reprisal against an educational program of the school or the school district
31 because an application to establish a charter school proposes the conversion
32 of all or a portion of the educational program to a charter school. For the
33 purposes of this subsection, "unlawful reprisal" means an action that is
34 taken by a governing board or a school district employee as a direct result
35 of a lawful application to establish a charter school and that is adverse to
36 another employee or an education program and:

37 1. With respect to a school district employee, results in one or more
38 of the following:

- 39 (a) Disciplinary or corrective action.
- 40 (b) Detail, transfer or reassignment.
- 41 (c) Suspension, demotion or dismissal.
- 42 (d) An unfavorable performance evaluation.
- 43 (e) A reduction in pay, benefits or awards.
- 44 (f) Elimination of the employee's position without a reduction in
45 force by reason of lack of monies or work.

1 (g) Other significant changes in duties or responsibilities that are
2 inconsistent with the employee's salary or employment classification.

3 2. With respect to an educational program, results in one or more of
4 the following:

5 (a) Suspension or termination of the program.

6 (b) Transfer or reassignment of the program to a less favorable
7 department.

8 (c) Relocation of the program to a less favorable site within the
9 school or school district.

10 (d) Significant reduction or termination of funding for the program.

11 M. Charter schools shall secure insurance for liability and property
12 loss. The governing body of a charter school that is sponsored by the state
13 board of education or the state board for charter schools may enter into an
14 intergovernmental agreement or otherwise contract to participate in an
15 insurance program offered by a risk retention pool established pursuant to
16 section 11-952.01 or 41-621.01 or the charter school may secure its own
17 insurance coverage. The pool may charge the requesting charter school
18 reasonable fees for any services it performs in connection with the insurance
19 program.

20 N. Charter schools do not have the authority to acquire property by
21 eminent domain.

22 O. A sponsor, including members, officers and employees of the
23 sponsor, is immune from personal liability for all acts done and actions
24 taken in good faith within the scope of its authority.

25 P. Charter school sponsors and this state are not liable for the debts
26 or financial obligations of a charter school or persons who operate charter
27 schools.

28 Q. The sponsor of a charter school shall establish procedures to
29 conduct administrative hearings on determination by the sponsor that grounds
30 exist to revoke a charter. Procedures for administrative hearings shall be
31 similar to procedures prescribed for adjudicative proceedings in title 41,
32 chapter 6, article 10. Except as provided in section 41-1092.08, subsection
33 H, final decisions of the state board of education and the state board for
34 charter schools from hearings conducted pursuant to this subsection are
35 subject to judicial review pursuant to title 12, chapter 7, article 6.

36 R. The sponsoring entity of a charter school shall have oversight and
37 administrative responsibility for the charter schools that it sponsors. In
38 implementing its oversight and administrative responsibilities, the sponsor
39 shall ground its actions in evidence of the charter holder's performance in
40 accordance with the performance framework adopted by the sponsor. The
41 performance framework shall include:

42 1. The academic performance expectations of the charter school and the
43 measurement of sufficient progress toward the academic performance
44 expectations.

1 2. The operational expectations of the charter school, including
2 adherence to all applicable laws and obligations of the charter contract.

3 3. Intervention and improvement policies.

4 S. Charter schools may pledge, assign or encumber their assets to be
5 used as collateral for loans or extensions of credit.

6 T. All property accumulated by a charter school shall remain the
7 property of the charter school.

8 U. Charter schools may not locate a school on property that is less
9 than one-fourth mile from agricultural land regulated pursuant to section
10 3-365, except that the owner of the agricultural land may agree to comply
11 with the buffer zone requirements of section 3-365. If the owner agrees in
12 writing to comply with the buffer zone requirements and records the agreement
13 in the office of the county recorder as a restrictive covenant running with
14 the title to the land, the charter school may locate a school within the
15 affected buffer zone. The agreement may include any stipulations regarding
16 the charter school, including conditions for future expansion of the school
17 and changes in the operational status of the school that will result in a
18 breach of the agreement.

19 V. A transfer of a charter to another sponsor, a transfer of a charter
20 school site to another sponsor or a transfer of a charter school site to a
21 different charter shall be completed before the beginning of the fiscal year
22 that the transfer is scheduled to become effective. An entity that sponsors
23 charter schools may accept a transferring school after the beginning of the
24 fiscal year if the transfer is approved by the superintendent of public
25 instruction. The superintendent of public instruction shall have the
26 discretion to consider each transfer during the fiscal year on a case by case
27 basis. If a charter school is sponsored by a school district that is
28 determined to be out of compliance with this title, the uniform system of
29 financial records or any other state or federal law, the charter school may
30 transfer to another sponsoring entity at any time during the fiscal year. A
31 charter holder seeking to transfer sponsors shall comply with the current
32 charter terms regarding assignment of the charter. A charter holder
33 transferring sponsors shall notify the current sponsor that the transfer has
34 been approved by the new sponsor.

35 W. Notwithstanding subsection V of this section, a charter holder on
36 an improvement plan must notify parents or guardians of registered students
37 of the intent to transfer the charter and the timing of the proposed
38 transfer. ~~Upon~~ ON the approved transfer, the new sponsor shall enforce the
39 improvement plan but may modify the plan based on performance.

40 X. Notwithstanding subsection Y of this section, the state board for
41 charter schools shall charge a processing fee to any charter school that
42 amends its contract to participate in Arizona online instruction pursuant to
43 section 15-808. The charter Arizona online instruction processing fund is
44 established consisting of fees collected and administered by the state board
45 for charter schools. The state board for charter schools shall use monies in

1 the fund only for the processing of contract amendments for charter schools
2 participating in Arizona online instruction. Monies in the fund are
3 continuously appropriated.

4 Y. The sponsoring entity may not charge any fees to a charter school
5 that it sponsors unless the sponsor has provided services to the charter
6 school and the fees represent the full value of those services provided by
7 the sponsor. On request, the value of the services provided by the sponsor
8 to the charter school shall be demonstrated to the department of education.

9 Z. Charter schools may enter into an intergovernmental agreement with
10 a presiding judge of the juvenile court to implement a law related education
11 program as defined in section 15-154. The presiding judge of the juvenile
12 court may assign juvenile probation officers to participate in a law related
13 education program in any charter school in the county. The cost of juvenile
14 probation officers who participate in the program implemented pursuant to
15 this subsection shall be funded by the charter school.

16 AA. The sponsor of a charter school shall modify previously approved
17 curriculum requirements for a charter school that wishes to participate in
18 the board examination system prescribed in chapter 7, article 6 of this
19 title.

20 BB. If a charter school decides not to participate in the board
21 examination system prescribed in chapter 7, article 6 of this title, pupils
22 enrolled at that charter school may earn a Grand Canyon diploma by obtaining
23 a passing score on the same board examinations.

24 CC. Notwithstanding subsection Y of this section, a sponsor of charter
25 schools may charge a new charter application processing fee to any applicant.
26 The application fee shall fully cover the cost of application review and any
27 needed technical assistance. Authorizers may approve policies that allow a
28 portion of the fee to be returned to the applicant whose charter is approved.

29 Sec. 4. Section 15-203, Arizona Revised Statutes, is amended to read:

30 15-203. Powers and duties

31 A. The state board of education shall:

32 1. Exercise general supervision over and regulate the conduct of the
33 public school system and adopt any rules and policies it deems necessary to
34 accomplish this purpose.

35 2. Keep a record of its proceedings.

36 3. Make rules for its own government.

37 4. Determine the policy and work undertaken by it.

38 5. Subject to title 41, chapter 4, article 4, employ staff on the
39 recommendation of the superintendent of public instruction.

40 6. Prescribe the duties of its employees if not prescribed by statute.

41 7. Delegate to the superintendent of public instruction the execution
42 of board policies and rules.

43 8. Recommend to the legislature changes or additions to the statutes
44 pertaining to schools.

1 9. Prepare, publish and distribute reports concerning the educational
2 welfare of this state.

3 10. Prepare a budget for expenditures necessary for proper maintenance
4 of the board and accomplishment of its purposes and present the budget to the
5 legislature.

6 11. Aid in the enforcement of laws relating to schools.

7 12. Prescribe a minimum course of study in the common schools, minimum
8 competency requirements for the promotion of pupils from the third grade and
9 minimum course of study and competency requirements for the promotion of
10 pupils from the eighth grade. The state board of education shall prepare a
11 fiscal impact statement of any proposed changes to the minimum course of
12 study or competency requirements and, on completion, shall send a copy to the
13 director of the joint legislative budget committee and the executive director
14 of the school facilities board. The state board of education shall not adopt
15 any changes in the minimum course of study or competency requirements in
16 effect on July 1, 1998 that will have a fiscal impact on school capital
17 costs.

18 13. Prescribe minimum course of study and competency requirements for
19 the graduation of pupils from high school. **THE MINIMUM COURSE OF STUDY AND
20 COMPETENCY REQUIREMENTS MAY INCORPORATE RESULTS OF COMPETENCY TESTS ADOPTED
21 BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741.** The state board
22 of education shall prepare a fiscal impact statement of any proposed changes
23 to the minimum course of study or competency requirements and, on completion,
24 shall send a copy to the director of the joint legislative budget committee
25 and the executive director of the school facilities board. The state board
26 of education shall not adopt any changes in the minimum course of study or
27 competency requirements in effect on July 1, 1998 that will have a fiscal
28 impact on school capital costs.

29 14. Supervise and control the certification of persons engaged in
30 instructional work directly as any classroom, laboratory or other teacher or
31 indirectly as a supervisory teacher, speech therapist, principal or
32 superintendent in a school district, including school district preschool
33 programs, or any other educational institution below the community college,
34 college or university level, and prescribe rules for certification, including
35 rules for certification of teachers who have teaching experience and who are
36 trained in other states, that are not unnecessarily restrictive and are
37 substantially similar to the rules prescribed for the certification of
38 teachers trained in this state. The rules ~~shall~~:

39 (a) **SHALL** allow a variety of alternative teacher and administrator
40 preparation programs, with variations in program sequence and design, to
41 apply for program approval. The state board shall adopt rules pursuant to
42 this subdivision designed to allow for a variety of formats and shall not
43 require a prescribed answer or design from the program provider in order to
44 obtain approval from the state board. The state board shall evaluate each
45 program provider based on the program's ability to prepare teachers and

1 administrators and to recruit teachers and administrators with a variety of
2 experiences and talents. The state board shall permit universities under the
3 jurisdiction of the Arizona board of regents, community colleges in this
4 state, private postsecondary institutions licensed by this state, school
5 districts, charter schools and professional organizations to apply for
6 program approval and shall create application procedures and certification
7 criteria that are less restrictive than those for traditional preparation
8 programs. Alternative preparation program graduates shall:
9 (i) Hold a bachelor's degree from an accredited postsecondary
10 education institution.
11 (ii) Demonstrate professional knowledge and subject knowledge
12 proficiency pursuant to section 15-533.
13 (iii) Obtain a fingerprint clearance card pursuant to section 15-534.
14 (iv) Complete training in structured English immersion as prescribed
15 by the state board.
16 (v) Complete training in research based systematic phonics instruction
17 as prescribed in subdivision (b) of this paragraph.
18 (vi) Demonstrate the required proficiency in the constitutions of the
19 United States and Arizona as prescribed in section 15-532.
20 (b) SHALL require applicants for all certificates for common school
21 instruction to complete a minimum of forty-five classroom hours or three
22 college level credit hours, or the equivalent, of training in research based
23 systematic phonics instruction from a public or private provider.
24 (c) SHALL not require a teacher to obtain a master's degree or to take
25 any additional graduate courses as a condition of certification or
26 recertification.
27 (d) SHALL allow a general equivalency diploma to be substituted for a
28 high school diploma in the certification of emergency substitute teachers.
29 (e) SHALL allow but shall not require the superintendent of a school
30 district to obtain certification from the state board of education.
31 (f) SHALL provide for the issuance of a specialized teaching
32 certificate to classroom teachers with expertise in either science,
33 technology, engineering or mathematics. Teachers who are certified pursuant
34 to this subdivision shall complete training in structured English immersion
35 as prescribed by the state board. Teachers who are certified pursuant to
36 this subdivision are exempt from the professional knowledge and subject
37 knowledge proficiency requirements prescribed in section 15-533 and from the
38 proficiency requirements prescribed in section 15-532 on the Constitutions of
39 the United States and Arizona. A teacher who obtains a specialized teaching
40 certificate pursuant to this subdivision may provide instruction in the
41 teacher's field of expertise in grades seven through twelve at any public
42 school in this state. This subdivision does not require a teacher who has
43 obtained another type of teaching certificate from the state board to obtain
44 a specialized teaching certificate pursuant to this ~~subsection~~ SUBDIVISION in
45 order to provide instruction in grades seven through twelve in a science,

1 technology, engineering or mathematics course. A classroom teacher is
2 eligible for a specialized teaching certificate pursuant to this subdivision
3 if the teacher meets all of the following requirements:

4 (i) Has taught science, technology, engineering or mathematics courses
5 for the last two consecutive years and for a total of at least three years at
6 one or more regionally or nationally accredited public or private
7 postsecondary institutions. An applicant shall demonstrate compliance with
8 this requirement by providing the state board with written proof of
9 employment for specific durations from one or more qualifying postsecondary
10 institutions.

11 (ii) Has either a baccalaureate degree, a master's degree or a
12 ~~doctoral~~ DOCTORATE degree in an academic subject that is specific to science,
13 technology, engineering or mathematics or has obtained a passing score on a
14 statewide educator assessment in science, technology, engineering or
15 mathematics that is recognized by the state board.

16 (iii) Obtains a valid fingerprint clearance card that is issued
17 pursuant to title 41, chapter 12, article 3.1.

18 (g) Notwithstanding section 15-533, ~~the state board~~ may exempt persons
19 applying for a secondary education certificate from the subject knowledge
20 portion of the proficiency examination if the state board determines that the
21 person has work experience in science, technology, engineering or mathematics
22 and can demonstrate adequate knowledge of a particular subject through a
23 postsecondary education degree or twenty-four credit hours of relevant
24 coursework.

25 15. Adopt a list of approved tests for determining special education
26 assistance to gifted pupils as defined in and as provided in chapter 7,
27 article 4.1 of this title. The adopted tests shall provide separate scores
28 for quantitative reasoning, verbal reasoning and nonverbal reasoning and
29 shall be capable of providing reliable and valid scores at the highest ranges
30 of the score distribution.

31 16. Adopt rules governing the methods for the administration of all
32 proficiency examinations.

33 17. Adopt proficiency examinations for its use. The state board of
34 education shall determine the passing score for the proficiency examination.

35 18. Include within its budget the cost of contracting for the purchase,
36 distribution and scoring of the examinations as provided in paragraphs 16 and
37 17 of this subsection.

38 19. Supervise and control the qualifications of professional
39 nonteaching school personnel and prescribe standards relating to
40 qualifications. The standards shall not require the business manager of a
41 school district to obtain certification from the state board of education.

42 20. Impose such disciplinary action, including the issuance of a letter
43 of censure, suspension, suspension with conditions or revocation of a
44 certificate, upon a finding of immoral or unprofessional conduct.

1 21. Establish an assessment, data gathering and reporting system for
2 pupil performance as prescribed in chapter 7, article 3 of this title.

3 22. Adopt a rule to promote braille literacy pursuant to section
4 15-214.

5 23. Adopt rules prescribing procedures for the investigation by the
6 department of education of every written complaint alleging that a
7 certificated person has engaged in immoral conduct.

8 24. For purposes of federal law, serve as the state board for
9 vocational and technological education and meet at least four times each year
10 solely to execute the powers and duties of the state board for vocational and
11 technological education.

12 25. Develop and maintain a handbook for use in the schools of this
13 state that provides guidance for the teaching of moral, civic and ethical
14 education. The handbook shall promote existing curriculum frameworks and
15 shall encourage school districts to recognize moral, civic and ethical values
16 within instructional and programmatic educational development programs for
17 the general purpose of instilling character and ethical principles in pupils
18 in kindergarten programs and grades one through twelve.

19 26. Require pupils to recite the following passage from the declaration
20 of independence for pupils in grades four through six at the commencement of
21 the first class of the day in the schools, except that a pupil shall not be
22 required to participate if the pupil or the pupil's parent or guardian
23 objects:

24 We hold these truths to be self-evident, that all men are
25 created equal, that they are endowed by their creator with
26 certain unalienable rights, that among these are life, liberty
27 and the pursuit of happiness. That to secure these rights,
28 governments are instituted among men, deriving their just powers
29 from the consent of the governed. . . .

30 27. Adopt rules that provide for teacher certification reciprocity.
31 The rules shall provide for a one-year reciprocal teaching certificate with
32 minimum requirements, including valid teacher certification from a state with
33 substantially similar criminal history or teacher fingerprinting requirements
34 and proof of the submission of an application for a fingerprint clearance
35 card pursuant to title 41, chapter 12, article 3.1. For teachers who provide
36 Arizona online instruction pursuant to section 15-808, the rules shall allow
37 automatic certification reciprocity with other states that have similar
38 programs.

39 28. Adopt rules that provide for the presentation of an honorary high
40 school diploma to a person who has never obtained a high school diploma and
41 who meets both of the following requirements:

42 (a) Currently resides in this state.

43 (b) Provides documented evidence from the Arizona department of
44 veterans' services that the person enlisted in the armed forces of the United

1 States and served in World War I, World War II, the Korean conflict or the
2 Vietnam conflict.

3 29. Cooperate with the Arizona-Mexico commission in the governor's
4 office and with researchers at universities in this state to collect data and
5 conduct projects in the United States and Mexico on issues that are within
6 the scope of the duties of the department of education and that relate to
7 quality of life, trade and economic development in this state in a manner
8 that will help the Arizona-Mexico commission to assess and enhance the
9 economic competitiveness of this state and of the Arizona-Mexico region.

10 30. Adopt rules to define and provide guidance to schools as to the
11 activities that would constitute immoral or unprofessional conduct of
12 certificated persons.

13 31. Adopt guidelines to encourage pupils in grades nine, ten, eleven
14 and twelve to volunteer for twenty hours of community service before
15 graduation from high school. A school district that complies with the
16 guidelines adopted pursuant to this paragraph is not liable for damages
17 resulting from a pupil's participation in community service unless the school
18 district is found to have demonstrated wanton or reckless disregard for the
19 safety of the pupil and other participants in community service. For the
20 purposes of this paragraph, "community service" may include service learning.
21 The guidelines shall include the following:

22 (a) A list of the general categories in which community service may be
23 performed.

24 (b) A description of the methods by which community service will be
25 monitored.

26 (c) A consideration of risk assessment for community service projects.

27 (d) Orientation and notification procedures of community service
28 opportunities for pupils entering grade nine, including the development of a
29 notification form. The notification form shall be signed by the pupil and
30 the pupil's parent or guardian, except that a pupil shall not be required to
31 participate in community service if the parent or guardian notifies the
32 principal of the pupil's school in writing that the parent or guardian does
33 not wish the pupil to participate in community service.

34 (e) Procedures for a pupil in grade nine to prepare a written proposal
35 that outlines the type of community service that the pupil would like to
36 perform and the goals that the pupil hopes to achieve as a result of
37 community service. The pupil's written proposal shall be reviewed by a
38 faculty advisor, a guidance counselor or any other school employee who is
39 designated as the community service program coordinator for that school. The
40 pupil may alter the written proposal at any time before performing community
41 service.

42 (f) Procedures for a faculty advisor, a guidance counselor or any
43 other school employee who is designated as the community service program
44 coordinator to evaluate and certify the completion of community service
45 performed by pupils.

1 32. To facilitate the transfer of military personnel and their
2 dependents to and from the public schools of this state, pursue, in
3 cooperation with the Arizona board of regents, reciprocity agreements with
4 other states concerning the transfer credits for military personnel and their
5 dependents. A reciprocity agreement entered into pursuant to this paragraph
6 shall:

7 (a) Address procedures for each of the following:

8 (i) The transfer of student records.

9 (ii) Awarding credit for completed ~~course-work~~ COURSEWORK.

10 (iii) Permitting a student to satisfy the graduation requirements
11 prescribed in section 15-701.01 through the successful performance on
12 comparable exit-level assessment instruments administered in another state.

13 (b) Include appropriate criteria developed by the state board of
14 education and the Arizona board of regents.

15 33. Adopt guidelines that school district governing boards shall use in
16 identifying pupils who are eligible for gifted programs and in providing
17 gifted education programs and services. The state board of education shall
18 adopt any other guidelines and rules that it deems necessary in order to
19 carry out the purposes of chapter 7, article 4.1 of this title.

20 34. For each of the alternative textbook formats of human-voiced audio,
21 large-print and braille, designate alternative media producers to adapt
22 existing standard print textbooks or to provide specialized textbooks, or
23 both, for pupils with disabilities in this state. Each alternative media
24 producer shall be capable of producing alternative textbooks in all relevant
25 subjects in at least one of the alternative textbook formats. The board
26 shall post the designated list of alternative media producers on its website.

27 35. Adopt a list of approved professional development training
28 providers for use by school districts as provided in section 15-107,
29 subsection J. The professional development training providers shall meet the
30 training curriculum requirements determined by the state board of education
31 in at least the areas of school finance, governance, employment, staffing,
32 inventory and human resources, internal controls and procurement.

33 36. Adopt rules to prohibit a person who violates the notification
34 requirements prescribed in section 15-183, subsection C, paragraph 8 or
35 section 15-550, subsection C from certification pursuant to this title until
36 the person is no longer charged or is acquitted of any offenses listed in
37 section 41-1758.03, subsection B. The board shall also adopt rules to
38 prohibit a person who violates the notification requirements, certification
39 surrender requirements or fingerprint clearance card surrender requirements
40 prescribed in section 15-183, subsection C, paragraph 9 or section 15-550,
41 subsection D from certification pursuant to this title for at least ten years
42 after the date of the violation.

43 37. Adopt rules for the alternative certification of teachers of
44 nontraditional foreign languages that allow for the passing of a nationally

1 accredited test to substitute for the education coursework required for
2 certification.

3 38. Adopt and maintain a model framework for a teacher and principal
4 evaluation instrument that includes quantitative data on student academic
5 progress that accounts for between thirty-three per cent and fifty per cent
6 of the evaluation outcomes. On or before December 1, 2012, the framework
7 shall include four performance classifications, designated as highly
8 effective, effective, developing and ineffective, and guidelines for school
9 districts and charter schools to use in their evaluation instruments. The
10 state board of education shall adopt best practices for professional
11 development and evaluator training. The state board of education may
12 periodically make adjustments to align the model framework for teacher and
13 principal evaluations with assessment or data changes at the state
14 level. School districts and charter schools shall use an instrument that
15 meets the data requirements established by the state board of education to
16 annually evaluate individual teachers and principals beginning in school year
17 2012-2013. By school year 2013-2014, school districts and charter schools
18 shall adopt definitions for the performance classifications adopted by the
19 state board of education in a public meeting and apply the performance
20 classifications to their evaluation instruments in a manner designed to
21 improve principal and teacher performance. For charter holders, the
22 principal evaluation instrument applies to each charter school's
23 instructional leader whose primary responsibility is to oversee the academic
24 performance of the charter school. This paragraph does not apply to an
25 officer, director, member or partner of the charter holder. The school
26 district governing board shall discuss at a public meeting at least annually
27 its aggregate performance classifications of principals and teachers.

28 39. Adopt rules to define competency-based educational pathways for
29 college and career readiness that may be used by schools. The rules shall
30 include the following components:

31 (a) The establishment of learning outcomes that will be expected for
32 students in a particular subject ~~matter~~.

33 (b) A process and criteria by which assessments may be identified or
34 established to determine if students have reached the desired competencies in
35 a particular subject ~~matter~~.

36 (c) A mechanism to allow pupils in grades seven through twelve who
37 have demonstrated competency in a subject ~~matter~~ to immediately obtain credit
38 for the mastery of that subject ~~matter~~. The rules shall include a list of
39 applicable subjects, including the level of competency required for each
40 subject.

41 B. The state board of education may:

42 1. Contract.

43 2. Sue and be sued.

44 3. Distribute and score the tests prescribed in chapter 7, article 3
45 of this title.

1 4. Provide for an advisory committee to conduct hearings and
2 screenings to determine whether grounds exist to impose disciplinary action
3 against a certificated person, whether grounds exist to reinstate a revoked
4 or surrendered certificate and whether grounds exist to approve or deny an
5 initial application for certification or a request for renewal of a
6 certificate. The board may delegate its responsibility to conduct hearings
7 and screenings to its advisory committee. Hearings shall be conducted
8 pursuant to title 41, chapter 6, article 6.

9 5. Proceed with the disposal of any complaint requesting disciplinary
10 action or with any disciplinary action against a person holding a certificate
11 as prescribed in subsection A, paragraph 14 of this section after the
12 suspension or expiration of the certificate or surrender of the certificate
13 by the holder.

14 6. Assess costs and reasonable attorney fees against a person who files
15 a frivolous complaint or who files a complaint in bad faith. Costs assessed
16 pursuant to this paragraph shall not exceed the expenses incurred by the
17 state board in the investigation of the complaint.

18 Sec. 5. Section 15-211, Arizona Revised Statutes, is amended to read:

19 15-211. K-3 reading program; receipt and use of monies;
20 additional funding; program termination

21 A. The state board of education, in collaboration with the department
22 of education, shall establish a K-3 reading program to improve the reading
23 proficiency of pupils in kindergarten programs and grades one, two and three
24 in the public schools of this state.

25 B. On or before October 1, 2012, each school district and charter
26 school shall submit to the state board of education a plan for improving the
27 reading proficiency of its pupils in kindergarten programs and grades one,
28 two and three. The plan shall include baseline data on the reading
29 proficiency of its pupils in kindergarten programs and grades one, two and
30 three and a budget for spending monies from both the K-3 support level weight
31 and the K-3 reading support level weight established in section 15-943.
32 Beginning in fiscal year 2013-2014 and each fiscal year thereafter, each
33 school district and charter school shall submit to the state board of
34 education on or before October 1 an updated K-3 reading program plan that
35 includes data on program expenditures and results.

36 C. School districts and charter schools shall use monies generated by
37 the K-3 reading support level weight established in section 15-943 only on
38 reading programs for pupils in kindergarten programs and grades one, two and
39 three with particular emphasis on pupils in kindergarten programs and grades
40 one and two.

41 D. Each school district and charter school that is assigned a letter
42 grade of C, D or F pursuant to section 15-241, subsection H or that has more
43 than ten per cent of its pupils in grade three reading far below the third
44 grade level according to the reading portion of the ~~Arizona instrument to~~
45 ~~measure standards test, or a successor test,~~ **COMPETENCY TEST ADOPTED BY THE**

1 STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741 shall receive monies
2 generated by the K-3 reading support level weight established in section
3 15-943 only after the K-3 reading program plan of the school district or
4 charter school has been approved by the state board of education.

5 E. The department of education shall solicit gifts, grants and
6 donations from any lawful public or private source in order to provide
7 additional funding for the K-3 reading program.

8 F. The program established by this section ends on July 1, 2022
9 pursuant to section 41-3102.

10 Sec. 6. Section 15-241, Arizona Revised Statutes, is amended to read:

11 15-241. School and school district accountability; failing
12 schools tutoring fund; classification label for
13 school districts and charter school operators

14 A. The department of education shall compile an annual achievement
15 profile for each public school and school district.

16 B. Each school and school district shall submit to the department any
17 data that is required and requested and that is necessary to compile the
18 achievement profile. A school or school district that fails to submit the
19 information that is necessary is not eligible to receive monies from the
20 classroom site fund established by section 15-977.

21 C. The department shall establish a baseline achievement profile for
22 each school and school district. The baseline achievement profile shall be
23 used to determine a standard measurement of acceptable academic progress for
24 each school and school district and a school and school district
25 classification pursuant to subsection H of this section. Any disclosure of
26 educational records compiled by the department of education pursuant to this
27 section shall comply with the family educational rights and privacy act of
28 1974 (20 United States Code section 1232g).

29 D. The achievement profile for schools and school districts that offer
30 instruction in kindergarten programs and grades one through eight, or any
31 combination of those programs or grades, shall include the following school
32 academic performance indicators:

33 1. The Arizona measure of academic progress. The department shall
34 compute the extent of academic progress made by the pupils in each school and
35 school district during the course of each year.

36 2. The ~~Arizona instrument to measure standards test~~ COMPETENCY TEST
37 ADOPTED BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741. The
38 department shall compute the percentage of pupils who meet or exceed the
39 standard on the ~~Arizona instrument to measure standards test~~ COMPETENCY TEST,
40 as prescribed by the state board of education. The superintendent of public
41 instruction and the department may calculate academic gain on the ~~Arizona~~
42 ~~instrument to measure standards test~~ COMPETENCY TEST according to each of the
43 school classifications prescribed in subsection G of this section on a
44 statewide basis, for each school district in this state and for each school
45 by determining the average scale scores for students in the current academic

1 year as compared to the average scale scores for the previous academic year
2 for the same students.

3 3. The results of English language learners tests administered
4 pursuant to section 15-756, subsection B, section 15-756.05 and section
5 15-756.06.

6 E. The achievement profile for schools and school districts that offer
7 instruction in grades nine through twelve, or any combination of those
8 grades, shall include the following school academic performance indicators:

9 1. The Arizona measure of academic progress. The department shall
10 compute the extent of academic progress made by the pupils at each school.

11 2. The ~~Arizona instrument to measure standards test~~ COMPETENCY TEST
12 ADOPTED BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741. The
13 department shall compute the percentage of pupils pursuant to subsection G of
14 this section who meet or exceed the standard on the ~~Arizona instrument to~~
15 ~~measure standards test~~ COMPETENCY TEST, as prescribed by the state board of
16 education. The superintendent of public instruction and the department may
17 calculate academic gain on the ~~Arizona instrument to measure standards test~~
18 COMPETENCY TEST according to each of the school classifications prescribed in
19 subsection G of this section on a statewide basis, for each school district
20 in this state and for each school by determining the average scale scores for
21 students in the current academic year as compared to the average scale scores
22 for the previous academic year for the same students.

23 3. The annual dropout rate.

24 4. The annual graduation rate.

25 5. The results of English language learners tests administered
26 pursuant to section 15-756, subsection B, section 15-756.05 and section
27 15-756.06.

28 F. Schools and school districts that offer instruction in all or a
29 combination of the grades specified in subsections D and E of this section
30 shall include a single achievement profile for that school and school
31 district that includes the school academic performance indicators specified
32 in subsections D and E of this section.

33 G. Subject to final adoption by the state board of education, the
34 department shall determine the criteria for each school and school district
35 classification using a research based methodology. The methodology shall
36 include the performance of pupils at all achievement levels, account for
37 pupil mobility, account for the distribution of pupil achievement at each
38 school and school district and include longitudinal indicators of academic
39 performance. Fifty per cent of the school and school district classification
40 determination shall consist of academic performance measurements. Fifty per
41 cent of the academic performance measurement shall consist of a measurement
42 of academic gain for all pupils enrolled at the school or school district and
43 fifty per cent of the academic performance measurements shall consist of a
44 measurement of the twenty-five per cent of pupils with the lowest academic
45 performance measurement enrolled at the school or school district. For the

1 purposes of this subsection, "research based methodology" means the
2 systematic and objective application of statistical and quantitative research
3 principles to determine a standard measurement of acceptable academic
4 progress for each school and school district.

5 H. Except as provided in subsection EE of this section, the
6 achievement profile shall be used to determine a school and school district
7 classification that uses a letter grade system as follows:

8 1. A school or school district assigned a letter grade of A shall
9 demonstrate an excellent level of performance.

10 2. A school or school district assigned a letter grade of B shall
11 demonstrate an above average level of performance.

12 3. A school or school district assigned a letter grade of C shall
13 demonstrate an average level of performance.

14 4. A school or school district assigned a letter grade of D shall
15 demonstrate a below average level of performance.

16 5. A school or school district assigned a letter grade of F shall
17 demonstrate a failing level of performance. The state board of education may
18 also assign a school a letter grade of F if the state board of education
19 determines that the school is among the "persistently lowest-achieving
20 schools" in the state under the federal school accountability requirements
21 pursuant to section 1003(g) of the elementary and secondary education act (20
22 United States Code section 6303).

23 I. The classification for each school and the criteria used to
24 determine classification pursuant to subsection G of this section shall be
25 included on the school report card prescribed in section 15-746.

26 J. Subject to final adoption by the state board of education, the
27 department of education shall develop a parallel achievement profile for
28 accommodation schools, alternative schools as defined by the state board of
29 education and extremely small schools as defined by the state board of
30 education for the purposes of this section.

31 K. If a school is assigned a letter grade of D, within ninety days
32 after receiving notice of the designation, the governing board shall develop
33 an improvement plan for the school, submit a copy of the plan to the
34 superintendent of public instruction and the county educational service
35 agency and supervise the implementation of the plan. The plan shall include
36 necessary components as identified by the state board of education. Within
37 thirty days after submitting the improvement plan to the superintendent of
38 public instruction and the county educational service agency, the governing
39 board shall hold a special public meeting in each school that has been
40 assigned a letter grade of D and shall present the respective improvement
41 plans that have been developed for each school. The school district
42 governing board, within thirty days of receiving notice of the designation,
43 shall provide written notification of the classification to each residence
44 within the attendance area of the school. The notice shall explain the

1 improvement plan process and provide information regarding the public meeting
2 required by this subsection.

3 L. A school that has not submitted an improvement plan pursuant to
4 subsection K of this section is not eligible to receive monies from the
5 classroom site fund established by section 15-977 for every day that a plan
6 has not been received by the superintendent of public instruction within the
7 time specified in subsection K of this section plus an additional ninety
8 days. The state board of education shall require the superintendent of the
9 school district to testify before the board and explain the reasons that an
10 improvement plan for that school has not been submitted.

11 M. If a charter school is assigned a letter grade of D, within thirty
12 days the school shall notify the parents of the students attending the school
13 of the classification. The notice shall explain the improvement plan process
14 and provide information regarding the public meeting required by this
15 subsection. Within ninety days of receiving the classification, the charter
16 holder shall present an improvement plan to the charter sponsor at a public
17 meeting and submit a copy of the plan to the superintendent of public
18 instruction. The improvement plan shall include necessary components as
19 identified by the state board of education. For every day that an
20 improvement plan is not received by the superintendent of public instruction
21 and the county educational service agency, the school is not eligible to
22 receive monies from the classroom site fund established by section 15-977 for
23 every day that a plan has not been received by the superintendent of public
24 instruction within the time specified in subsection K of this section plus an
25 additional ninety days. The charter holder shall appear before the
26 sponsoring board and explain why the improvement plan has not been submitted.

27 N. The department of education shall establish an appeals process, to
28 be approved by the state board of education, for a school to appeal data used
29 to determine the achievement profile of the school. The criteria established
30 shall be based on mitigating factors and may include a visit to the school
31 site by the department of education.

32 O. If a school is assigned a letter grade of D for a third consecutive
33 year, the department of education shall visit the school site to confirm the
34 classification data and to review the implementation of the school's
35 improvement plan. The school shall be assigned a letter grade of F unless an
36 alternate letter grade is assigned after an appeal pursuant to subsection N
37 of this section. A school that is assigned a letter grade of D for less than
38 three consecutive years may also be assigned a letter grade of F if the state
39 board of education determines that there is no reasonable likelihood that the
40 school will achieve an average level of performance within the next two
41 years.

42 P. The school district governing board, within thirty days of
43 receiving notice of the school being assigned a letter grade of F, shall
44 provide written notification of the classification to each residence in the
45 attendance area of the school. The notice shall explain the improvement plan

1 process and provide information regarding the public meeting required by
2 subsection S of this section.

3 Q. The superintendent of public instruction in collaboration with the
4 county educational service agency, based on need, shall assign a solutions
5 team to a school assigned a letter grade of D, a school assigned a letter
6 grade of F or any other school pursuant to a mutual agreement between the
7 department of education and the school ~~comprised~~ COMPOSED of master teachers,
8 fiscal analysts and curriculum assessment experts who are certified by the
9 state board of education as Arizona academic standards technicians. The
10 department of education or the county educational service agency may hire or
11 contract with administrators, principals and teachers who have demonstrated
12 experience with the characteristics and situations in a school assigned a
13 letter grade of D or F and may use these personnel as part of the solutions
14 team. The department of education shall work with staff at the school to
15 assist in curricula alignment and shall instruct teachers on how to increase
16 pupil academic progress, considering the school's achievement profile. The
17 solutions team shall consider the existing improvement plan to assess the
18 need for changes to curriculum, professional development and resource
19 allocation and shall present a statement of its findings to the school
20 administrator and district superintendent. Within forty-five days after the
21 presentation of the solutions team's statement of findings, the school
22 district governing board, in cooperation with each school within the school
23 district that is assigned a letter grade of D and its assigned solutions team
24 representative, shall develop and submit to the department of education and
25 the county educational service agency an action plan that details the manner
26 in which the school district will assist the school as the school
27 incorporates the findings of the solutions team into the improvement plan.
28 The department of education shall review the action plan and shall either
29 accept the action plan or return the action plan to the school district for
30 modification. If the school district does not submit an approved action plan
31 within forty-five days, the state board of education may direct the
32 superintendent of public instruction to withhold up to ten per cent of state
33 monies that the school district would otherwise be entitled to receive each
34 month until the plan is submitted to the department of education and the
35 county educational service agency, at which time those monies shall be
36 returned to the school district.

37 R. The parent or the guardian of the pupil may apply to the department
38 of education, in a manner determined by the department of education, for a
39 certificate of supplemental instruction from the failing schools tutoring
40 fund established by this section. Pupils attending a school assigned a
41 letter grade of D or F or a pupil who has failed to pass one or more portions
42 of the ~~Arizona instrument to measure standards test~~ COMPETENCY TEST ADOPTED
43 BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741 in grades eight
44 through twelve ~~in order to graduate from high school~~ may select an
45 alternative tutoring program in academic standards from a provider that is

1 certified by the state board of education. To qualify, the provider must
2 state in writing a level of academic improvement for the pupil that includes
3 a timeline for improvement that is agreed to by the parent or guardian of the
4 pupil. The state board of education shall annually review academic
5 performance levels for providers certified pursuant to this subsection and
6 may remove a provider at a public hearing from an approved list of providers
7 if that provider fails to meet its stated level of academic improvement. The
8 state board of education shall determine the application guidelines and the
9 maximum value for each certificate of supplemental instruction. The state
10 board of education shall annually complete a market survey in order to
11 determine the maximum value for each certificate of supplemental
12 instruction. This subsection shall not be construed to require the state to
13 provide additional monies beyond the monies provided pursuant to section
14 42-5029, subsection E, paragraph 7.

15 S. Within sixty days of receiving notification of a school being
16 assigned a letter grade of F, the school district governing board shall
17 evaluate needed changes to the existing improvement plan for the school,
18 consider recommendations from the solutions team, submit a copy of the plan
19 to the superintendent of public instruction and the county educational
20 service agency and supervise the implementation of the plan. Within thirty
21 days after submitting the improvement plan to the superintendent of public
22 instruction, the governing board shall hold a public meeting in each school
23 that has been assigned a letter grade of F and shall present the respective
24 improvement plans that have been developed for each school.

25 T. A school that has not submitted an improvement plan pursuant to
26 subsection S of this section is not eligible to receive monies from the
27 classroom site fund established by section 15-977 for every day that a plan
28 has not been received by the superintendent of public instruction within the
29 time specified in subsection S of this section plus an additional ninety
30 days. The state board of education shall require the superintendent of the
31 school district to testify before the board and explain the reasons that an
32 improvement plan for that school has not been submitted.

33 U. If a charter school is assigned a letter grade of F, the department
34 of education shall immediately notify the charter school's sponsor. The
35 charter school's sponsor shall either take action to restore the charter
36 school to acceptable performance or revoke the charter school's charter.
37 Within thirty days the school shall notify the parents of the students
38 attending the school of the classification and of any pending public meetings
39 to review the issue.

40 V. A school that has been assigned a letter grade of F shall be
41 evaluated by the department of education to determine if the school failed to
42 properly implement its school improvement plan, align the curriculum with
43 academic standards, provide teacher training, prioritize the budget or
44 implement other proven strategies to improve academic performance. After
45 visiting the school site pursuant to subsection O of this section, the

1 department of education shall submit to the state board of education a
2 recommendation to proceed pursuant to subsections Q, R and S of this section
3 or that the school be subject to a public hearing to determine if the school
4 failed to properly implement its improvement plan and the reasons for the
5 department's recommendation.

6 W. If the department does recommend a public hearing, the state board
7 of education shall meet and may provide by a majority vote at the public
8 hearing for the continued operation of the school as allowed by this
9 subsection. The state board of education shall determine whether
10 governmental, nonprofit and private organizations may submit applications to
11 the state board to fully or partially manage the school. The state board's
12 determination shall include:

13 1. If and to what extent the local governing board may participate in
14 the operation of the school including personnel matters.

15 2. If and to what extent the state board of education shall
16 participate in the operation of the school.

17 3. Resource allocation pursuant to subsection Y of this section.

18 4. Provisions for the development and submittal of a school
19 improvement plan to be presented in a public meeting at the school.

20 5. A suggested time frame for the alternative operation of the school.

21 X. The state board shall periodically review the status of a school
22 that is operated by an organization other than the school district governing
23 board to determine whether the operation of the school should be returned to
24 the school district governing board. Before the state board makes a
25 determination, the state board or its designee shall meet with the school
26 district governing board or its designee to determine the time frame,
27 operational considerations and the appropriate continuation of existing
28 improvements that are necessary to assure a smooth transition of authority
29 from the other organization back to the school district governing board.

30 Y. If an alternative operation plan is provided pursuant to subsection
31 W of this section, the state board of education shall pay for the operation
32 of the school and shall adjust the school district's soft capital allocation
33 pursuant to section 15-962, capital outlay revenue limit pursuant to section
34 15-961, base support level pursuant to section 15-943, monies distributed
35 from the classroom site fund established by section 15-977 and transportation
36 support level pursuant to section 15-945 to accurately reflect any reduction
37 in district services that are no longer provided to that school by the
38 district. The state board of education may modify the school district's
39 revenue control limit, the district support level and the general budget
40 limit calculated pursuant to section 15-947 by an amount that corresponds to
41 this reduction in services. The state board of education shall retain the
42 portion of state aid that would otherwise be due the school district for the
43 school and shall distribute that portion of state aid directly to the
44 organization that contracts with the state board of education to operate the
45 school.

1 Z. If the state board of education determines that a charter school
2 failed to properly implement its improvement plan, the sponsor of the charter
3 school shall revoke the charter school's charter.

4 AA. If there are more than two schools in a district and more than
5 one-half, or in any case more than five, of the schools in the district are
6 assigned a letter grade of F for more than two consecutive years, in the next
7 election of members of the governing board the election ballot shall contain
8 the following statement immediately above the listing of governing board
9 candidates:

10 Within the last five years, (number of schools) schools in the
11 _____ school district have been assigned a letter grade of F
12 or designated as "schools failing to meet academic standards" by
13 the superintendent of public instruction.

14 BB. At least twice each year the department of education shall publish
15 in a newspaper of general circulation in each county of this state a list of
16 schools that are assigned a letter grade of F.

17 CC. The failing schools tutoring fund is established consisting of
18 monies collected pursuant to section 42-5029, subsection E as designated for
19 this purpose. The department of education shall administer the fund. The
20 department of education may use monies from the fund to purchase materials
21 designed to assist students to meet the Arizona academic standards ~~and to~~
22 ~~achieve a passing score on the Arizona instrument to measure standards test~~
23 ~~in order to graduate from high school.~~

24 DD. The department of education may develop a classification label for
25 school districts and charter school operators. If the department of
26 education develops a classification label for school districts and charter
27 school operators, the classification label may be developed from the
28 following components:

29 1. Measures of academic progress.

30 2. Pupil assessment data.

31 3. The attendance rates and graduation rates of pupils who are
32 educated in that charter school operator's charter schools or in that school
33 district's schools.

34 4. The percentage of the parents of pupils enrolled in that charter
35 school operator's charter schools or in that school district's schools that
36 categorizes the quality of their child's education as excellent on a parental
37 rating of school quality.

38 EE. The state board of education shall determine appropriate
39 modifications to the criteria used to calculate achievement profiles for
40 schools that participate in the board examination system prescribed in
41 chapter 7, article 6 of this title.

42 FF. The state board of education shall adopt guidelines to include
43 supplementary training in reading instruction for teachers who provide
44 instruction to pupils in a kindergarten program or grade one, two or three in
45 an improvement plan pursuant to subsection K of this section.

1 GG. In addition to any other corrective procedures prescribed in this
2 section and section 15-241.01, a school that has been assigned a letter grade
3 of D or F for two consecutive years shall implement a science, technology,
4 engineering and mathematics intervention strategy under the supervision of
5 the state board of education.

6 HH. In addition to any other corrective procedures prescribed in this
7 section a school district that has been assigned a letter grade of D or F for
8 two consecutive years shall implement a parent involvement strategy. The
9 parent involvement strategy shall be included in the school improvement ~~plans~~
10 ~~PLAN~~ for each applicable school within the district, as prescribed in
11 subsection K of this section.

12 Sec. 7. Section 15-701, Arizona Revised Statutes, is amended to read:

13 ~~15-701.~~ Common school; promotions; requirements; certificate;
14 supervision of eighth grades by superintendent of
15 high school district; high school admissions;
16 academic credit

17 A. The state board of education shall:

18 1. Prescribe a minimum course of study, as defined in section 15-101
19 and incorporating the academic standards adopted by the state board of
20 education, to be taught in the common schools.

21 2. Prescribe competency requirements for the promotion of pupils from
22 the eighth grade and competency requirements for the promotion of pupils from
23 the third grade incorporating the academic standards in at least the areas of
24 reading, writing, mathematics, science and social studies. Notwithstanding
25 section 15-521, paragraph ~~3- 4~~, the competency requirements for the promotion
26 of pupils from the third grade shall include the following:

27 (a) A requirement that a pupil not be promoted from the third grade if
28 the pupil obtains a score on the reading portion of the ~~Arizona instrument to~~
29 ~~measure standards test, or a successor test,~~ COMPETENCY TEST ADOPTED BY THE
30 STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741 that demonstrates that
31 the pupil's reading falls far below the third grade level.

32 (b) A mechanism to allow a school district governing board or the
33 governing body of a charter school to promote a pupil from the third grade
34 who obtains a score on the reading portion of the ~~Arizona instrument to~~
35 ~~measure standards test, or a successor test,~~ COMPETENCY TEST ADOPTED BY THE
36 STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741 that demonstrates that
37 the pupil's reading falls far below the third grade level for any of the
38 following:

39 (i) A good cause exemption if the pupil is an English learner or a
40 limited English proficient student as defined in section 15-751 and has had
41 fewer than two years of English language instruction.

42 (ii) ~~A PUPIL WHO IS~~ a child with a disability as defined in section
43 15-761 if the pupil's individualized education program team and the pupil's
44 parent or guardian ~~agrees~~ AGREE that promotion is appropriate based on the
45 pupil's individualized education program.

1 (c) Intervention and remedial strategies developed by the state board
2 of education for pupils who are not promoted from the third grade. A school
3 district governing board or the governing body of a charter school shall
4 offer at least one of the intervention and remedial strategies developed by
5 the state board of education. The parent or guardian of a pupil who is not
6 promoted from the third grade and the pupil's teacher and principal may
7 choose the most appropriate intervention and remedial strategies that will be
8 provided to that pupil. The intervention and remedial strategies developed
9 by the state board of education shall include:

10 (i) A requirement that the pupil be assigned to a different teacher
11 for reading instruction.

12 (ii) Summer school reading instruction.

13 (iii) In the next academic year, intensive reading instruction that
14 occurs before, during or after the regular school day, or any combination of
15 before, during and after the regular school day.

16 (iv) Online reading instruction.

17 3. Provide for universal screening of pupils in preschool programs,
18 kindergarten programs and grades one through three that is designed to
19 identify pupils who have reading deficiencies pursuant to section 15-704.

20 4. Develop intervention and remedial strategies pursuant to paragraph
21 2, subdivision (c) of this subsection for pupils in kindergarten programs and
22 grades one through three who are identified as having reading deficiencies
23 pursuant to section 15-704.

24 5. Distribute guidelines for the school districts to follow in
25 prescribing criteria for the promotion of pupils from grade to grade in the
26 common schools. These guidelines shall include recommended procedures for
27 ensuring that the cultural background of a pupil is taken into consideration
28 when criteria for promotion are being applied.

29 B. ~~Beginning in the 2010-2011 school year,~~ School districts and
30 charter schools shall provide annual written notification to parents of
31 pupils in kindergarten programs and first, second and third grades that a
32 pupil who obtains a score on the reading portion of the ~~Arizona instrument to~~
33 ~~measure standards test, or a successor test,~~ **COMPETENCY TEST ADOPTED BY THE**
34 **STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741** that demonstrates the
35 pupil is reading far below the third grade level will not be promoted from
36 the third grade. If the school has determined that the pupil is
37 substantially deficient in reading before the end of grade three, the school
38 district or charter school shall provide to the parent of that pupil a
39 separate written notification of the reading deficiency that includes the
40 following information:

41 1. A description of the current reading services provided to the
42 pupil.

43 2. A description of the available supplemental instructional services
44 and supporting programs that are designed to remediate reading
45 deficiencies. Each school district or charter school shall offer at least

1 one intervention strategy and at least one remedial strategy for pupils with
2 reading deficiencies. The notification shall list the intervention and
3 remedial strategies offered and shall instruct the parent or guardian to
4 choose the strategy that will be implemented for that child.

5 3. Parental strategies to assist the pupil to attain reading
6 proficiency.

7 4. A statement that the pupil will not be promoted from the third
8 grade if the pupil obtains a score on the reading portion of the ~~Arizona~~
9 ~~instrument to measure standards test, or a successor test,~~ COMPETENCY TEST
10 ADOPTED BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-741 that
11 demonstrates the pupil is reading far below the third grade level, unless the
12 pupil is exempt from mandatory retention in grade three or the pupil
13 qualifies for an exemption pursuant to subsection A of this section.

14 5. A description of the school district or charter school policies on
15 midyear promotion to a higher grade.

16 C. Pursuant to the guidelines that the state board of education
17 distributes, the governing board of a school district shall:

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

20 2. Prescribe criteria for the promotion of pupils from grade to grade
21 in the common schools in the school district. These criteria shall include
22 accomplishment of the academic standards in at least reading, writing,
23 mathematics, science and social studies, as determined by district
24 assessment. Other criteria may include additional measures of academic
25 achievement and attendance.

26 D. The governing board may prescribe the course of study and
27 competency requirements for promotion that are in addition to or higher than
28 the course of study and competency requirements the state board prescribes.

29 E. A teacher shall determine whether to promote or retain a pupil in
30 grade in a common school as provided in section 15-521, paragraph ~~3- 4~~ on the
31 basis of the prescribed criteria. The governing board, if it reviews the
32 decision of a teacher to promote or retain a pupil in grade in a common
33 school as provided in section 15-342, paragraph 11, shall base its decision
34 on the prescribed criteria.

35 F. A governing board may provide and issue certificates of promotion
36 to pupils whom it promotes from the eighth grade of a common school. Such
37 certificates shall be signed by the principal or superintendent of schools.
38 Where there is no principal or superintendent of schools, the certificates
39 shall be signed by the teacher of an eighth grade. The certificates shall
40 admit the holders to any high school in the state.

41 G. A governing board may request certificates of promotion from the
42 county school superintendent. If a governing board requests these
43 certificates from the county school superintendent, the county school
44 superintendent shall furnish and sign the certificates.

1 H. Within any high school district or union high school district, the
2 superintendent of the high school district shall supervise the work of the
3 eighth grade of all schools employing no superintendent or principal.

4 I. A school district shall not deny a pupil who is between the ages of
5 sixteen and twenty-one years admission to a high school because the pupil
6 does not hold an eighth grade certificate. Governing boards shall establish
7 procedures for determining the admissibility of pupils who are under sixteen
8 years of age and who do not hold eighth grade certificates.

9 J. The state board of education shall adopt rules to allow common
10 school pupils who can demonstrate competency in a particular academic course
11 or subject to obtain academic credit for the course or subject without
12 enrolling in the course or subject.

13 Sec. 8. Section 15-701.01, Arizona Revised Statutes, is amended to
14 read:

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

18 A. The state board of education shall:

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

22 2. Prescribe competency requirements for the graduation of pupils from
23 high school incorporating the academic standards in at least the areas of
24 reading, writing, mathematics, science and social studies.

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

1 ~~B. If the state board of education adopts a competency test as a~~
2 ~~graduation requirement for a child with a disability as defined in section~~
3 ~~15-761 or a child who receives special education pursuant to section 15-763,~~
4 ~~pupils with individualized education programs shall not be required to~~
5 ~~achieve passing scores on competency tests in order to graduate from high~~
6 ~~school unless the pupil is learning at a level appropriate for the pupil's~~
7 ~~grade level in a specific academic area and unless passing scores on a~~
8 ~~competency test are specifically required in a specific academic area by the~~
9 ~~pupil's individualized education program as mutually agreed on by the pupil's~~
10 ~~parents and the pupil's individualized education program team or the pupil,~~
11 ~~if the pupil is at least eighteen years of age. These competency tests shall~~
12 ~~be administered to pupils in a manner prescribed in the pupil's~~
13 ~~individualized education program, and school districts and charter schools~~
14 ~~shall make specific and appropriate accommodations for pupils with~~
15 ~~individualized education programs. Pupils with section 504 plans as defined~~
16 ~~in section 15-731 shall not be required to achieve passing scores on~~
17 ~~competency tests in order to graduate from high school unless the pupil is~~
18 ~~learning at a level appropriate for the pupil's grade level in a specific~~
19 ~~academic area and unless passing scores on a competency test are specifically~~
20 ~~required in a specific academic area by the pupil's section 504 plan that is~~
21 ~~developed in consultation with the pupil's parents. These competency tests~~
22 ~~shall be administered to pupils in a manner prescribed in the pupil's section~~
23 ~~504 plan, and school districts and charter schools shall make specific and~~
24 ~~appropriate accommodations for pupils with a section 504 plan. A pupil with~~
25 ~~an individualized education program or a section 504 plan who graduates from~~
26 ~~high school but who is not required to achieve a passing score on a~~
27 ~~competency test in order to graduate from high school shall receive the~~
28 ~~standard diploma issued by the school district or charter school.~~

29 ~~C.~~ B. The governing board of a school district shall:

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

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

37 ~~D.~~ C. The governing board may prescribe the course of study and
38 competency requirements for the graduation of pupils from high school that
39 are in addition to or higher than the course of study and competency
40 requirements ~~which~~ THAT the state board prescribes.

41 ~~E.~~ D. The governing board may prescribe competency requirements for
42 the passage of pupils in courses that are required for graduation from high
43 school.

44 ~~F.~~ E. A teacher shall determine whether to pass or fail a pupil in a
45 course in high school as provided in section 15-521, paragraph ~~3~~ 4 on the

1 basis of the competency requirements, if any have been prescribed. The
2 governing board, if it reviews the decision of a teacher to pass or fail a
3 pupil in a course in high school as provided in section 15-342, paragraph 11,
4 shall base its decision on the competency requirements, if any have been
5 prescribed.

6 ~~G.~~ F. Graduation requirements established by the governing board may
7 be met by a pupil who passes courses in the required or elective subjects at
8 a community college or university, if the course is at a higher level than
9 the course taught in the high school attended by the pupil or, if the course
10 is not taught in the high school, the level of the course is equal to or
11 higher than the level of a high school course. The governing board shall
12 determine if the subject matter of the community college or university course
13 is appropriate to the specific requirement the pupil intends it to fulfill
14 and if the level of the community college or university course is less than,
15 equal to or higher than a high school course, and the governing board shall
16 award one-half of a carnegie unit for each three semester hours of credit the
17 pupil earns in an appropriate community college or university course. If a
18 pupil is not satisfied with the decision of the governing board regarding the
19 amount of credit granted or the subjects for which credit is granted, the
20 pupil may request that the state board of education review the decision of
21 the governing board, and the state board shall make the final determination
22 of the amount of credit to be given the pupil and for which subjects. The
23 governing board shall not limit the number of credits that is required for
24 high school graduation and that may be met by taking community college or
25 university courses. For the purposes of this subsection:

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

30 2. "University" means a university under the jurisdiction of the
31 Arizona board of regents.

32 ~~H.~~ G. A pupil who transfers from a private school shall be provided
33 with a list that indicates those credits that have been accepted and denied
34 by the school district. A pupil may request to take an examination in each
35 particular course in which credit has been denied. The school district shall
36 accept the credit for each particular course in which the pupil takes an
37 examination and receives a passing score on a test designed and evaluated by
38 a teacher in the school district who teaches the subject matter on which the
39 examination is based. In addition to the above requirements, the governing
40 board of a school district may prescribe requirements for the acceptance of
41 the credits of pupils who transfer from a private school.

42 ~~I.~~ H. If a pupil who was previously enrolled in a charter school or
43 school district enrolls in a school district in this state, the school
44 district shall accept credits earned by the pupil in courses or instructional
45 programs at the charter school or school district. The governing board of a

1 school district may adopt a policy concerning the application of transfer
2 credits for the purpose of determining whether a credit earned by a pupil who
3 was previously enrolled in a school district or charter school will be
4 assigned as an elective or core credit.

5 ~~I.~~ I. A pupil who transfers from a charter school or school district
6 shall be provided with a list that indicates which credits have been accepted
7 as an elective credit and which credits have been accepted as a core credit
8 by the school district. Within ten school days after receiving the list, a
9 pupil may request to take an examination in each particular course in which
10 core credit has been denied. The school district shall accept the credit as
11 a core credit for each particular course in which the pupil takes an
12 examination and receives a passing score on a test designed and evaluated by
13 a teacher in the school district who teaches the subject matter on which the
14 examination is based.

15 ~~J.~~ J. The state board of education shall adopt rules to allow high
16 school pupils who can demonstrate competency in a particular academic course
17 or subject to obtain academic credit for the course or subject without
18 enrolling in the course or subject.

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

35 Sec. 9. Delayed repeal

36 Section 15-701.02, Arizona Revised Statutes, is repealed from and after
37 December 31, 2016.

38 Sec. 10. Section 15-702, Arizona Revised Statutes, is amended to read:

39 15-702. High school equivalency diploma; fees; rules

40 A. Any person who is sixteen years of age or older and who passes a
41 general educational development test shall be awarded an Arizona high school
42 equivalency diploma by the state board of education and the state
43 superintendent of public instruction. The state board of education may
44 establish eligibility requirements for persons wishing to take a general
45 educational development test, except that the minimum age required to take

1 the test may not be older than sixteen nor shall the board require the
2 completion of any high school credits.

3 B. A person who meets the minimum course of study and competency
4 requirements prescribed by the state board of education for graduation from
5 high school through a combination of high school credits and community
6 college and university credits, which are converted to high school credits in
7 the same manner as provided in section 15-701.01, subsection ~~G~~ F by the
8 governing board or the state board of education, shall be awarded an Arizona
9 high school equivalency diploma.

10 C. The state board of education may establish and collect fees for the
11 issuance and reissuance of the following:

- 12 1. A general equivalency diploma.
- 13 2. A general equivalency transcript.

14 D. The state board of education shall ~~develop~~ ADOPT rules for fee
15 waivers for the general equivalency diploma and general equivalency
16 transcripts.

17 Sec. 11. Section 15-704, Arizona Revised Statutes, is amended to read:
18 15-704. Reading proficiency; definitions

19 A. Each school district or charter school that provides instruction in
20 kindergarten programs and grades one through three shall select and
21 administer screening, ongoing diagnostic and classroom based instructional
22 reading assessments, including a motivational assessment, as defined by the
23 state board of education, to monitor student progress. Each school shall use
24 the diagnostic information to plan appropriate and effective intervention.

25 B. Each school district or charter school that provides instruction
26 for pupils in kindergarten programs and grades one through three shall
27 conduct a curriculum evaluation and adopt a scientifically based reading
28 curriculum that includes the essential components of reading
29 instruction. All school districts and charter schools that offer instruction
30 in kindergarten programs and grades one through three shall provide ongoing
31 teacher training based on scientifically based reading research.

32 C. Each school district or charter school that provides instruction in
33 kindergarten programs and grades one through three shall devote reasonable
34 amounts of time to explicit instruction and independent reading in grades one
35 through three.

36 D. A pupil in grade three who does not meet or exceed the reading
37 standards measured by the ~~Arizona instrument to measure standards test~~
38 COMPETENCY TEST ADOPTED BY THE STATE BOARD OF EDUCATION AND administered
39 pursuant to section 15-741 shall be provided intensive reading instruction as
40 defined by the state board of education until the pupil meets these
41 standards.

42 E. The governing board of each school district and the governing body
43 of each charter school shall determine the percentage of pupils at each
44 school in grade three who do not meet the reading standards prescribed by the
45 state board of education and measured by the ~~Arizona instrument to measure~~

1 ~~standards test~~ COMPETENCY TEST ADOPTED BY THE STATE BOARD OF EDUCATION AND
2 administered pursuant to section 15-741. If more than twenty per cent of
3 students in grade three at either the individual school level or at the
4 school district level do not meet the standards, the governing board or
5 governing body shall conduct a review of its reading program that includes
6 curriculum and professional development in light of current, scientifically
7 based reading research.

8 F. Based on the review required in subsection E of this section, the
9 governing board or governing body and the school principal of each school
10 that does not meet the reading standards, in conjunction with school council
11 members, if applicable, shall develop methods of best practices for teaching
12 reading based on essential components of reading instruction and supported by
13 scientifically based reading research. These methods shall be adopted at a
14 public meeting and shall be implemented the following academic year.

15 G. Subsections E and F of this section shall be coordinated with
16 efforts to develop and implement an improvement plan if required pursuant to
17 section 15-241.

18 H. For the purposes of this section:

19 1. "Essential components of reading instruction" means explicit and
20 systematic instruction in the following:

- 21 (a) Phonemic awareness.
- 22 (b) Phonics.
- 23 (c) Vocabulary development.
- 24 (d) Reading fluency.
- 25 (e) Reading comprehension.

26 2. "Reading" means a complex system of deriving meaning from print
27 that requires all of the following:

- 28 (a) The skills and knowledge to understand how phonemes or speech
29 sounds are connected to print.
- 30 (b) The ability to decode unfamiliar words.
- 31 (c) The ability to read fluently.
- 32 (d) Sufficient background information and vocabulary to foster reading
33 comprehension.
- 34 (e) The development of appropriate active strategies to construct
35 meaning from print.

36 (f) The development and maintenance of a motivation to read.

37 3. "Scientifically based reading research" means research that meets
38 all of the following:

39 (a) Applies rigorous, systematic and objective procedures to obtain
40 valid knowledge relevant to reading development, reading instruction and
41 reading difficulties.

42 (b) Employs systematic empirical methods that draw on observation or
43 experiment.

44 (c) Involves rigorous data analyses that are adequate to test the
45 stated hypotheses and justify the general conclusions drawn.

1 (d) Relies on measurements or observational methods that provide valid
2 data across evaluators and observers and across multiple measurements and
3 observations.

4 (e) Has been accepted by a peer reviewed journal or approved by a
5 panel of independent experts through a comparably rigorous, objective and
6 scientific review.

7 (f) Contains all of the elements of the essential components of
8 reading instruction.

9 Sec. 12. Section 15-720.01, Arizona Revised Statutes, is amended to
10 read:

11 15-720.01. Mathematics or science achievement grant program;
12 criteria; report; fund; program termination

13 A. The mathematics or science achievement grant program is established
14 in the state board of education and shall be administered by the state board
15 of education. The purpose of the program is to promote improved pupil
16 achievement in mathematics or science by providing supplemental funding for
17 innovative mathematics or science programs.

18 B. The state board of education shall develop application procedures,
19 selection criteria and minimum performance standards. The state board of
20 education shall award mathematics or science achievement grants to school
21 districts and charter schools that demonstrate through specific performance
22 measures and supporting data that the proposed programs provide new and
23 innovative ways to increase pupils' mathematics or science skills. School
24 districts and charter schools may contract with a service provider. The
25 state board of education shall give priority to school districts and charter
26 schools that have low mathematics or science achievement scores as measured
27 by the ~~Arizona instrument to measure standards test~~ **COMPETENCY TEST ADOPTED**
28 **BY THE STATE BOARD OF EDUCATION AND** prescribed in section 15-741.

29 C. On or before December 15, the state board of education shall submit
30 an annual report concerning each grant recipient's mathematics or science
31 achievement program to the governor, the president of the senate, the speaker
32 of the house of representatives and the joint legislative budget
33 committee. The state board of education shall provide a copy of the report
34 to the secretary of state ~~and the director of the Arizona state library,~~
35 ~~archives and public records and the joint legislative budget committee.~~ The
36 state board shall include an evaluation of the effectiveness of the program
37 and a comparison of the annual academic achievement of pupils in the grant
38 recipient's mathematics or science achievement program to pupils in
39 comparable schools that are not in the mathematics or science achievement
40 program.

41 D. The mathematics or science achievement program fund is established
42 consisting of monies appropriated for this purpose. The state board of
43 education shall administer the fund. Monies in the fund are exempt from the
44 provisions of section 35-190 relating to lapsing of appropriations. The
45 state board of education may retain up to five per cent of the monies

1 appropriated to the state board for the purposes of this section for costs
2 associated with administering the mathematics or science achievement grant
3 program.

4 E. The program established by this section ends on July 1, 2017
5 pursuant to section 41-3102.

6 Sec. 13. Section 15-741, Arizona Revised Statutes, is amended to read:
7 15-741. Assessment of pupils

8 A. The state board of education shall:

9 1. Adopt rules for purposes of this article pursuant to title 41,
10 chapter 6.

11 2. Adopt and implement ~~an Arizona instrument to measure standards~~ A
12 **COMPETENCY** test to measure pupil achievement of the state board adopted
13 academic standards in reading, writing and mathematics in at least four
14 grades designated by the board. The board shall determine the manner of
15 implementation. ~~The board shall not require high school pupils to meet or~~
16 ~~exceed the standards measured by the Arizona instrument to measure standards~~
17 ~~test in any standards other than reading, writing and mathematics in order to~~
18 ~~graduate from high school.~~ The board may administer assessments of the
19 academic standards in social studies and science, ~~except that a pupil shall~~
20 ~~not be required to meet or exceed the social studies or science standards~~
21 ~~measured by the Arizona instrument to measure standards test in order to~~
22 ~~graduate from high school.~~

23 ~~3. Adopt and implement a statewide nationally standardized~~
24 ~~norm-referenced achievement test in reading, language arts and mathematics,~~
25 ~~except that the superintendent of public instruction may determine additional~~
26 ~~grade levels for which pupils are tested. The tests shall be consistent with~~
27 ~~the state standards and shall be administered during the spring of each year~~
28 ~~between March 15 and May 1.~~

29 ~~4.~~ 3. Ensure that the tests prescribed in this section are uniform
30 throughout the state.

31 ~~5.~~ 4. Ensure that the tests prescribed in this section are able to be
32 scored in an objective manner and that the tests are not intended to advocate
33 any sectarian, partisan or denominational viewpoint.

34 ~~6. Ensure that the results of the nationally standardized~~
35 ~~norm-referenced achievement tests established as provided in this article are~~
36 ~~comparable to associated grade equivalents, percentiles and stanines derived~~
37 ~~from a multistate sample.~~

38 ~~7.~~ 5. Include within its budget all costs pertaining to the tests
39 prescribed in this article. If sufficient monies are appropriated, the state
40 board may provide ~~norm-referenced achievement~~ **COMPETENCY** test services to
41 school districts ~~which~~ **THAT** request assistance in testing pupils in grades
42 additional to those required by this section.

43 ~~8. Use subtests of the statewide nationally standardized~~
44 ~~norm-referenced achievement test as designated by the state board to assess~~

1 ~~pupils in reading, language arts and mathematics, at a level appropriate for~~
2 ~~their grade level.~~

3 ~~9-~~ 6. Survey teachers, principals and superintendents on achievement
4 related nontest indicators, including information on graduation rates by
5 ethnicity and dropout rates by ethnicity for each grade level. Before the
6 survey, the state board of education shall approve at a public meeting the
7 nontest indicators on which data will be collected. In conducting the survey
8 and collecting data, the state board of education shall not violate the
9 provisions of the family educational rights and privacy act (P.L. 93-380), as
10 amended, nor disclose personally identifiable information.

11 ~~10-~~ 7. Establish a fair and consistent method and standard by which
12 ~~norm-referenced~~ COMPETENCY test scores from schools in a district may be
13 evaluated taking into consideration demographic data. The board shall
14 establish intervention strategies to assist schools with scores below the
15 acceptable standard. The board shall annually review district and school
16 scores and shall offer assistance to school districts in analyzing data and
17 implementing intervention strategies. The board shall use the adopted
18 ~~norm-referenced~~ COMPETENCY test and methods of data evaluation for a period
19 of at least ten years.

20 ~~11-~~ 8. Participate in other assessments that provide national
21 comparisons as needed.

22 B. The ~~standardized norm-referenced achievement~~ COMPETENCY tests
23 adopted by the state board as provided in subsection A OF THIS SECTION shall
24 be given AT LEAST annually. ~~The tests shall be administered over a one week~~
25 ~~period between March 15 and May 1.~~ Nontest indicator data and other
26 information shall be collected at the same time as the collection of
27 ~~standardized norm-referenced achievement~~ COMPETENCY test data.

28 C. Local school district governing boards shall:

29 1. Administer the tests prescribed in subsection A OF THIS SECTION.

30 2. Survey teachers, principals and superintendents on achievement
31 related nontest indicator data as required by the state board, including
32 information related to district graduation and dropout rates. In conducting
33 the survey and collecting data, the governing board shall not violate the
34 provisions of the family educational rights and privacy act (P.L. 93-380), as
35 amended, nor disclose personally identifiable information.

36 D. ~~Any additional~~ Assessments for high school pupils ~~that are adopted~~
37 by the state board of education ~~after the effective date of this amendment to~~
38 ~~this section~~ PURSUANT TO THIS ARTICLE shall be designed to measure college
39 and career readiness of pupils.

40 E. A test for penmanship shall not be required pursuant to this
41 article.

42 Sec. 14. Section 15-742, Arizona Revised Statutes, is amended to read:

43 15-742. Contract for purchase of tests

44 A. The state board of education shall enter into contracts with
45 contractors for the purchase of the tests adopted by the state

1 board. Notwithstanding section 41-2546, the state board may enter into
2 contracts for the purchase of ~~nationally standardized norm referenced~~
3 **COMPETENCY** tests pursuant to this section for a duration of up to ten
4 years. The contracts may also provide for the distribution of the tests to
5 the school districts and the scoring of the tests.

6 B. Contractors shall give a cash or corporate surety bond payable to
7 this state and approved by the state board indemnifying the state in the test
8 purchases in an amount not less than five hundred nor more than ten thousand
9 dollars as may be determined by the state board. The contractor shall
10 faithfully comply with the conditions of the contract and shall furnish to
11 the state the tests as provided in the contract at prices not exceeding the
12 lowest prices then granted to any buyer. If there is a decrease in the
13 prices given to a person purchasing such tests from the contractor, the state
14 shall have the benefit of the decrease in price.

15 C. The contractor shall file with the state board a sworn statement
16 stating the lowest prices for which the contractor's series of tests is sold
17 anywhere in the United States.

18 D. If a contractor violates a condition of the contract, the attorney
19 general, ~~upon~~ ON request of the state board of education, shall institute an
20 action for damages on the bond of the contractor.

21 Sec. 15. Section 15-743, Arizona Revised Statutes, is amended to read:
22 15-743. Test results; annual report

23 A. The state board of education shall provide annual reports for every
24 school and district and the state as a whole. The state board shall annually
25 submit these reports to school districts, the legislature and the county
26 school superintendents and shall make them available to the public. The
27 state board shall publish and distribute the reports by September 1 and shall
28 also provide a cumulative summary of the reports every five years. The
29 annual reports and cumulative summary results shall include:

30 1. Average and range scores on the ~~Arizona instrument to measure~~
31 ~~standards test~~ **COMPETENCY TEST ADOPTED BY THE STATE BOARD OF EDUCATION**
32 **PURSUANT TO SECTION 15-741.**

33 2. Standardized test scores by subject area ~~according to percentiles~~
34 ~~and stanines~~ for the school, school district, county, state and nation.

35 3. Achievement related nontest indicator data collected in the survey
36 of teachers, principals and superintendents as required by section 15-741,
37 including information related to dropout rates by ethnicity for each grade
38 level and graduation rates and postsecondary employment and education by
39 ethnicity. In reporting such data, the state board of education shall not
40 violate the provisions of the family educational rights and privacy act (P.L.
41 93-380), as amended, nor disclose personally identifiable information.

42 4. The numbers of pupils who have completed the academic standards at
43 grades three, eight and twelve.

44 B. Test results on individual pupils shall not be made available to
45 the public by name or individually identifiable reference.

1 C. The state board shall provide a copy of the results from the tests
2 prescribed in section 15-741, subsection A for each school district to that
3 school district. No results may be released to the public until ten days
4 after the reports are provided to each school district.

5 D. The state board shall provide each school district ~~participating in~~
6 ~~the testing program~~ with a copy of each pupil's ~~standardized norm-referenced~~
7 **COMPETENCY** test scores in reading, language arts and mathematics, and the
8 associated grade equivalents, ~~percentiles and stanines~~ for the school, school
9 district, county, state and nation, a report of pupil progress on an ongoing
10 and annual basis, showing the trends in gain or loss in pupil achievement
11 over time in reading, language arts and mathematics for all years in which
12 pupils are enrolled in the school district for an entire school year and for
13 which this information is available and a report of the pupil progress for
14 pupils not enrolled in a district for an entire school year. ~~The state board~~
15 ~~shall also provide each school district with each pupil's Arizona instrument~~
16 ~~to measure standards test scores and the Arizona instrument to measure~~
17 ~~standards test scores for the school, district, county and state.~~

18 E. The school district shall provide a parent or guardian of each
19 pupil participating in ~~the standardized norm-referenced~~ **COMPETENCY**
20 ~~part of the program~~ with a copy of the pupil's score in reading, language
21 arts and mathematics, ~~and the percentiles and stanines.~~ ~~The school district~~
22 ~~shall provide a parent or guardian of each pupil with a copy of the pupil's~~
23 ~~scores on the Arizona instrument to measure standards test~~ and the associated
24 scores for the school, district, county and state. The school district shall
25 make available to the public through the reports those scores for each school
26 in the district and for the school district, county, state and nation.

27 F. ~~Each pupil's Arizona instrument to measure standards test results~~
28 ~~for grade twelve shall be recorded on the pupil's high school~~
29 ~~transcript.~~ The state board of education shall prescribe the format for
30 recording ~~Arizona instrument to measure standards~~ **COMPETENCY** test results on
31 high school transcripts.

32 Sec. 16. Delayed repeal

33 Section 15-744, Arizona Revised Statutes, is repealed from and after
34 June 30, 2014.

35 Sec. 17. Section 15-746, Arizona Revised Statutes, is amended to read:
36 15-746. School report cards

37 A. Each school shall distribute an annual report card that contains at
38 least the following information:

39 1. A description of the school's regular, magnet and special
40 instructional programs.

41 2. A description of the current academic goals of the school.

42 3. A summary of the results achieved by pupils enrolled at the school
43 during the prior three school years as measured by the ~~Arizona instrument to~~
44 ~~measure standards~~ **COMPETENCY** test ~~and the nationally standardized~~
45 ~~norm-referenced achievement test~~ as designated by the state board and as

1 reported in the annual report prescribed by section 15-743, a summary of the
2 pupil progress on an ongoing and annual basis, showing the trends in gain or
3 loss in pupil achievement over time in reading, language arts and mathematics
4 for all years in which pupils are enrolled in the school district for an
5 entire school year and for which this information is available and a summary
6 of the pupil progress for pupils not enrolled in a district for an entire
7 school year.

8 4. The school's current expenditures per pupil for classroom supplies,
9 classroom instruction excluding classroom supplies, administration, support
10 services-students, and all other support services and operations. The
11 current expenditures per pupil by school shall include allocation of the
12 district-wide expenditures to each school, as provided by the district. The
13 report shall include a comparison of the school to the state amount for a
14 similar type of district as calculated in section 15-255. The method of
15 calculating these per pupil amounts and the allocation of expenditures shall
16 be as prescribed in the uniform system of financial records.

17 5. The attendance rate of pupils enrolled at the school as reflected
18 in the school's average daily membership as defined in section 15-901.

19 6. The total number of incidents that occurred on the school grounds,
20 at school bus stops, on school buses and at school-sponsored events and that
21 required the contact of a local, county, tribal, state or federal law
22 enforcement officer pursuant to section 13-3411, subsection F, section
23 13-3620, section 15-341, subsection A, paragraph 31 or section 15-515. The
24 total number of incidents reported shall only include reports that law
25 enforcement officers report to the school are supported by probable cause.
26 For the purposes of this paragraph, a certified peace officer who serves as a
27 school resource officer is a law enforcement officer. A school may provide
28 clarifying information if the school has a school resource officer on campus.

29 7. The percentage of pupils who have either graduated to the next
30 grade level or graduated from high school.

31 8. A description of the social services available at the school site.

32 9. The school calendar, including the length of the school day and
33 hours of operations.

34 10. The total number of pupils enrolled at the school during the
35 previous school year.

36 11. The transportation services available.

37 12. Beginning in the 2000-2001 school year and until July 1, 2006, the
38 reading instruction programs used by the school for kindergarten programs and
39 grades one, two and three, pursuant to section 15-704. The report card shall
40 include a district comparison of test scores among the different programs of
41 reading instruction and shall identify the program of reading instruction
42 used in each classroom.

43 13. A description of the responsibilities of parents of children
44 enrolled at the school.

1 14. A description of the responsibilities of the school to the parents
2 of the children enrolled at the school, including dates the report cards are
3 delivered to the home.

4 15. A description of the composition and duties of the school council
5 as prescribed in section 15-351 if such a school council exists.

6 16. For the most recent year available, the average current expenditure
7 per pupil for administrative functions compared to the predicted average
8 current expenditure per pupil for administrative functions according to an
9 analysis of administrative cost data by the joint legislative budget
10 committee staff.

11 17. If the school provides instruction to pupils in kindergarten
12 programs and grades one through three, the ratio of pupils to teachers in
13 each classroom where instruction is provided in kindergarten programs and
14 grades one through three.

15 18. The average class size per grade level for all grade levels,
16 kindergarten programs and grades one through eight. For the purposes of this
17 paragraph, "average class size" means the weighted average of each class.

18 B. The department of education shall develop a standardized report
19 card format that meets the requirements of subsection A of this section. The
20 department shall modify the standardized report card as necessary on an
21 annual basis. The department shall distribute to each school in this state a
22 copy of the standardized report card that includes the required test scores
23 for each school. Additional copies of the standardized report card shall be
24 available on request.

25 C. After each school has completed the report card distributed to it
26 by the department of education, the school, in addition to distributing the
27 report card as prescribed in subsection A of this section, shall send a copy
28 of the report card to the department. The department shall prepare an annual
29 report that contains the report card from each school in this state.

30 D. The school shall distribute report cards to parents of pupils
31 enrolled at the school, no later than the last day of school of each fiscal
32 year, and shall present a summary of the contents of the report cards at an
33 annual public meeting held at the school. The school shall give notice at
34 least two weeks before the public meeting that clearly states the purposes,
35 time and place of the meeting.

36 Sec. 18. Delayed repeal

37 Section 15-747, Arizona Revised Statutes, is repealed from and after
38 June 30, 2014.

39 Sec. 19. Section 15-763, Arizona Revised Statutes, is amended to read:
40 15-763. Plan for providing special education; definition

41 A. All school districts and charter schools shall develop policies and
42 procedures for providing special education to all children with disabilities
43 within the district or charter school. All children with disabilities shall
44 receive special education programming commensurate with their abilities and
45 needs. Each child shall be ensured access to the general curriculum and an

1 opportunity to meet the state's academic standards. Pupils who receive
2 special education shall not be required to ~~achieve passing scores on the~~
3 ~~Arizona instrument to measure standards test in order to graduate from high~~
4 ~~school~~ INCORPORATE RESULTS OF COMPETENCY TESTS WITHIN THE MINIMUM COURSE OF
5 STUDY AND COMPETENCY REQUIREMENTS AS PRESCRIBED IN SECTION 15-203 unless the
6 pupil is learning at a level appropriate for the pupil's grade level in a
7 specific academic area and unless ~~a passing score on the Arizona instrument~~
8 ~~to measure standards test~~ THAT INCORPORATION is specifically required in a
9 specific academic area by the pupil's individualized education program as
10 mutually agreed on by the pupil's parents and the pupil's individualized
11 education program team or the pupil, if the pupil is at least eighteen years
12 of age. The pupil's individualized education program shall include any
13 necessary testing accommodations. Special education services shall be
14 provided at no cost to the parents of children with disabilities.

15 B. The state board of education shall adopt guidelines to define a
16 parent's or guardian's role or a pupil's role, if the pupil is at least
17 eighteen years of age, in the development of a pupil's section 504 plan as
18 defined in section 15-731, including testing and testing accommodations.

19 C. For the purposes of determining the services to pupils served by
20 private schools under existing federal law, the state shall consider the term
21 to include homeschooled pupils.

22 D. If federal monies are provided to a school district or a charter
23 school for special education services to homeschooled or private schooled
24 pupils, the school district or charter school shall provide the services to
25 both the homeschooled pupils and the private schooled pupils in the same
26 manner.

27 E. For the purposes of this section, "special education" has the same
28 meaning prescribed in section 15-1201.

29 Sec. 20. Section 15-792.02, Arizona Revised Statutes, is amended to
30 read:

31 15-792.02. Board examination system; private contractor; duties

32 A. The state board of education shall select and enter into a
33 five-year agreement with a private organization to operate and administer the
34 board examination system prescribed in this article.

35 B. The private organization selected by the state board of education
36 shall:

37 1. Identify, select and collaborate with a national organization that
38 is devoted to issues concerning education and the economy and that is
39 selected by the state board of education to provide technical services to
40 develop and maintain an interstate system of approved board examination
41 systems.

42 2. Provide data and other information to a national organization that
43 is devoted to issues concerning education and the economy and that is
44 selected by the state board of education to provide technical services the
45 national organization deems necessary to set appropriate performance

1 standards for the students in this state. The department of education shall
2 provide data and other information to the private organization.

3 3. Conduct technical studies required by the state board of education
4 to compare the scores on approved board examinations by the students in this
5 state to scores on the ~~Arizona instrument to measure standards test~~
6 **COMPETENCY TESTS ADOPTED BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION**
7 **15-741** and other measures deemed necessary to ensure the efficacy of the
8 approved board examinations. The private organization may contract with
9 other entities that are selected by the state board of education for the
10 purpose of conducting technical studies.

11 4. In cooperation with the superintendent of public instruction and
12 the state board of education, solicit monies from all lawful private and
13 public sources, including federal monies, to offset the costs of instruction
14 provided to students under this article.

15 5. Exercise general supervision over the implementation of the
16 approved board examination systems in this state for the duration of the
17 five-year contract. These examination systems shall meet the following
18 criteria:

19 (a) Appear on a list of approved board examination systems selected by
20 the interstate compact.

21 (b) Be periodically evaluated to ensure alignment with internationally
22 benchmarked standards selected by an interstate compact on board examination
23 systems.

24 (c) Have common passing scores that are prescribed by an interstate
25 compact on board examination systems and that are set to the level of skills
26 and knowledge needed to succeed in college-level courses offered by community
27 colleges in this state that count toward a degree or certificate without
28 taking remedial or developmental coursework. The private organization, on
29 approval of the state board of education and with input from representatives
30 from school districts, charter schools, community colleges and universities
31 in this state, shall designate two individuals to represent this state in an
32 interstate compact on board examination systems to prescribe the common
33 passing scores prescribed in this subdivision.

34 6. Prepare an annual report for the state board of education, which
35 shall forward it to the legislature and the governor, on the progress made
36 toward the goals established in this article and provide copies to the
37 secretary of state. Participating schools and the department of education
38 shall provide data to the private organization as needed in order to complete
39 the annual report.

40 7. Identify, select and represent this state on the national governing
41 body of an interstate compact on board examination systems, as approved by
42 the state board of education, to enable states to collaborate in the
43 following areas:

44 (a) The selection of board examination systems for use in those
45 states.

1 (b) Providing technical assistance required to implement the board
2 examination systems effectively in those states for the use of those
3 examinations.

4 (c) Entering into contracts with board examination system providers or
5 with a national organization that is devoted to issues concerning education
6 and the economy to develop new or improved board examination systems.

7 8. Select this state's representatives in an interstate compact on
8 board examination systems in accordance with policies prescribed by that
9 interstate compact.

10 C. The state board of education shall adopt rules to carry out the
11 purposes of this section and shall select college and career ready
12 examinations that are available to pupils in grade eight, including those
13 pupils who intend to participate in the board examinations system in high
14 school. The examinations shall be selected to provide data to pupils, their
15 families and schools regarding the pupil's level of preparation for entry
16 into a college and career ready pathway in high school.

17 D. Pursuant to rules adopted by the state board of education, the
18 department of education shall develop a system to track the academic progress
19 of pupils who participate in the board examination system.

20 E. All actions taken pursuant to this section shall comply with the
21 family educational rights and privacy act of 1974 (P.L. 93-380), as amended.

22 Sec. 21. Section 15-977, Arizona Revised Statutes, is amended to read:
23 15-977. Classroom site fund; definitions

24 A. The classroom site fund is established consisting of monies
25 transferred to the fund pursuant to section 37-521, subsection B and section
26 42-5029, subsection E, paragraph 10. The department of education shall
27 administer the fund. School districts and charter schools may not supplant
28 existing school site funding with revenues from the fund. All monies
29 distributed from the fund are intended for use at the school site. Each
30 school district or charter school shall allocate forty per cent of the monies
31 for teacher compensation increases based on performance and employment
32 related expenses, twenty per cent of the monies for teacher base salary
33 increases and employment related expenses and forty per cent of the monies
34 for maintenance and operation purposes as prescribed in subsection H of this
35 section. Teacher compensation increases based on performance or teacher base
36 salary increases distributed pursuant to this subsection shall supplement,
37 and not supplant, teacher compensation monies from any other sources. The
38 school district or charter school shall notify each school principal of the
39 amount available to the school by April 15 of each year. The district or
40 charter school shall request from the school's principal each school's
41 priority for the allocation of the funds available to the school for each
42 program listed under subsection H of this section. The amount budgeted by
43 the school district or charter school pursuant to this section shall not be
44 included in the allowable budget balance carryforward calculated pursuant to
45 section 15-943.01.

1 B. A school district governing board must adopt a performance based
2 compensation system at a public hearing to allocate funding from the
3 classroom site fund pursuant to subsection A of this section. Beginning in
4 school year 2014-2015, individual teacher performance as measured by the
5 teacher's performance classification pursuant to section 15-203, subsection
6 A, paragraph 38 shall be a component of the school district's portion of the
7 forty per cent allocation for teacher compensation based on performance and
8 employment related expenses.

9 C. A school district governing board shall vote on a performance based
10 compensation system that includes the following elements:

11 1. School district performance and school performance.

12 2. Individual teacher performance as measured by the teacher's
13 performance classification pursuant to section 15-203, subsection A,
14 paragraph 38. Beginning in school year 2014-2015, the individual teacher
15 performance component shall account for thirty-three per cent of the forty
16 per cent allocation for teacher compensation based on performance and
17 employment related expenses.

18 3. Measures of academic progress toward the academic standards adopted
19 by the state board of education.

20 4. Other measures of academic progress.

21 5. Dropout or graduation rates.

22 6. Attendance rates.

23 7. Ratings of school quality by parents.

24 8. Ratings of school quality by students.

25 9. The input of teachers and administrators.

26 10. Approval of the performance based compensation system based on an
27 affirmative vote of at least seventy per cent of the teachers eligible to
28 participate in the performance based compensation system.

29 11. An appeals process for teachers who have been denied performance
30 based compensation.

31 12. Regular evaluation for effectiveness, which shall comply by fiscal
32 year 2014-2015 with section 15-203, subsection A, paragraph 38.

33 D. A performance based compensation system shall include teacher
34 professional development programs that are aligned with the elements of the
35 performance based compensation system.

36 E. A school district governing board may modify the elements contained
37 in subsection C of this section and consider additional elements when
38 adopting a performance based compensation system. A school district
39 governing board shall adopt any modifications or additional elements and
40 specify the criteria used at a public hearing.

41 F. Until December 31, 2009, each school district shall develop an
42 assessment plan for its performance based compensation system and submit the
43 plan to the department of education by December 31 of each year. A copy of
44 the performance based compensation system and assessment plan adopted by the

1 school district governing board shall be included in the report submitted to
2 the department of education.

3 G. Monies in the fund are continuously appropriated, are exempt from
4 the provisions of section 35-190 relating to lapsing of appropriations and
5 shall be distributed as follows:

6 1. By March 30 of each year, the staff of the joint legislative budget
7 committee shall determine a per pupil amount from the fund for the budget
8 year using the estimated statewide weighted count for the current year
9 pursuant to section 15-943, paragraph 2, subdivision (a) and based on
10 estimated available resources in the classroom site fund for the budget year
11 adjusted for any prior year carryforward or shortfall.

12 2. The allocation to each charter school and school district for a
13 fiscal year shall equal the per pupil amount established in paragraph 1 of
14 this subsection for the fiscal year multiplied by the weighted student count
15 for the school district or charter school for the fiscal year pursuant to
16 section 15-943, paragraph 2, subdivision (a). For the purposes of this
17 paragraph, the weighted student count for a school district that serves as
18 the district of attendance for nonresident pupils shall be increased to
19 include nonresident pupils who attend school in the school district.

20 H. Monies distributed from the classroom site fund shall be spent for
21 the following maintenance and operation purposes:

- 22 1. Class size reduction.
- 23 2. Teacher compensation increases.
- 24 3. ~~AIMS intervention~~ STUDENT REMEDIATION programs.
- 25 4. Teacher development.
- 26 5. Dropout prevention programs.
- 27 6. Teacher liability insurance premiums.

28 I. The district governing board or charter school shall allocate the
29 classroom site fund monies to include, wherever possible, the priorities
30 identified by the principals of the schools while assuring that the funds
31 maximize classroom opportunities and conform to the authorized expenditures
32 identified in subsection A of this section.

33 J. School districts and charter schools that receive monies from the
34 classroom site fund shall submit a report by November 15 of each year to the
35 superintendent of public instruction that provides an accounting of the
36 expenditures of monies distributed from the fund during the previous fiscal
37 year and a summary of the results of district and school programs funded with
38 monies distributed from the fund. The department of education in conjunction
39 with the auditor general shall prescribe the format of the report under this
40 subsection.

41 K. School districts and charter schools that receive monies from the
42 classroom site fund shall receive these monies monthly in an amount not to
43 exceed one-twelfth of the monies estimated pursuant to subsection G of this
44 section, except that if there are insufficient monies in the fund that month
45 to make payments, the distribution for that month shall be prorated for each

1 school district or charter school. The department of education may make an
2 additional payment in the current month for any prior month or months in
3 which school districts or charter schools received a prorated payment if
4 there are sufficient monies in the fund that month for the additional
5 payments. The state is not required to make payments to a school district or
6 charter school classroom site fund if the state classroom site fund revenue
7 collections are insufficient to meet the estimated allocations to school
8 districts and charter schools pursuant to subsection G of this section.

9 L. The state education system for committed youth shall receive monies
10 from the classroom site fund in the same manner as school districts and
11 charter schools. The Arizona state schools for the deaf and the blind shall
12 receive monies from the classroom site fund in an amount that corresponds to
13 the weighted student count for the current year pursuant to section 15-943,
14 paragraph 2, subdivision (b) for each pupil enrolled in the Arizona state
15 schools for the deaf and the blind. Except as otherwise provided in this
16 subsection, the Arizona state schools for the deaf and the blind and the
17 state education system for committed youth are subject to this section in the
18 same manner as school districts and charter schools.

19 M. Each school district and charter school, including school districts
20 that unify pursuant to section 15-448 or consolidate pursuant to section
21 15-459, shall establish a local level classroom site fund to receive
22 allocations from the state level classroom site fund. The local level
23 classroom site fund shall be a budgetary controlled account. Interest
24 charges for any registered warrants for the local level classroom site fund
25 shall be a charge against the local level classroom site fund. Interest
26 earned on monies in the local level classroom site fund shall be added to the
27 local level classroom site fund as provided in section 15-978. This state
28 shall not be required to make payments to a school district or charter school
29 local level classroom site fund that are in addition to monies transferred to
30 the state level classroom site fund pursuant to section 37-521, subsection B
31 and section 42-5029, subsection E, paragraph 10.

32 N. Monies distributed from the classroom site fund for class size
33 reduction, ~~AIMS intervention~~ AND STUDENT REMEDIATION and dropout prevention
34 programs shall only be used for instructional purposes in the instruction
35 function as defined in the uniform system of financial records, except that
36 monies shall not be used for school sponsored athletics.

37 O. For the purposes of this section:

38 ~~1. "AIMS intervention" means summer programs, after school programs,~~
39 ~~before school programs or tutoring programs that are specifically designed to~~
40 ~~ensure that pupils meet the Arizona academic standards as measured by the~~
41 ~~Arizona instrument to measure standards test prescribed by section 15-741.~~

42 ~~2.~~ 1. "Class size reduction" means any maintenance and operations
43 expenditure that is designed to reduce the ratio of pupils to classroom
44 teachers, including the use of persons who serve as aides to classroom
45 teachers.

1 2. "STUDENT REMEDIATION PROGRAMS" MEANS SUMMER PROGRAMS, AFTER SCHOOL
2 PROGRAMS, BEFORE SCHOOL PROGRAMS OR TUTORING PROGRAMS THAT ARE SPECIFICALLY
3 DESIGNED TO ENSURE THAT PUPILS MEET THE ARIZONA ACADEMIC STANDARDS AS
4 MEASURED BY THE COMPETENCY TEST ADOPTED BY THE STATE BOARD OF EDUCATION
5 PURSUANT TO SECTION 15-741.

6 Sec. 22. Section 15-1805.01, Arizona Revised Statutes, is amended to
7 read:

8 15-1805.01. Admissions; enrollments; community colleges

9 A. Admissions to the community colleges in this state may be granted
10 to any person who meets any one of the following criteria:

11 1. Is a graduate of a high school that is accredited by a regional
12 accrediting association as defined by the United States office of education
13 or approved by a state board of education or other appropriate state
14 educational agency.

15 2. Has a high school certificate of equivalency.

16 3. Is at least eighteen years of age and demonstrates evidence of
17 potential success in the community college.

18 4. Is a transfer student in good standing from another college or
19 university.

20 B. Each community college district shall adopt policies regarding the
21 admission of students under eighteen years of age that include, at a minimum,
22 student completion of course prerequisites and the following requirements:

23 1. Admission to the community colleges in this state shall be granted
24 to any student who is under eighteen years of age and who achieves one of the
25 following:

26 (a) A composite score of 93 or more on the preliminary scholastic
27 aptitude test.

28 (b) A composite score of 930 or more on the scholastic aptitude test.

29 (c) A composite score of twenty-two or more on the American college
30 test.

31 (d) A passing score on the relevant portions of the ~~Arizona instrument~~
32 ~~to measure standards test~~ COMPETENCY TESTS ADOPTED BY THE STATE BOARD OF
33 EDUCATION PURSUANT TO SECTION 15-741.

34 (e) The completion of a college placement test designated by the
35 community college district that indicates the student is at the appropriate
36 college level for the course.

37 (f) Is a graduate of a private or public high school or has a high
38 school certificate of equivalency.

39 2. A community college may limit the number of semester hours in which
40 the student may enroll to not more than six credit hours.

41 C. Homeschooled students are exempt from subsection B of this section.

42 D. Students who enroll in vocational courses may be admitted on an
43 individual basis with the approval of college officials if the student meets
44 the established requirements of the courses for which the student enrolls and

1 the college officials determine that the student's admission is in the best
2 interest of the student.

3 Sec. 23. Section 15-2002, Arizona Revised Statutes, is amended to
4 read:

5 15-2002. Powers and duties; executive director; staffing;
6 report

7 A. The school facilities board shall:

8 1. Make assessments of school facilities and equipment deficiencies
9 and approve the distribution of grants as appropriate.

10 2. Develop a database for administering the building renewal formula
11 prescribed in section 15-2031 and administer the distribution of monies to
12 school districts for building renewal.

13 3. Inspect school buildings at least once every five years to ensure
14 compliance with the building adequacy standards prescribed in section 15-2011
15 and routine preventative maintenance guidelines as prescribed in this section
16 with respect to construction of new buildings and maintenance of existing
17 buildings. The school facilities board shall randomly select twenty school
18 districts every thirty months and inspect them pursuant to this paragraph.

19 4. Review and approve student population projections submitted by
20 school districts to determine to what extent school districts are entitled to
21 monies to construct new facilities pursuant to section 15-2041. The board
22 shall make a final determination within six months of the receipt of an
23 application by a school district for monies from the new school facilities
24 fund.

25 5. Certify that plans for new school facilities meet the building
26 adequacy standards prescribed in section 15-2011.

27 6. Develop prototypical elementary and high school designs. The board
28 shall review the design differences between the schools with the highest
29 academic productivity scores and the schools with the lowest academic
30 productivity scores. The board shall also review the results of a valid and
31 reliable survey of parent quality rating in the highest performing schools
32 and the lowest performing schools in this state. The survey of parent
33 quality rating shall be administered by the department of education. The
34 board shall consider the design elements of the schools with the highest
35 academic productivity scores and parent quality ratings in the development of
36 elementary and high school designs. The board shall develop separate school
37 designs for elementary, middle and high schools with varying pupil
38 capacities.

39 7. Develop application forms, reporting forms and procedures to carry
40 out the requirements of this article.

41 8. Review and approve or reject requests submitted by school districts
42 to take actions pursuant to section 15-341, subsection G.

43 9. Submit electronically an annual report by December 15 to the
44 speaker of the house of representatives, the president of the senate, the
45 superintendent of public instruction, the ~~director of the Arizona state~~

1 ~~library, archives and public records~~ SECRETARY OF STATE and the governor that
2 includes the following information:

3 (a) A detailed description of the amount of monies distributed by the
4 school facilities board in the previous fiscal year.

5 (b) A list of each capital project that received monies from the
6 school facilities board during the previous fiscal year, a brief description
7 of each project that was funded and a summary of the board's reasons for the
8 distribution of monies for the project.

9 (c) A summary of the findings and conclusions of the building
10 maintenance inspections conducted pursuant to this article during the
11 previous fiscal year.

12 (d) A summary of the findings of common design elements and
13 characteristics of the highest performing schools and the lowest performing
14 schools based on academic productivity, including the results of the parent
15 quality rating survey. For the purposes of this subdivision, "academic
16 productivity" means academic year advancement per calendar year as measured
17 with student-level data using the ~~statewide nationally standardized~~
18 ~~norm-referenced achievement test~~ COMPETENCY TEST ADOPTED BY THE STATE BOARD
19 OF EDUCATION PURSUANT TO SECTION 15-741.

20 10. By December 1 of each year, report electronically to the joint
21 committee on capital review the amounts necessary to fulfill the requirements
22 of sections 15-2022, 15-2031 and 15-2041 for the following fiscal year and
23 the estimated amounts necessary to fulfill the requirements of sections
24 15-2022, 15-2031 and 15-2041 for the fiscal year following the next fiscal
25 year. The board shall provide copies of the report to the president of the
26 senate, the speaker of the house of representatives and the governor.

27 11. Adopt minimum school facility adequacy guidelines to provide the
28 minimum quality and quantity of school buildings and the facilities and
29 equipment necessary and appropriate to enable pupils to achieve the
30 educational goals of the Arizona state schools for the deaf and the blind.
31 The school facilities board shall establish minimum school facility adequacy
32 guidelines applicable to the Arizona state schools for the deaf and the
33 blind.

34 12. In each even-numbered year, report electronically to the joint
35 committee on capital review the amounts necessary to fulfill the requirements
36 of sections 15-2031 and 15-2041 for the Arizona state schools for the deaf
37 and the blind for the following two fiscal years. The Arizona state schools
38 for the deaf and the blind shall incorporate the findings of the report in
39 any request for building renewal monies and new school facilities monies.
40 Any monies provided to the Arizona state schools for the deaf and the blind
41 for building renewal and for new school facilities are subject to legislative
42 appropriation.

43 13. By June 15 of each year, submit electronically detailed information
44 regarding demographic assumptions, a proposed construction schedule and new
45 school construction cost estimates for individual projects approved in the

1 current fiscal year and expected project approvals for the upcoming fiscal
2 year to the joint committee on capital review for its review. A copy of the
3 report shall also be submitted electronically to the governor's office of
4 strategic planning and budgeting. The joint legislative budget committee
5 staff, the governor's office of strategic planning and budgeting staff and
6 the school facilities board staff shall agree on the format of the report.

7 14. Every two years, provide school districts with information on
8 improving and maintaining the indoor environmental quality in school
9 buildings.

10 B. The school facilities board may contract for the following services
11 in compliance with the procurement practices prescribed in title 41,
12 chapter 23:

- 13 1. Private services.
- 14 2. Construction project management services.
- 15 3. Assessments for school buildings to determine if the buildings have
16 outlived their useful life pursuant to section 15-2041, subsection G.
- 17 4. Services related to land acquisition and development of a school
18 site.

19 C. The governor shall appoint an executive director of the school
20 facilities board pursuant to section 38-211. The executive director is
21 eligible to receive compensation as determined pursuant to section 38-611 and
22 may hire and fire necessary staff subject to title 41, chapter 4, article 4
23 and as approved by the legislature in the budget. The executive director
24 shall have demonstrated competency in school finance, facilities design or
25 facilities management, either in private business or government service. The
26 executive director serves at the pleasure of the governor. The staff of the
27 school facilities board is exempt from title 41, chapter 4, articles 5 and 6.
28 The executive director:

- 29 1. Shall analyze applications for monies submitted to the board by
30 school districts.
- 31 2. Shall assist the board in developing forms and procedures for the
32 distribution and review of applications and the distribution of monies to
33 school districts.
- 34 3. May review or audit, or both, the expenditure of monies by a school
35 district for deficiencies corrections, building renewal and new school
36 facilities.
- 37 4. Shall assist the board in the preparation of the board's annual
38 report.
- 39 5. Shall research and provide reports on issues of general interest to
40 the board.
- 41 6. May aid school districts in the development of reasonable and
42 cost-effective school designs in order to avoid statewide duplicated efforts
43 and unwarranted expenditures in the area of school design.
- 44 7. May assist school districts in facilitating the development of
45 multijurisdictional facilities.

1 8. Shall assist the board in any other appropriate matter or method as
2 directed by the members of the board.

3 9. Shall establish procedures to ensure compliance with the notice and
4 hearing requirements prescribed in section 15-905. The notice and hearing
5 procedures adopted by the board shall include the requirement, with respect
6 to the board's consideration of any application filed after July 1, 2001 or
7 after December 31 of the year in which the property becomes territory in the
8 vicinity of a military airport or ancillary military facility as defined in
9 section 28-8461 for monies to fund the construction of new school facilities
10 proposed to be located in territory in the vicinity of a military airport or
11 ancillary military facility, that the military airport receive notification
12 of the application by first class mail at least thirty days before any
13 hearing concerning the application.

14 10. May expedite any request for monies in which the local match was
15 not obtained for a project that received preliminary approval by the state
16 board for school capital facilities.

17 11. Shall expedite any request for monies in which the school district
18 governing board submits an application that shows an immediate need for a new
19 school facility.

20 12. Shall make a determination as to administrative completion within
21 one month after the receipt of an application by a school district for monies
22 from the new school facilities fund.

23 13. Shall provide technical support to school districts as requested by
24 school districts in connection with the construction of new school facilities
25 and the maintenance of existing school facilities and may contract directly
26 with construction project managers pursuant to subsection B of this section.
27 This paragraph does not restrict a school district from contracting with a
28 construction project manager using district or state resources.

29 D. When appropriate, the school facilities board shall review and use
30 the statewide school facilities inventory and needs assessment conducted by
31 the joint committee on capital review and issued in July, 1995.

32 E. The school facilities board shall contract with one or more private
33 building inspectors to complete an initial assessment of school facilities
34 and equipment and shall inspect each school building in this state at least
35 once every five years to ensure compliance with section 15-2011. A copy of
36 the inspection report, together with any recommendations for building
37 maintenance, shall be provided to the school facilities board and the
38 governing board of the school district.

39 F. The school facilities board may consider appropriate combinations
40 of facilities or uses in making assessments of and curing deficiencies
41 pursuant to subsection A, paragraph 1 of this section and in certifying plans
42 for new school facilities pursuant to subsection A, paragraph 5 of this
43 section.

44 G. The board shall not award any monies to fund new facilities that
45 are financed by class A bonds that are issued by the school district.

1 H. The board shall not distribute monies to a school district for
2 replacement or repair of facilities if the costs associated with the
3 replacement or repair are covered by insurance or a performance or payment
4 bond.

5 I. The board may contract for construction services and materials that
6 are necessary to correct existing deficiencies in school district facilities.
7 The board may procure the construction services necessary pursuant to this
8 subsection by any method, including construction-manager-at-risk,
9 design-build, design-bid-build or job-order-contracting as provided by title
10 41, chapter 23. The construction planning and services performed pursuant to
11 this subsection are exempt from section 41-791.01.

12 J. The school facilities board may enter into agreements with school
13 districts to allow school facilities board staff and contractors access to
14 school property for the purposes of performing the construction services
15 necessary pursuant to subsection I of this section.

16 K. Each school district shall develop routine preventative maintenance
17 guidelines for its facilities. The guidelines shall include plumbing
18 systems, electrical systems, heating, ventilation and air conditioning
19 systems, special equipment and other systems and for roofing systems shall
20 recommend visual inspections performed by district staff for signs of
21 structural stress and weakness. The guidelines shall be submitted to the
22 school facilities board for review and approval. If on inspection by the
23 school facilities board it is determined that a school district facility was
24 inadequately maintained pursuant to the school district's routine
25 preventative maintenance guidelines, the school district shall use building
26 renewal monies pursuant to section 15-2031, subsection L to return the
27 building to compliance with the school district's routine preventative
28 maintenance guidelines. Once the district is in compliance, it no longer is
29 required to use building renewal monies for preventative maintenance.

30 L. The school facilities board may temporarily transfer monies between
31 the capital reserve fund established by section 15-2003, the emergency
32 deficiencies correction fund established by section 15-2022, the building
33 renewal fund established by section 15-2031 and the new school facilities
34 fund established by section 15-2041 if all of the following conditions are
35 met:

36 1. The transfer is necessary to avoid a temporary shortfall in the
37 fund into which the monies are transferred.

38 2. The transferred monies are restored to the fund where the monies
39 originated as soon as practicable after the temporary shortfall in the other
40 fund has been addressed.

41 3. The school facilities board reports to the joint committee on
42 capital review the amount of and the reason for any monies transferred.

43 M. After notifying each school district, and if a written objection
44 from the school district is not received by the school facilities board
45 within thirty days of the notification, the school facilities board may

1 access public utility company records of power, water, natural gas, telephone
2 and broadband usage to assemble consistent and accurate data on utility
3 consumption at school facilities to determine the effectiveness of facility
4 design, operation and maintenance measures intended to reduce energy and
5 water consumption and costs. Any public utility that provides service to a
6 school district in this state shall provide the data requested by the school
7 facilities board pursuant to this subsection.

8 N. The school facilities board shall not require a common school
9 district that provides instruction to pupils in grade nine to obtain approval
10 from the school facilities board to reconfigure its school facilities. A
11 common school district that provides instruction to pupils in grade nine is
12 not entitled to additional monies from the school facilities board for
13 facilities to educate pupils in grade nine.

14 Sec. 24. High school graduation requirements in 2015 and 2016

15 For the purposes of satisfying the graduation requirements of section
16 15-701.01, Arizona Revised Statutes, as amended by this act, for pupils
17 graduating in 2015 and 2016, a minimum score as determined by the state board
18 of education on the competency test adopted by the state board of education
19 pursuant to section 15-741, Arizona Revised Statutes, as amended by this act,
20 may be substituted for passing scores on the Arizona instrument to measure
21 standards test for a pupil who is in grade twelve.

22 Sec. 25. Delayed effective dates

23 A. Sections 15-183, 15-203, 15-211, 15-241, 15-701, 15-704, 15-720.01,
24 15-741, 15-742, 15-743, 15-746, 15-792.02, 15-977, 15-1805.01 and 15-2002,
25 Arizona Revised Statutes, as amended by this act, are effective from and
26 after June 30, 2014.

27 B. Sections 8-521, 15-105, 15-701.01, 15-702 and 15-763, Arizona
28 Revised Statutes, as amended by this act, are effective from and after
29 December 31, 2016.