

REFERENCE TITLE: JTEDs; maintenance of effort

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

HB 2619

Introduced by
Representative Thorpe

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
7 the joint technical education district governing board, including the
8 content and quality of the courses offered by the district, the quality of
9 teachers who provide instruction on behalf of the district, the salaries
10 of teachers who provide instruction on behalf of the district and the
11 reimbursement of other entities for the facilities used by the district.
12 This section does not restrict a school district FROM offering any career
13 and technical education course that does not qualify for funding as a
14 joint district course or program. Unless the governing boards of the
15 school districts participating in the formation of the joint district vote
16 to implement an alternative election system as provided in subsection B of
17 this section, the joint board shall consist of five members elected from
18 five single member districts formed within the joint district. The single
19 member district election system shall be submitted as part of the plan for
20 the joint district pursuant to section 15-392 and shall be established in
21 the plan as follows:

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

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

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

1 office. A member of a governing board shall resign the member's seat on
2 the governing board before becoming a candidate for nomination or election
3 to the governing board of any other school district or joint technical
4 education district, unless the member of the governing board is serving in
5 the last year of a term of office. Members of a joint technical education
6 district governing board are subject to the conflict of interest
7 requirements prescribed in section 38-503.

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

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

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

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

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

37 1. A joint district may issue bonds for the purposes specified in
38 section 15-1021 and in chapter 4, article 5 of this title to an amount in
39 the aggregate, including the existing indebtedness, not exceeding one
40 percent of the net assessed value of the full cash value of the property
41 within the joint technical education district. For the purposes of this
42 paragraph, "full cash value" and "net assessed value" have the same
43 meanings prescribed in section 42-11001.

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

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

4 (a) Determine the estimated student count for joint district
5 classes that will operate in the first year of operation. This estimate
6 shall be based on actual registration of pupils as of March 30 scheduled
7 to attend classes that will be operated by the joint district. The
8 student count for the district of residence of the pupils registered at
9 the joint district shall be adjusted. The adjustment shall cause the
10 district of residence to reduce the student count for the pupil to reflect
11 the courses to be taken at the joint district. The district of residence
12 shall review and approve the adjustment of its own student count as
13 provided in this subdivision before the pupils from the school district
14 can be added to the student count of the joint district.

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

17 (c) For the first year of operation, the joint district shall
18 revise the student count to the actual average daily membership as
19 prescribed in section 15-901, subsection A, paragraph 1 for students
20 attending classes in the joint district. A joint district shall revise
21 its student count, the base support level as provided in section
22 15-943.02, the revenue control limit as provided in section 15-944.01 and
23 the district additional assistance as provided in section 15-962.01 ~~prior~~
24 ~~to~~ BEFORE May 15. A joint district that overestimated its student count
25 shall revise its budget ~~prior to~~ BEFORE May 15. A joint district that
26 underestimated its student count may revise its budget ~~prior to~~ BEFORE
27 May 15.

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

39 (e) The procedures for implementing this paragraph shall be as
40 prescribed in the uniform system of financial records.

41 (f) Pupils in an approved joint technical education district
42 centralized program may generate an average daily membership of 1.0 during
43 any day of the week and at any time between July 1 and June 30 of each
44 fiscal year. For the purposes of this paragraph, "district of residence"
45 means the district that included the pupil in its average daily membership

1 for the year before the first year of operation of the joint district and
2 that would have included the pupil in its student count for the purposes
3 of computing its base support level for the fiscal year of the first year
4 of operation of the joint district if the pupil had not enrolled in the
5 joint district.

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

9 (a) A student in a kindergarten program or in ANY OF grades one
10 through nine who enrolls in courses offered by the joint technical
11 education district shall not be included in the joint district's student
12 count or average daily membership.

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

19 (c) ~~Beginning July 1, 2016,~~ A student who has graduated from high
20 school or received a general equivalency diploma or who is over twenty-one
21 years of age shall not be included in the student count of the joint
22 district for the purposes of chapter 9, articles 3, 4 and 5 of this title.

23 (d) A student who is enrolled in any internship course as part of a
24 joint technical education district program shall not be included in the
25 student count of the joint district for that internship course for the
26 purposes of chapter 9, articles 3, 4 and 5 of this title.

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

29 6. A joint district may use the carryforward provisions of section
30 15-943.01.

31 7. A school district that is part of a joint district shall use any
32 monies received pursuant to this article to supplement and not supplant
33 base year career and technical education courses, and directly related
34 equipment and facilities, except that a school district that is part of a
35 joint technical education district and that has used monies received
36 pursuant to this article to supplant career and technical education
37 courses that were offered before the first year that the school district
38 participated in the joint district or the first year that the school
39 district used monies received pursuant to this article or that used the
40 monies for purposes other than for career and technical education courses
41 shall use one hundred percent of the monies received pursuant to this
42 article to supplement and not supplant base year career and technical
43 education courses. Each applicable school district shall provide a report
44 to the joint board and the department of education outlining the required
45 maintenance of effort and how monies were used to supplement and not

1 supplant base year career and technical education courses and directly
2 related equipment and facilities. THE DEPARTMENT OF EDUCATION SHALL
3 DETERMINE THE STATEWIDE AVERAGE PER PUPIL MAINTENANCE OF EFFORT AMOUNT
4 DURING FISCAL YEAR 2017-2018 FOR SCHOOL DISTRICTS THAT ARE PART OF A JOINT
5 DISTRICT. FOR EVERY FISCAL YEAR THEREAFTER, A SCHOOL DISTRICT THAT IS
6 PART OF A JOINT DISTRICT IS NOT REQUIRED TO EXCEED THE STATEWIDE AVERAGE
7 PER PUPIL MAINTENANCE OF EFFORT AMOUNT DETERMINED FOR FISCAL YEAR
8 2017-2018 BY THE DEPARTMENT OF EDUCATION.

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

12 9. A joint technical education district or a school district that
13 is part of a joint district or a charter school shall only include pupils
14 in grades ten through twelve in the calculation of student count or
15 average daily membership if the pupils are enrolled in courses that are
16 approved jointly by the governing board of the joint technical education
17 district and each participating school district or charter school for
18 satellite courses taught within the participating school district or
19 charter school, or approved solely by the joint technical education
20 district for centrally located courses. Student count and average daily
21 membership from courses that are not part of an approved program for
22 career and technical education shall not be included in student count and
23 average daily membership of a joint technical education district.

24 E. The joint board shall appoint a superintendent as the executive
25 officer of the joint district.

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

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

39 H. The joint board may collect tuition for adult students and the
40 attendance of pupils who are residents of school districts that are not
41 participating in the joint district pursuant to arrangements made between
42 the governing board of the SCHOOL district and the joint board.

43 I. The joint board may accept gifts, grants, federal monies,
44 tuition and other allocations of monies to erect, repair and equip

1 buildings and for the cost of operation of the schools of the joint
2 district.

3 J. One member of the joint board shall be selected chairman. The
4 chairman shall be selected annually on a rotation basis from among the
5 participating school districts. The chairman of the joint board shall be
6 a voting member.

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

10 L. ~~Beginning July 1, 2016,~~ Any agreement between the governing
11 board of a joint technical education district and another joint technical
12 education district, a school district, a charter school or a community
13 college district shall be in the form of an intergovernmental agreement or
14 other written contract. The auditor general shall modify the uniform
15 system of financial records and budget forms in accordance with this
16 subsection. The intergovernmental agreement or other written contract
17 shall completely and accurately specify each of the following:

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

20 2. The accountability provisions of the intergovernmental agreement
21 or other written contract.

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

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

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

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

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

37 8. That the services provided by the joint technical education
38 district, the school district, the charter school or the community college
39 district be proportionally calculated in the cost of delivering the
40 service.

41 9. That the payment for services shall not exceed the cost of the
42 services provided.

43 10. That the joint technical education district will provide the
44 following minimum services for all member districts:

1 (a) Professional development of career and technical teachers in
2 the joint district who are teaching programs or courses at a satellite
3 campus.

4 (b) Ongoing evaluation and support of satellite campus programs and
5 courses to ensure quality and compliance.

6 11. An itemized listing of other goods and services that are
7 provided to the member district and that are paid for by the retention of
8 satellite campus student funding.

9 M. A member school district or charter school may not submit
10 requests for the approval or addition of satellite campus joint district
11 programs or courses directly to the career and technical education
12 division of the department of education, but shall submit all appropriate
13 application documentation and materials for programs or courses to the
14 joint district. On approval from the joint board, a joint district shall
15 only submit requests for the approval or addition of satellite campus
16 joint district programs or courses directly to the career and technical
17 education division of the department of education, which shall determine
18 whether the criteria prescribed in section 15-391, paragraphs 3 and 5 have
19 been met. If the career and technical education division of the
20 department of education determines that a course does not meet the
21 criteria for approval as a joint technical education course, the governing
22 board of the joint technical education district may appeal this decision
23 to the state board of education acting as the state board of vocational
24 education.

25 N. Notwithstanding any other law, the average daily membership for
26 a pupil who is enrolled in a joint technical education course ~~defined in~~
27 ~~section 15-391~~ and who does not meet the criteria specified in subsection
28 P or Q of this section shall be 0.25 for each course, except the sum of
29 the average daily membership shall not exceed the limits prescribed by
30 subsection D, P or Q of this section, as applicable.

31 O. If a career and technical education course or program is
32 provided on a satellite campus, the sum of the average daily membership,
33 as provided in section 15-901, subsection A, paragraph 1, for that pupil
34 in the school district or charter school and joint technical education
35 district shall not exceed 1.25. The school district or charter school and
36 the joint district shall determine the apportionment of the average daily
37 membership for that pupil between the school district or charter school
38 and the joint district. A pupil who attends a course or program at a
39 satellite campus and who is not enrolled in the school district or charter
40 school where the satellite campus is located may generate the average
41 daily membership pursuant to this subsection if the pupil is enrolled in a
42 school district that is a member district in the same joint technical
43 education district.

44 P. The sum of the average daily membership of a pupil who is
45 enrolled in both the school district and joint technical education

1 district course or program provided at a community college pursuant to
2 subsection K of this section or at a centralized campus shall not
3 exceed 1.75. The member school district and the joint district shall
4 determine the apportionment of the average daily membership and student
5 enrollment for that pupil between the member school district and the joint
6 district, except that the amount apportioned shall not exceed 1.0 for
7 either entity. Notwithstanding any other law, the average daily
8 membership for a pupil in grade ten, eleven or twelve who is enrolled in a
9 course that meets for at least one hundred fifty minutes per class period
10 at a centralized campus shall be 0.75. To qualify for funding pursuant to
11 this subsection, a centralized campus shall offer programs and courses to
12 all eligible students in each member district of the joint technical
13 education district.

14 Q. The average daily membership for a pupil in grade ten, eleven or
15 twelve who is enrolled in a course that meets for at least one hundred
16 fifty minutes per class period at a leased centralized campus shall not
17 exceed 0.75. The sum of the average daily membership, as provided in
18 section 15-901, subsection A, paragraph 1, of a pupil who is enrolled in
19 both the school district and in joint technical education district courses
20 provided at a leased centralized campus shall not exceed 1.75 if all of
21 the following conditions are met:

22 1. The course qualifies as a joint technical education course ~~as~~
23 ~~defined in section 15-391.~~

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

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

31 4. The lease is established at fair market value if the lease is
32 executed for a facility located on the site of a member district and was
33 approved by the joint committee on capital review, except that a lease
34 that was executed or renewed before December 31, 2012 is not subject to
35 approval by the joint committee on capital review.

36 R. A student who is enrolled in an accommodation school ~~as defined~~
37 ~~in section 15-101~~ may be treated as a student of the school district in
38 which the student physically resides for the purposes of enrollment in a
39 joint technical education district and shall be included in the
40 calculation of average daily membership for either the joint technical
41 education district or the accommodation school, or both.

42 S. Notwithstanding any other law, the student count for a joint
43 technical education district shall be equivalent to the joint technical
44 education district's average daily membership.

1 T. A school district or charter school may not prohibit or
2 discourage students who are enrolled in that school district or charter
3 school from attending courses offered by a joint technical education
4 district, including requiring students to generate a full 1.0 average
5 daily membership or to enroll in more courses than are needed to graduate
6 before enrolling in and attending programs or courses offered by a joint
7 district.

8 U. The governing board of the joint technical education district
9 may contract with any charter school that is located within the boundaries
10 of the joint technical education district to allow that charter school to
11 offer career and technical education courses or programs as a satellite
12 campus.

13 V. Beginning in 2020 and every five years thereafter, the career
14 and technical education division of the department of education shall
15 review joint technical education district programs and joint technical
16 education courses to ensure compliance, quality and eligibility. Any
17 program or course deemed to not meet the requirements set forth by law
18 shall not be funded for the current school year and shall be removed from
19 the approved program and course list for the purposes of funding. The
20 career and technical education division may establish a staggered schedule
21 for reviewing each joint technical education district.

22 W. For the purposes of this section:

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

25 2. "Centralized campus" means a facility that is owned and operated
26 by a joint technical education district for the purpose of offering joint
27 technical education district programs or joint technical education
28 courses.

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

32 4. "Leased centralized campus" means a facility that is leased and
33 operated by a joint technical education district for the purpose of
34 offering joint technical education district programs or joint technical
35 education courses.

36 5. "Satellite campus" means a facility that is owned or operated by
37 a school district or charter school for the purpose of offering joint
38 technical education district programs or joint technical education
39 courses.