

REFERENCE TITLE: **repeal; JTED funding reductions**

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

HB 2057

Introduced by
Representatives Ackerley, Barton, Brophy McGee, Cobb, Coleman, Fann,
Shope: Borrelli, Boyer, Campbell, Finchem, Gray, Lawrence, McCune Davis,
Mesnard, Mitchell, Norgaard, Pratt, Townsend

AN ACT

AMENDING SECTION 15-393, ARIZONA REVISED STATUTES; RELATING TO JOINT
TECHNICAL EDUCATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-393, Arizona Revised Statutes, is amended to
3 read:

4 15-393. Joint technical education district governing board;
5 report; definitions

6 A. The management and control of the joint district are vested in the
7 joint technical education district governing board, including the content and
8 quality of the courses offered by the district, the quality of teachers who
9 provide instruction on behalf of the district, the salaries of teachers who
10 provide instruction on behalf of the district and the reimbursement of other
11 entities for the facilities used by the district. Unless the governing
12 boards of the school districts participating in the formation of the joint
13 district vote to implement an alternative election system as provided in
14 subsection B of this section, the joint board shall consist of five members
15 elected from five single member districts formed within the joint district.
16 The single member district election system shall be submitted as part of the
17 plan for the joint district pursuant to section 15-392 and shall be
18 established in the plan as follows:

19 1. The governing boards of the school districts participating in the
20 formation of the joint district shall define the boundaries of the single
21 member districts so that the single member districts are as nearly equal in
22 population as is practicable, except that if the joint district lies in part
23 in each of two or more counties, at least one single member district may be
24 entirely within each of the counties comprising the joint district if this
25 district design is consistent with the obligation to equalize the population
26 among single member districts.

27 2. The boundaries of each single member district shall follow election
28 precinct boundary lines, as far as practicable, in order to avoid further
29 segmentation of the precincts.

30 3. A person who is a registered voter of this state and who is a
31 resident of the single member district is eligible for election to the office
32 of joint board member from the single member district. The terms of office
33 of the members of the joint board shall be as prescribed in section 15-427,
34 subsection B. An employee of a joint technical education district or the
35 spouse of an employee shall not hold membership on a governing board of a
36 joint technical education district by which the employee is employed. A
37 member of one school district governing board or joint technical education
38 district governing board is ineligible to be a candidate for nomination or
39 election to or serve simultaneously as a member of any other governing board,
40 except that a member of a governing board may be a candidate for nomination
41 or election for any other governing board if the member is serving in the
42 last year of a term of office. A member of a governing board shall resign
43 the member's seat on the governing board before becoming a candidate for
44 nomination or election to the governing board of any other school district or

1 joint technical education district, unless the member of the governing board
2 is serving in the last year of a term of office.

3 4. Nominating petitions shall be signed by the number of qualified
4 electors of the single member district as provided in section 16-322.

5 B. The governing boards of the school districts participating in the
6 formation of the joint district may vote to implement any other alternative
7 election system for the election of joint district board members. If an
8 alternative election system is selected, it shall be submitted as part of the
9 plan for the joint district pursuant to section 15-392, and the
10 implementation of the system shall be as approved by the United States
11 justice department.

12 C. The joint technical education district shall be subject to the
13 following provisions of this title:

- 14 1. Chapter 1, articles 1 through 6.
- 15 2. Sections 15-208, 15-210, 15-213 and 15-234.
- 16 3. Articles 2, 3 and 5 of this chapter.
- 17 4. Section 15-361.
- 18 5. Chapter 4, articles 1, 2 and 5.
- 19 6. Chapter 5, articles 1, 2 and 3.
- 20 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729
21 and 15-730.
- 22 8. Chapter 7, article 5.
- 23 9. Chapter 8, articles 1, 3 and 4.
- 24 10. Sections 15-828 and 15-829.
- 25 11. Chapter 9, article 1, article 6, except for section 15-995, and
26 article 7.
- 27 12. Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
- 28 13. Sections 15-1101 and 15-1104.
- 29 14. Chapter 10, articles 2, 3, 4 and 8.

30 D. Notwithstanding subsection C of this section, the following apply
31 to a joint technical education district:

32 1. A joint district may issue bonds for the purposes specified in
33 section 15-1021 and in chapter 4, article 5 of this title to an amount in the
34 aggregate, including the existing indebtedness, not exceeding one percent of
35 the taxable property used for secondary tax purposes, as determined pursuant
36 to title 42, chapter 15, article 1, within the joint technical education
37 district as ascertained by the last property tax assessment previous to
38 issuing the bonds.

39 2. The number of governing board members for a joint district shall be
40 as prescribed in subsection A of this section.

41 3. The student count for the first year of operation of a joint
42 technical education district as provided in this article shall be determined
43 as follows:

44 (a) Determine the estimated student count for joint district classes
45 that will operate in the first year of operation. This estimate shall be

1 based on actual registration of pupils as of March 30 scheduled to attend
 2 classes that will be operated by the joint district. The student count for
 3 the district of residence of the pupils registered at the joint district
 4 shall be adjusted. The adjustment shall cause the district of residence to
 5 reduce the student count for the pupil to reflect the courses to be taken at
 6 the joint district. The district of residence shall review and approve the
 7 adjustment of its own student count as provided in this subdivision before
 8 the pupils from the school district can be added to the student count of the
 9 joint district.

10 (b) The student count for the new joint district shall be the student
 11 count as determined in subdivision (a) of this paragraph.

12 (c) For the first year of operation, the joint district shall revise
 13 the student count to the actual average daily membership as prescribed in
 14 section 15-901, subsection A, paragraph 1 for students attending classes in
 15 the joint district. A joint district shall revise its student count, the
 16 base support level as provided in section 15-943.02, the revenue control
 17 limit as provided in section 15-944.01 and the district additional assistance
 18 as provided in section 15-962.01 prior to May 15. A joint district that
 19 overestimated its student count shall revise its budget prior to May 15. A
 20 joint district that underestimated its student count may revise its budget
 21 prior to May 15.

22 (d) After March 15 of the first year of operation, the district of
 23 residence shall adjust its student count by reducing it to reflect the
 24 courses actually taken at the joint district. The district of residence
 25 shall revise its student count, the base support level as provided in section
 26 15-943, the revenue control limit as provided in section 15-944 and the
 27 district additional assistance as provided in section 15-962.01 prior to
 28 May 15. A district that underestimated the student count for students
 29 attending the joint district shall revise its budget prior to May 15. A
 30 district that overestimated the student count for students attending the
 31 joint district may revise its budget prior to May 15.

32 (e) A joint district for the first year of operation shall not be
 33 eligible for adjustment pursuant to section 15-948.

34 (f) The procedures for implementing this paragraph shall be as
 35 prescribed in the uniform system of financial records.

36 (g) Pupils in an approved joint technical education district
 37 centralized program may generate an average daily membership of 1.0 during
 38 any day of the week and at any time between July 1 and June 30 of each fiscal
 39 year.

40 For the purposes of this paragraph, "district of residence" means the
 41 district that included the pupil in its average daily membership for the year
 42 before the first year of operation of the joint district and that would have
 43 included the pupil in its student count for the purposes of computing its
 44 base support level for the fiscal year of the first year of operation of the
 45 joint district if the pupil had not enrolled in the joint district.

1 4. A student includes any person enrolled in the joint district
2 without regard to the person's age or high school graduation status, except
3 that:

4 (a) A student in a kindergarten program or in grades one through nine
5 who enrolls in courses offered by the joint technical education district
6 shall not be included in the joint district's student count or average daily
7 membership.

8 (b) A student in a kindergarten program or in grades one through nine
9 who is enrolled in career and technical education courses shall not be funded
10 in whole or in part with monies provided by a joint technical education
11 district, except that a pupil in grade eight or nine may be funded with
12 monies generated by the five cent qualifying tax rate authorized in
13 subsection F of this section.

14 (c) A student who is over twenty-one years of age shall not be
15 included in the student count of the joint district for the purposes of
16 chapter 9, articles 3, 4 and 5 of this title.

17 5. A joint district may operate for more than one hundred eighty days
18 per year, with expanded hours of service.

19 6. A joint district may use the carryforward provisions of section
20 15-943.01.

21 7. A school district that is part of a joint district shall use any
22 monies received pursuant to this article to supplement and not supplant base
23 year career and technical education courses, and directly related equipment
24 and facilities, except that a school district that is part of a joint
25 technical education district and that has used monies received pursuant to
26 this article to supplant career and technical education courses that were
27 offered before the first year that the school district participated in the
28 joint district or the first year that the school district used monies
29 received pursuant to this article or that used the monies for purposes other
30 than for career and technical education courses shall use one hundred percent
31 of the monies received pursuant to this article to supplement and not
32 supplant base year career and technical education courses.

33 8. A joint technical education district shall use any monies received
34 pursuant to this article to enhance and not supplant career and technical
35 education courses and directly related equipment and facilities.

36 9. A joint technical education district or a school district that is
37 part of a joint district or a charter school shall only include pupils in
38 grades ten through twelve in the calculation of student count or average
39 daily membership if the pupils are enrolled in courses that are approved
40 jointly by the governing board of the joint technical education district and
41 each participating school district or charter school for satellite courses
42 taught within the participating school district or charter school, or
43 approved solely by the joint technical education district for centrally
44 located courses. Student count and average daily membership from courses
45 that are not part of an approved program for career and technical education

1 shall not be included in student count and average daily membership of a
2 joint technical education district.

3 E. The joint board shall appoint a superintendent as the executive
4 officer of the joint district.

5 F. Taxes may be levied for the support of the joint district as
6 prescribed in chapter 9, article 6 of this title, except that a joint
7 technical education district shall not levy a property tax pursuant to law
8 that exceeds five cents per one hundred dollars assessed valuation except for
9 bond monies pursuant to subsection D, paragraph 1 of this section. Except
10 for the taxes levied pursuant to section 15-994, such taxes shall be obtained
11 from a levy of taxes on the taxable property used for secondary tax purposes.

12 G. The schools in the joint district are available to all persons who
13 reside in the joint district and to pupils whose district of residence within
14 this state is paying tuition on behalf of the pupils to a district of
15 attendance that is a member of the joint technical education district,
16 subject to the rules for admission prescribed by the joint board.

17 H. The joint board may collect tuition for adult students and the
18 attendance of pupils who are residents of school districts that are not
19 participating in the joint district pursuant to arrangements made between the
20 governing board of the district and the joint board.

21 I. The joint board may accept gifts, grants, federal monies, tuition
22 and other allocations of monies to erect, repair and equip buildings and for
23 the cost of operation of the schools of the joint district.

24 J. One member of the joint board shall be selected chairman. The
25 chairman shall be selected annually on a rotation basis from among the
26 participating school districts. The chairman of the joint board shall be a
27 voting member.

28 K. A joint board and a community college district may enter into
29 agreements for the provision of administrative, operational and educational
30 services and facilities.

31 L. Any agreement between the governing board of a joint technical
32 education district and another joint technical education district, a school
33 district, a charter school or a community college district shall be in the
34 form of an intergovernmental agreement or other written contract. The
35 auditor general shall modify the uniform system of financial records and
36 budget forms in accordance with this subsection. The intergovernmental
37 agreement or other written contract shall completely and accurately specify
38 each of the following:

39 1. The financial provisions of the intergovernmental agreement or
40 other written contract and the format for the billing of all services.

41 2. The accountability provisions of the intergovernmental agreement or
42 other written contract.

43 3. The responsibilities of each joint technical education district,
44 each school district, each charter school and each community college district
45 that is a party to the intergovernmental agreement or other written contract.

1 4. The type of instruction that will be provided under the
2 intergovernmental agreement or other written contract, including
3 individualized education programs pursuant to section 15-763.

4 5. The quality of the instruction that will be provided under the
5 intergovernmental agreement or other written contract.

6 6. The transportation services that will be provided under the
7 intergovernmental agreement or other written contract and the manner in which
8 transportation costs will be paid.

9 7. The amount that the joint technical education district will
10 contribute to a course and the amount of support required by the school
11 district or the community college.

12 8. That the services provided by the joint technical education
13 district, the school district, the charter school or the community college
14 district be proportionally calculated in the cost of delivering the service.

15 9. That the payment for services shall not exceed the cost of the
16 services provided.

17 M. On or before December 31 of each year, each joint technical
18 education district shall submit a detailed report to the career and technical
19 education division of the department of education. The career and technical
20 education division of the department of education shall collect, summarize
21 and analyze the data submitted by the joint districts, shall submit an annual
22 report that summarizes the data submitted by the joint districts to the
23 governor, the speaker of the house of representatives, the president of the
24 senate and the state board of education and shall submit a copy of this
25 report to the secretary of state. The data submitted by each joint technical
26 education district shall include the following:

27 1. The average daily membership of the joint district.

28 2. The program listings and program descriptions of programs offered
29 by the joint district, including the course sequences for each program.

30 3. The costs associated with each program offered by the joint
31 district.

32 4. The completion rate for each program offered by the joint district.
33 For the purposes of this paragraph, "completion rate" means the completion
34 rate for students who are designated as concentrators in that program by the
35 department of education under the career and technology approved plan.

36 5. The graduation rate from the school district of residence of
37 students who have completed a program in the joint district.

38 6. A detailed description of the career opportunities available to
39 students after completion of the program offered by the joint district.

40 7. A detailed description of the career placement of students who have
41 completed the program offered by the joint district.

42 8. Any other data deemed necessary by the department of education to
43 carry out its duties under this subsection.

44 N. If the career and technical education division of the department of
45 education determines that a course does not meet the criteria for approval as

1 a joint technical education course, the governing board of the joint
2 technical education district may appeal this decision to the state board of
3 education acting as the state board of vocational education.

4 O. Notwithstanding any other law, the average daily membership for a
5 pupil who is enrolled in a joint technical education course defined in
6 section 15-391 and who does not meet the criteria specified in subsection Q
7 or R of this section shall be 0.25 for each course, except the sum of the
8 average daily membership shall not exceed the limits prescribed by subsection
9 D, Q or R of this section, as applicable.

10 P. If a career and technical education course or program is provided
11 on a satellite campus, the sum of the average daily membership, as provided
12 in section 15-901, subsection A, paragraph 1, for that pupil in the school
13 district or charter school and joint technical education district shall not
14 exceed 1.25. The school district or charter school and the joint district
15 shall determine the apportionment of the average daily membership for that
16 pupil between the school district or charter school and the joint district.
17 A pupil who attends a course or program at a satellite campus and who is not
18 enrolled in the school district or charter school where the satellite campus
19 is located may generate the average daily membership pursuant to this
20 subsection if the pupil is enrolled in a school district that is a member
21 district in the same joint technical education district.

22 Q. The sum of the average daily membership of a pupil who is enrolled
23 in both the school district and joint technical education district course or
24 program provided at a community college pursuant to subsection K of this
25 section or at a centralized campus shall not exceed 1.75. The member school
26 district and the joint district shall determine the apportionment of the
27 average daily membership and student enrollment for that pupil between the
28 member school district and the joint district, except that the amount
29 apportioned shall not exceed 1.0 for either entity. Notwithstanding any
30 other law, the average daily membership for a pupil in grade ten, eleven or
31 twelve who is enrolled in a course that meets for at least one hundred fifty
32 minutes per class period at a centralized campus shall be 0.75. To qualify
33 for funding pursuant to this subsection, a centralized campus shall offer
34 programs and courses to all eligible students in each member district of the
35 joint technical education district.

36 R. The average daily membership for a pupil in grade ten, eleven or
37 twelve who is enrolled in a course that meets for at least one hundred fifty
38 minutes per class period at a leased centralized campus shall not exceed
39 0.75. The sum of the average daily membership, as provided in section
40 15-901, subsection A, paragraph 1, of a pupil who is enrolled in both the
41 school district and in joint technical education district courses provided at
42 a leased centralized campus shall not exceed 1.75 if all of the following
43 conditions are met:

44 1. The course qualifies as a joint technical education course as
45 defined in section 15-391.

1 2. The course is offered to all eligible students in each member
2 district of the joint technical education district and enrolls students from
3 multiple high schools.

4 3. The joint technical education district program in which the course
5 is included addresses a specific industry need and has been developed in
6 cooperation with that industry, or the leased facility is a state or federal
7 asset that would otherwise be unused or underutilized.

8 4. The lease is established at fair market value if the lease is
9 executed for a facility located on the site of a member district and was
10 approved by the joint committee on capital review, except that a lease that
11 was executed or renewed before December 31, 2012 is not subject to approval
12 by the joint committee on capital review. The requirement prescribed in this
13 paragraph does not apply from and after December 31, 2016.

14 S. A student who is enrolled in an accommodation school as defined in
15 section 15-101 may be treated as a student of the school district in which
16 the student physically resides for the purposes of enrollment in a joint
17 technical education district and shall be included in the calculation of
18 average daily membership for either the joint technical education district or
19 the accommodation school, or both.

20 T. Notwithstanding any other law, the student count for a joint
21 technical education district shall be equivalent to the joint technical
22 education district's average daily membership.

23 ~~U. Beginning in fiscal year 2016-2017, base support level funding that
24 a school district or charter school receives for a pupil who is enrolled in
25 both a school district or charter school and a joint technical education
26 district satellite campus program shall be funded at ninety two and one half
27 percent of the base support level funding that the school district or charter
28 school would otherwise receive for that pupil.~~

29 ~~V. Beginning in fiscal year 2016-2017, base support level funding that
30 a joint technical education district receives for a pupil who is enrolled in
31 both a school district or charter school and a joint technical education
32 district shall be funded at ninety two and one half percent of the base
33 support level funding that the joint technical education district would
34 otherwise receive for that pupil.~~

35 ~~W. A school district may not prohibit or discourage students who are
36 enrolled in that school district from attending courses offered by a joint
37 technical education district.~~

38 ~~X. Notwithstanding subsection D, paragraph 7 of this section, a school
39 district or charter school that experiences a reduction in its base support
40 level funding pursuant to subsection U of this section may use a portion of
41 joint technical education district monies that it receives pursuant to this
42 section in order to offset the loss of regular education funding that it
43 experiences pursuant to subsection U of this section. The amount of joint
44 technical education monies that the school district or charter school may use
45 to offset the loss of funding that it experiences pursuant to subsection U of~~

1 ~~this section may not exceed the reduction in base support level funding that~~
2 ~~it experiences pursuant to subsection U of this section.~~

3 ~~Y.~~ U. The governing board of the joint technical education district
4 may contract with any charter school that is located within the boundaries of
5 the joint technical education district to allow that charter school to offer
6 career and technical education courses or programs as a satellite campus.

7 ~~Z.~~ V. For the purposes of this section:

8 1. "Base year" means the complete school year in which voters of a
9 school district elected to join a joint technical education district.

10 2. "Centralized campus" means a facility that is owned and operated by
11 a joint technical education district for the purpose of offering joint
12 technical education programs or joint technical education courses as defined
13 in section 15-391.

14 3. "Lease" means a written agreement in which the right of occupancy
15 or use of real property is conveyed from one person or entity to another
16 person or entity for a specified period of time.

17 4. "Leased centralized campus" means a facility that is leased and
18 operated by a joint technical education district for the purpose of offering
19 joint technical education programs or joint technical education courses as
20 defined in section 15-391.

21 5. "Satellite campus" means a facility that is owned or operated by a
22 school district or charter school for the purpose of offering joint technical
23 education programs or joint technical education courses as defined in section
24 15-391.

25 Sec. 2. Retroactivity

26 Section 15-393, Arizona Revised Statutes, as amended by this act,
27 applies retroactively to from and after June 30, 2016.