

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

SENATE BILL 1066

AN ACT

AMENDING SECTIONS 15-341, 15-2001, 15-2002 AND 15-2032, ARIZONA REVISED
STATUTES; RELATING TO SCHOOL FACILITIES BOARD.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-341, Arizona Revised Statutes, is amended to
3 read:

4 15-341. General powers and duties; immunity; delegation

5 A. The governing board shall:

6 1. Prescribe and enforce policies and procedures for the governance
7 of the schools, ~~THAT ARE~~ not inconsistent with law or rules prescribed by
8 the state board of education.

9 2. Exclude from schools all books, publications, papers or
10 audiovisual materials of a sectarian, partisan or denominational
11 character. This paragraph ~~shall~~ DOES not ~~be construed to~~ prohibit the
12 elective course permitted by section 15-717.01.

13 3. Manage and control the school property within its district.

14 4. Acquire school furniture, apparatus, equipment, library books
15 and supplies for the use of the schools.

16 5. Prescribe the curricula and criteria for the promotion and
17 graduation of pupils as provided in sections 15-701 and 15-701.01.

18 6. Furnish, repair and insure, at full insurable value, the school
19 property of the district.

20 7. Construct school buildings on approval by a vote of the district
21 electors.

22 8. Make in the name of the district conveyances of property
23 belonging to the district and sold by the board.

24 9. Purchase school sites when authorized by a vote of the district
25 at an election conducted as nearly as practicable in the same manner as
26 the election provided in section 15-481 and held on a date prescribed in
27 section 15-491, subsection E, but such authorization shall not necessarily
28 specify the site to be purchased and such authorization shall not be
29 necessary to exchange unimproved property as provided in section 15-342,
30 paragraph 23.

31 10. Construct, improve and furnish buildings used for school
32 purposes when such buildings or premises are leased from the national park
33 service.

34 11. Purchase school sites or construct, improve and furnish school
35 buildings from the proceeds of the sale of school property only on
36 approval by a vote of the district electors.

37 12. Hold pupils to strict account for disorderly conduct on school
38 property.

39 13. Discipline students for disorderly conduct on the way to and
40 from school.

41 14. Except as provided in section 15-1224, deposit all monies
42 received by the district as gifts, grants and devises with the county
43 treasurer who shall credit the deposits as designated in the uniform
44 system of financial records. If not inconsistent with the terms of the
45 gifts, grants and devises given, any balance remaining after expenditures

1 for the intended purpose of the monies have been made shall be used for
2 reduction of school district taxes for the budget year, except that in the
3 case of accommodation schools the county treasurer shall carry the balance
4 forward for use by the county school superintendent for accommodation
5 schools for the budget year.

6 15. Provide that, if a parent or legal guardian chooses not to
7 accept a decision of the teacher as provided in ~~section~~ paragraph 42 of
8 this subsection, the parent or legal guardian may request in writing that
9 the governing board review the teacher's decision. This paragraph ~~shall~~
10 **DOES** not ~~be construed to~~ release school districts from any liability
11 relating to a child's promotion or retention.

12 16. Provide for adequate supervision over pupils in instructional
13 and noninstructional activities by certificated or noncertificated
14 personnel.

15 17. Use school monies received from the state and county school
16 apportionment exclusively for payment of salaries of teachers and other
17 employees and contingent expenses of the district.

18 18. Make an annual report to the county school superintendent on or
19 before October 1 in the manner and form and on the blanks prescribed by
20 the superintendent of public instruction or county school superintendent.
21 The board shall also make reports directly to the county school
22 superintendent or the superintendent of public instruction whenever
23 required.

24 19. Deposit all monies received by school districts other than
25 student activities monies or monies from auxiliary operations as provided
26 in sections 15-1125 and 15-1126 with the county treasurer to the credit of
27 the school district except as provided in paragraph 20 of this subsection
28 and sections 15-1223 and 15-1224, and the board shall expend the monies as
29 provided by law for other school funds.

30 20. Establish bank accounts in which the board during a month may
31 deposit miscellaneous monies received directly by the district. The board
32 shall remit monies deposited in the bank accounts at least monthly to the
33 county treasurer for deposit as provided in paragraph 19 of this
34 subsection and in accordance with the uniform system of financial records.

35 21. Prescribe and enforce policies and procedures for disciplinary
36 action against a teacher who engages in conduct that is a violation of the
37 policies of the governing board but that is not cause for dismissal of the
38 teacher or for revocation of the certificate of the teacher. Disciplinary
39 action may include suspension without pay for a period of time not to
40 exceed ten school days. Disciplinary action shall not include suspension
41 with pay or suspension without pay for a period of time longer than ten
42 school days. The procedures shall include notice, hearing and appeal
43 provisions for violations that are cause for disciplinary action. The
44 governing board may designate a person or persons to act on behalf of the
45 board on these matters.

1 22. Prescribe and enforce policies and procedures for disciplinary
2 action against an administrator who engages in conduct that is a violation
3 of the policies of the governing board regarding duties of administrators
4 but that is not cause for dismissal of the administrator or for revocation
5 of the certificate of the administrator. Disciplinary action may include
6 suspension without pay for a period of time not to exceed ten school days.
7 Disciplinary action shall not include suspension with pay or suspension
8 without pay for a period of time longer than ten school days. The
9 procedures shall include notice, hearing and appeal provisions for
10 violations that are cause for disciplinary action. The governing board
11 may designate a person or persons to act on behalf of the board on these
12 matters. For violations that are cause for dismissal, the provisions of
13 notice, hearing and appeal in chapter 5, article 3 of this title shall
14 apply. The filing of a timely request for a hearing suspends the
15 imposition of a suspension without pay or a dismissal pending completion
16 of the hearing.

17 23. Notwithstanding sections 13-3108 and 13-3120, prescribe and
18 enforce policies and procedures that prohibit a person from carrying or
19 possessing a weapon on school grounds unless the person is a peace officer
20 or has obtained specific authorization from the school administrator.

21 24. Prescribe and enforce policies and procedures relating to the
22 health and safety of all pupils participating in ~~district-sponsored~~
23 **DISTRICT-SPONSORED** practice sessions or games or other interscholastic
24 athletic activities, including:

25 (a) The provision of water.

26 (b) Guidelines, information and forms, developed in consultation
27 with a statewide private entity that supervises interscholastic
28 activities, to inform and educate coaches, pupils and parents of the
29 dangers of concussions and head injuries and the risks of continued
30 participation in athletic activity after a concussion. The policies and
31 procedures shall require that, before a pupil participates in an athletic
32 activity, the pupil and the pupil's parent must sign an information form
33 at least once each school year that states that the parent is aware of the
34 nature and risk of concussion. The policies and procedures shall require
35 that a pupil who is suspected of sustaining a concussion in a practice
36 session, game or other interscholastic athletic activity be immediately
37 removed from the athletic activity. A coach from the pupil's team or an
38 official or a licensed health care provider may remove a pupil from
39 play. A team parent may also remove the parent's own child from play. A
40 pupil may return to play on the same day if a health care provider rules
41 out a suspected concussion at the time the pupil is removed from play. On
42 a subsequent day, the pupil may return to play if the pupil has been
43 evaluated by and received written clearance to resume participation in
44 athletic activity from a health care provider who has been trained in the
45 evaluation and management of concussions and head injuries. A health care

1 provider who is a volunteer and who provides clearance to participate in
2 athletic activity on the day of the suspected injury or on a subsequent
3 day is immune from civil liability with respect to all decisions made and
4 actions taken that are based on good faith implementation of the
5 requirements of this subdivision, except in cases of gross negligence or
6 wanton or wilful neglect. A school district, school district employee,
7 team coach, official or team volunteer or a parent or guardian of a team
8 member is not subject to civil liability for any act, omission or policy
9 undertaken in good faith to comply with the requirements of this
10 subdivision or for a decision made or an action taken by a health care
11 provider. A group or organization that uses property or facilities owned
12 or operated by a school district for athletic activities shall comply with
13 the requirements of this subdivision. A school district and its employees
14 and volunteers are not subject to civil liability for any other person or
15 organization's failure or alleged failure to comply with the requirements
16 of this subdivision. This subdivision does not apply to teams that are
17 based in another state and that participate in an athletic activity in
18 this state. For the purposes of this subdivision, athletic activity does
19 not include dance, rhythmic gymnastics, competitions or exhibitions of
20 academic skills or knowledge or other similar forms of physical noncontact
21 activities, civic activities or academic activities, whether engaged in
22 for the purposes of competition or recreation. For the purposes of this
23 subdivision, "health care provider" means a physician who is licensed
24 pursuant to title 32, chapter 13 or 17, an athletic trainer who is
25 licensed pursuant to title 32, chapter 41, a nurse practitioner who is
26 licensed pursuant to title 32, chapter 15, and a physician assistant who
27 is licensed pursuant to title 32, chapter 25.

28 25. Establish an assessment, data gathering and reporting system as
29 prescribed in chapter 7, article 3 of this title.

30 26. Provide special education programs and related services
31 pursuant to section 15-764, subsection A to all children with disabilities
32 as defined in section 15-761.

33 27. Administer competency tests prescribed by the state board of
34 education for the graduation of pupils from high school.

35 28. Ensure that insurance coverage is secured for all construction
36 projects for purposes of general liability, property damage and workers'
37 compensation and secure performance and payment bonds for all construction
38 projects.

39 29. Keep in the personnel file of all current and former employees
40 who provide instruction to pupils at a school information about the
41 employee's educational and teaching background and experience in a
42 particular academic content subject area. A school district shall inform
43 parents and guardians of the availability of the information and shall
44 make the information available for inspection on request of parents and
45 guardians of pupils enrolled at a school. This paragraph ~~shall~~ DOES not

1 ~~be construed to~~ require any school to release personally identifiable
2 information in relation to any teacher or employee, including the
3 teacher's or employee's address, salary, social security number or
4 telephone number.

5 30. Report to local law enforcement agencies any suspected crime
6 against a person or property that is a serious offense as defined in
7 section 13-706 or that involves a deadly weapon or dangerous instrument or
8 serious physical injury and any conduct that poses a threat of death or
9 serious physical injury to employees, students or anyone on the property
10 of the school. This paragraph does not limit or preclude the reporting by
11 a school district or an employee of a school district of suspected crimes
12 other than those required to be reported by this paragraph. For the
13 purposes of this paragraph, "dangerous instrument", "deadly weapon" and
14 "serious physical injury" have the same meanings prescribed in section
15 13-105.

16 31. In conjunction with local law enforcement agencies and
17 emergency response agencies, develop an emergency response plan for each
18 school in the school district in accordance with minimum standards
19 developed jointly by the department of education and the division of
20 emergency management within the department of emergency and military
21 affairs.

22 32. Provide written notice to the parents or guardians of all
23 students enrolled in the school district at least ten days ~~prior to~~ BEFORE
24 a public meeting to discuss closing a school within the school
25 district. The notice shall include the reasons for the proposed closure
26 and the time and place of the meeting. The governing board shall fix a
27 time for a public meeting on the proposed closure ~~no~~ NOT less than ten
28 days before voting in a public meeting to close the school. The school
29 district governing board shall give notice of the time and place of the
30 meeting. At the time and place designated in the notice, the school
31 district governing board shall hear reasons for or against closing the
32 school. The school district governing board is exempt from this paragraph
33 if ~~it is determined by~~ the governing board DETERMINES that the school
34 shall be closed because it poses a danger to the health or safety of the
35 pupils or employees of the school. A governing board may consult with the
36 school facilities board for technical assistance and for information on
37 the impact of closing a school. The information provided from the school
38 facilities board shall not require the governing board to take or not take
39 any action.

40 33. Incorporate instruction on Native American history into
41 appropriate existing curricula.

42 34. Prescribe and enforce policies and procedures:

43 (a) Allowing pupils who have been diagnosed with anaphylaxis by a
44 health care provider licensed pursuant to title 32, chapter 13, 14, 17 or
45 25 or by a registered nurse practitioner licensed and certified pursuant

1 to title 32, chapter 15 to carry and self-administer emergency
2 medications, including epinephrine auto-injectors, while at school and at
3 school-sponsored activities. The pupil's name on the prescription label
4 on the medication container or on the medication device and annual written
5 documentation from the pupil's parent or guardian to the school that
6 authorizes possession and self-administration is sufficient proof that the
7 pupil is entitled to the possession and self-administration of the
8 medication. The policies shall require a pupil who uses an epinephrine
9 auto-injector while at school and at school-sponsored activities to notify
10 the nurse or the designated school staff person of the use of the
11 medication as soon as practicable. A school district and its employees
12 are immune from civil liability with respect to all decisions made and
13 actions taken that are based on good faith implementation of the
14 requirements of this subdivision, except in cases of wanton or wilful
15 neglect.

16 (b) For the emergency administration of epinephrine auto-injectors
17 by a trained employee of a school district pursuant to section 15-157.

18 35. Allow the possession and self-administration of prescription
19 medication for breathing disorders in handheld inhaler devices by pupils
20 who have been prescribed that medication by a health care professional
21 licensed pursuant to title 32. The pupil's name on the prescription label
22 on the medication container or on the handheld inhaler device and annual
23 written documentation from the pupil's parent or guardian to the school
24 that authorizes possession and self-administration shall be sufficient
25 proof that the pupil is entitled to the possession and self-administration
26 of the medication. A school district and its employees are immune from
27 civil liability with respect to all decisions made and actions taken that
28 are based on a good faith implementation of the requirements of this
29 paragraph.

30 36. Prescribe and enforce policies and procedures to prohibit
31 pupils from harassing, intimidating and bullying other pupils on school
32 grounds, on school property, on school buses, at school bus stops, at
33 school-sponsored events and activities and through the use of electronic
34 technology or electronic communication on school computers, networks,
35 forums and mailing lists that include the following components:

36 (a) A procedure for pupils, parents and school district employees
37 to confidentially report to school officials incidents of harassment,
38 intimidation or bullying. The school shall make available written forms
39 designed to provide a full and detailed description of the incident and
40 any other relevant information about the incident.

41 (b) A requirement that school district employees report in writing
42 suspected incidents of harassment, intimidation or bullying to the
43 appropriate school official and a description of appropriate disciplinary
44 procedures for employees who fail to report suspected incidents that are
45 known to the employee.

1 (c) A requirement that, at the beginning of each school year,
2 school officials provide all pupils with a written copy of the rights,
3 protections and support services available to a pupil who is an alleged
4 victim of an incident reported pursuant to this paragraph.

5 (d) If an incident is reported pursuant to this paragraph, a
6 requirement that school officials provide a pupil who is an alleged victim
7 of the incident with a written copy of the rights, protections and support
8 services available to that pupil.

9 (e) A formal process for the documentation of reported incidents of
10 harassment, intimidation or bullying and for the confidentiality,
11 maintenance and disposition of this documentation. School districts shall
12 maintain documentation of all incidents reported pursuant to this
13 paragraph for at least six years. The school shall not use that
14 documentation to impose disciplinary action unless the appropriate school
15 official has investigated and determined that the reported incidents of
16 harassment, intimidation or bullying occurred. If a school provides
17 documentation of reported incidents to persons other than school officials
18 or law enforcement, all individually identifiable information shall be
19 redacted.

20 (f) A formal process for the investigation by the appropriate
21 school officials of suspected incidents of harassment, intimidation or
22 bullying, including procedures for notifying the alleged victim on
23 completion and disposition of the investigation.

24 (g) Disciplinary procedures for pupils who have admitted or been
25 found to have committed incidents of harassment, intimidation or bullying.

26 (h) A procedure that sets forth consequences for submitting false
27 reports of incidents of harassment, intimidation or bullying.

28 (i) Procedures designed to protect the health and safety of pupils
29 who are physically harmed as the result of incidents of harassment,
30 intimidation and bullying, including, if appropriate, procedures to
31 contact emergency medical services or law enforcement agencies, or both.

32 (j) Definitions of harassment, intimidation and bullying.

33 37. Prescribe and enforce policies and procedures regarding
34 changing or adopting attendance boundaries that include the following
35 components:

36 (a) A procedure for holding public meetings to discuss attendance
37 boundary changes or adoptions that allows public comments.

38 (b) A procedure to notify the parents or guardians of the students
39 affected.

40 (c) A procedure to notify the residents of the households affected
41 by the attendance boundary changes.

42 (d) A process for placing public meeting notices and proposed maps
43 on the school district's website for public review, if the school district
44 maintains a website.

1 (e) A formal process for presenting the attendance boundaries of
2 the affected area in public meetings that allows public comments.

3 (f) A formal process for notifying the residents and parents or
4 guardians of the affected area as to the decision of the governing board
5 on the school district's website, if the school district maintains a
6 website.

7 (g) A formal process for updating attendance boundaries on the
8 school district's website within ninety days of an adopted boundary
9 change. The school district shall send a direct link to the school
10 district's attendance boundaries website to the department of real estate.

11 38. If the state board of education determines that the school
12 district has committed an overexpenditure as defined in section 15-107,
13 provide a copy of the fiscal management report submitted pursuant to
14 section 15-107, subsection H on its website and make copies available to
15 the public on request. The school district shall comply with a request
16 within five business days after receipt.

17 39. Ensure that the contract for the superintendent is structured
18 in a manner in which up to twenty percent of the total annual salary
19 included for the superintendent in the contract is classified as
20 performance pay. This paragraph ~~shall~~ DOES not ~~be construed to~~ require
21 school districts to increase total compensation for
22 superintendents. Unless the school district governing board votes to
23 implement an alternative procedure at a public meeting called for this
24 purpose, the performance pay portion of the superintendent's total annual
25 compensation shall be determined as follows:

26 (a) Twenty-five percent of the performance pay shall be determined
27 based on the percentage of academic gain determined by the department of
28 education of pupils who are enrolled in the school district compared to
29 the academic gain achieved by the highest ranking of the fifty largest
30 school districts in this state. For the purposes of this subdivision, the
31 department of education shall determine academic gain by the academic
32 growth achieved by each pupil who has been enrolled at the same school in
33 a school district for at least five consecutive months measured against
34 that pupil's academic results in the 2008-2009 school year. For the
35 purposes of this subdivision, of the fifty largest school districts in
36 this state, the school district with pupils who demonstrate the highest
37 statewide percentage of overall academic gain measured against academic
38 results for the 2008-2009 school year shall be assigned a score of 100 and
39 the school district with pupils who demonstrate the lowest statewide
40 percentage of overall academic gain measured against academic results for
41 the 2008-2009 school year shall be assigned a score of 0.

42 (b) Twenty-five percent of the performance pay shall be determined
43 by the percentage of parents of pupils who are enrolled at the school
44 district who assign a letter grade of "A" to the school on a survey of
45 parental satisfaction with the school district. The parental satisfaction

1 survey shall be administered and scored by an independent entity that is
2 selected by the governing board and that demonstrates sufficient expertise
3 and experience to accurately measure the results of the survey. The
4 parental satisfaction survey shall use standard random sampling procedures
5 and provide anonymity and confidentiality to each parent who participates
6 in the survey. The letter grade scale used on the parental satisfaction
7 survey shall direct parents to assign one of the following letter grades:

- 8 (i) A letter grade of "A" if the school district is excellent.
- 9 (ii) A letter grade of "B" if the school district is above average.
- 10 (iii) A letter grade of "C" if the school district is average.
- 11 (iv) A letter grade of "D" if the school district is below average.
- 12 (v) A letter grade of "F" if the school district is a failure.

13 (c) Twenty-five percent of the performance pay shall be determined
14 by the percentage of teachers who are employed at the school district and
15 who assign a letter grade of "A" to the school on a survey of teacher
16 satisfaction with the school. The teacher satisfaction survey shall be
17 administered and scored by an independent entity that is selected by the
18 governing board and that demonstrates sufficient expertise and experience
19 to accurately measure the results of the survey. The teacher satisfaction
20 survey shall use standard random sampling procedures and provide anonymity
21 and confidentiality to each teacher who participates in the survey. The
22 letter grade scale used on the teacher satisfaction survey shall direct
23 teachers to assign one of the following letter grades:

- 24 (i) A letter grade of "A" if the school district is excellent.
- 25 (ii) A letter grade of "B" if the school district is above average.
- 26 (iii) A letter grade of "C" if the school district is average.
- 27 (iv) A letter grade of "D" if the school district is below average.
- 28 (v) A letter grade of "F" if the school district is a failure.

29 (d) Twenty-five percent of the performance pay shall be determined
30 by other criteria selected by the governing board.

31 40. Maintain and store permanent public records of the school
32 district as required by law. Notwithstanding section 39-101, the
33 standards adopted by the Arizona state library, archives and public
34 records for the maintenance and storage of school district public records
35 shall allow school districts to elect to satisfy the requirements of this
36 paragraph by maintaining and storing these records either on paper or in
37 an electronic format, or a combination of a paper and electronic format.

38 41. Adopt in a public meeting and implement ~~by school year~~
39 ~~2013-2014~~ policies for principal evaluations. Before the adoption of
40 principal evaluation policies, the school district governing board shall
41 provide opportunities for public discussion on the proposed policies. The
42 policies shall describe:

1 (a) The principal evaluation instrument, including the four
2 performance classifications adopted by the governing board pursuant to
3 section 15-203, subsection A, paragraph 38.

4 (b) Alignment of professional development opportunities to the
5 principal evaluations.

6 (c) Incentives for principals in one of the two highest performance
7 classifications pursuant to section 15-203, subsection A, paragraph 38,
8 which may include:

9 (i) Multiyear contracts pursuant to section 15-503.

10 (ii) Incentives to work at schools that are assigned a letter grade
11 of D or F pursuant to section 15-241.

12 (d) Transfer and contract processes for principals designated in
13 the lowest performance classification pursuant to section 15-203,
14 subsection A, paragraph 38.

15 42. Prescribe and enforce policies and procedures that define the
16 duties of principals and teachers. These policies and procedures shall
17 authorize teachers to take and maintain daily classroom attendance, make
18 the decision to promote or retain a pupil in a grade in common school or
19 to pass or fail a pupil in a course in high school, subject to review by
20 the governing board in the manner provided in section 15-342, paragraph
21 11.

22 43. Prescribe and enforce policies and procedures for the emergency
23 administration by an employee of a school district pursuant to section
24 36-2267 of naloxone hydrochloride or any other opioid antagonist approved
25 by the United States food and drug administration.

26 B. Notwithstanding subsection A, paragraphs 7, 9 and 11 of this
27 section, the county school superintendent may construct, improve and
28 furnish school buildings or purchase or sell school sites in the conduct
29 of an accommodation school.

30 C. If any school district acquires real or personal property,
31 whether by purchase, exchange, condemnation, gift or otherwise, the
32 governing board shall pay to the county treasurer any taxes on the
33 property that were unpaid as of the date of acquisition, including
34 penalties and interest. The lien for unpaid delinquent taxes, penalties
35 and interest on property acquired by a school district:

36 1. Is not abated, extinguished, discharged or merged in the title
37 to the property.

38 2. Is enforceable in the same manner as other delinquent tax liens.

39 D. The governing board may not locate a school on property that is
40 less than one-fourth mile from agricultural land regulated pursuant to
41 section 3-365, except that the owner of the agricultural land may agree to
42 comply with the buffer zone requirements of section 3-365. If the owner
43 agrees in writing to comply with the buffer zone requirements and records
44 the agreement in the office of the county recorder as a restrictive
45 covenant running with the title to the land, the school district may

1 locate a school within the affected buffer zone. The agreement may
2 include any stipulations regarding the school, including conditions for
3 future expansion of the school and changes in the operational status of
4 the school that will result in a breach of the agreement.

5 E. A school district, its governing board members, its school
6 council members and its employees are immune from civil liability for the
7 consequences of adoption and implementation of policies and procedures
8 pursuant to subsection A of this section and section 15-342. This waiver
9 does not apply if the school district, its governing board members, its
10 school council members or its employees are guilty of gross negligence or
11 intentional misconduct.

12 F. A governing board may delegate in writing to a superintendent,
13 principal or head teacher the authority to prescribe procedures that are
14 consistent with the governing board's policies.

15 G. Notwithstanding any other provision of this title, a school
16 district governing board shall not take any action that would result in a
17 reduction of pupil square footage unless the governing board notifies the
18 school facilities board established by section 15-2001 of the proposed
19 action and receives written approval from the school facilities board to
20 take the action. A reduction includes an increase in administrative space
21 that results in a reduction of pupil square footage or sale of school
22 sites or buildings, or both. A reduction includes a reconfiguration of
23 grades that results in a reduction of pupil square footage of any grade
24 level. This subsection does not apply to temporary reconfiguration of
25 grades to accommodate new school construction if the temporary
26 reconfiguration does not exceed one year. The sale of equipment that
27 results in a reduction that falls below the equipment requirements
28 prescribed in section 15-2011, subsection B is subject to commensurate
29 withholding of school district district additional assistance monies
30 pursuant to the direction of the school facilities board. Except as
31 provided in section 15-342, paragraph 10, proceeds from the sale of school
32 sites, buildings or other equipment shall be deposited in the school plant
33 fund as provided in section 15-1102.

34 H. Subsections C through G of this section apply to a county board
35 of supervisors and a county school superintendent when operating and
36 administering an accommodation school.

37 I. A SCHOOL DISTRICT GOVERNING BOARD MAY DELEGATE AUTHORITY IN
38 WRITING TO THE SUPERINTENDENT OF THE SCHOOL DISTRICT TO SUBMIT PLANS FOR
39 NEW SCHOOL FACILITIES TO THE SCHOOL FACILITIES BOARD FOR THE PURPOSE OF
40 CERTIFYING THAT THE PLANS MEET THE MINIMUM SCHOOL FACILITY ADEQUACY
41 GUIDELINES PRESCRIBED IN SECTION 15-2011.

1 Sec. 2. Section 15-2001, Arizona Revised Statutes, is amended to
2 read:

3 15-2001. School facilities board; conflict of interest;
4 violation; classification; change orders;
5 notification

6 A. The school facilities board is established consisting of the
7 following members who shall be appointed by the governor pursuant to
8 section 38-211 in such a manner as to provide for approximate geographic
9 balance and approximate balance between public and private members:

10 1. One member who is an elected member of a school district
11 governing board with knowledge and experience in the area of finance.

12 2. One private citizen who represents an organization of taxpayers.

13 3. One member with knowledge and experience in school construction.

14 4. One member who is a registered professional architect and who
15 has current knowledge and experience in school architecture.

16 5. One member with knowledge and experience in school facilities
17 management in a public school system.

18 6. One member with knowledge and experience in demographics.

19 7. One member who is a teacher and who currently provides classroom
20 instruction.

21 8. One member who is a registered professional engineer and who has
22 current knowledge and experience in school engineering.

23 9. One member who is an owner or officer of a private business.

24 B. In addition to the members appointed pursuant to subsection A of
25 this section, the superintendent of public instruction or the
26 superintendent's designee shall serve as an advisory nonvoting member of
27 the school facilities board.

28 C. The governor shall appoint a chairperson from members appointed
29 pursuant to subsection A of this section.

30 D. Members of the school facilities board serve four year
31 terms. The school facilities board shall meet as often as the members
32 deem necessary. A majority of the members constitutes a quorum for the
33 transaction of business.

34 E. The unexcused absence of a member for more than three
35 consecutive meetings is justification for removal by a majority vote of
36 the board. If the member is removed, notice shall be given of the removal
37 pursuant to section 38-292.

38 F. The governor shall fill a vacancy by appointment of a qualified
39 person as provided in subsection A of this section.

40 G. Members of the board who are employed by government entities are
41 not eligible to receive compensation. Members of the board who are not
42 employed by government entities are entitled to payment of one hundred
43 fifty dollars for each meeting attended, prorated for partial days spent
44 for each meeting, up to two thousand five hundred dollars each year. All
45 members are eligible for reimbursement of expenses pursuant to title 38,

1 chapter 4, article 2. These expenses and the payment of compensation are
2 payable to a member from monies appropriated to the board from the new
3 school facilities fund.

4 H. Members **AND EMPLOYEES** of the school facilities board are subject
5 to title 38, chapter 3, article 8.

6 I. **IN ADDITION TO THE REQUIREMENTS PRESCRIBED IN SUBSECTION H OF**
7 **THIS SECTION, EMPLOYEES OF THE SCHOOL FACILITIES BOARD MAY NOT HAVE A**
8 **DIRECT OR INDIRECT FINANCIAL INTEREST IN ANY PROPERTY PURCHASED, FACILITY**
9 **CONSTRUCTED OR CONTRACT FINANCED WITH MONIES MADE AVAILABLE BY THE BOARD**
10 **OR ANY OTHER PUBLIC MONIES. A PERSON WHO KNOWINGLY VIOLATES THIS**
11 **SUBSECTION IS GUILTY OF A CLASS 1 MISDEMEANOR.**

12 J. **THE SCHOOL FACILITIES BOARD SHALL ESTABLISH POLICIES AND**
13 **PROCEDURES RELATING TO BUILDING RENEWAL GRANT CHANGE ORDERS THAT INCLUDE**
14 **THE FOLLOWING:**

15 1. **THE BOARD SHALL APPROVE OR REJECT A CHANGE ORDER WITHIN TWO**
16 **BUSINESS DAYS.**

17 2. **IF A SCHOOL DISTRICT APPROVES WORK REFERENCED IN A CHANGE ORDER**
18 **BEFORE THE BOARD APPROVES THE CHANGE ORDER, THE SCHOOL DISTRICT IS**
19 **RESPONSIBLE FOR THE COST AND CONSTRUCTION OF THE PROJECT.**

20 K. **THE SCHOOL FACILITIES BOARD SHALL ESTABLISH POLICIES AND**
21 **PROCEDURES TO ENSURE THAT IT NOTIFIES SCHOOL DISTRICTS IN A UNIFORM MANNER**
22 **AND AT LEAST ANNUALLY OF THE SERVICES AND FUNDING THAT ARE AVAILABLE FROM**
23 **THE BOARD FOR FACILITY CONSTRUCTION, RENOVATION AND REPAIR PROJECTS. THE**
24 **BOARD SHALL UPDATE AND POST THIS INFORMATION ON ITS WEBSITE ON OR BEFORE**
25 **JULY 1 OF EACH YEAR.**

26 L. **THE SCHOOL FACILITIES BOARD SHALL ESTABLISH AND MAINTAIN A LIST**
27 **OF THE PERSONS WHO ARE RESPONSIBLE FOR FACILITIES MANAGEMENT AT EACH**
28 **SCHOOL DISTRICT IN THIS STATE. A SCHOOL DISTRICT SHALL PROMPTLY NOTIFY**
29 **THE BOARD OF ANY CHANGE TO PERSONS WHO ARE RESPONSIBLE FOR FACILITIES**
30 **MANAGEMENT AT THAT SCHOOL DISTRICT. THE BOARD SHALL UPDATE AND POST THIS**
31 **INFORMATION ON ITS WEBSITE ON OR BEFORE JULY 1 OF EACH YEAR.**

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

34 15-2002. Powers and duties; executive director; staffing;
35 report

36 A. The school facilities board shall:

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

39 2. Maintain a database of school facilities to administer the
40 building renewal grant fund and new school facilities formula. The
41 facilities listed in the database must include all buildings that are
42 owned by school districts. The school facilities board shall ensure that
43 the database is updated on at least an annual basis. Each school district
44 shall report to the school facilities board no later than September 1 of
45 each year information as required by the school facilities board for the

1 administration of the building renewal grant fund and computation of new
2 school facilities formula distributions, including the nature and cost of
3 major repairs, renovations or physical improvements to or replacement of
4 building systems or equipment that were made in the previous year and that
5 were paid for either with local monies or monies provided by the school
6 facilities board from the building renewal grant fund. Each school
7 district shall report any school or school buildings that have been
8 closed, that have been leased to another entity or that operate as a
9 charter school. The school facilities board may review or audit the
10 information, or both, to confirm the information submitted by a school
11 district. Notwithstanding any other provision of this chapter, if a
12 school district converts space that is listed in the database maintained
13 pursuant to this paragraph to space that will be used for administrative
14 purposes, the school district is responsible for any costs associated with
15 the conversion, maintenance and replacement of that space. If a building
16 is significantly upgraded or remodeled, the school facilities board shall
17 adjust the age of that school facility in the database as follows:

- 18 (a) Determine the building capacity value as follows:
19 (i) Multiply the student capacity of the building by the per pupil
20 square foot capacity established by section 15-2041.
21 (ii) Multiply the product determined in item (i) of this
22 subdivision by the cost per square foot established by section 15-2041.
23 (b) Divide the cost of the renovation by the building capacity
24 value determined in subdivision (a) of this paragraph.
25 (c) Multiply the quotient determined in subdivision (b) of this
26 paragraph by the currently listed age of the building in the database.
27 (d) Subtract the product determined in subdivision (c) of this
28 paragraph from the currently listed age of the building in the database,
29 rounded to the nearest whole number. If the result is a negative number,
30 use zero.

31 3. Inspect school buildings at least once every five years to
32 ensure compliance with the building adequacy standards prescribed in
33 section 15-2011 and routine ~~preventative~~ PREVENTIVE maintenance guidelines
34 as prescribed in this section with respect to construction of new
35 buildings and maintenance of existing buildings. The school facilities
36 board shall randomly select twenty school districts every thirty months
37 and inspect them pursuant to this paragraph.

38 4. Review and approve student population projections submitted by
39 school districts to determine to what extent school districts are entitled
40 to monies to construct new facilities pursuant to section 15-2041. The
41 board shall make a final determination within five months after the
42 receipt of an application by a school district for monies from the new
43 school facilities fund.

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

1 6. Develop prototypical elementary and high school designs. The
2 board shall review the design differences between the schools with the
3 highest academic productivity scores and the schools with the lowest
4 academic productivity scores. The board shall also review the results of
5 a valid and reliable survey of parent quality rating in the highest
6 performing schools and the lowest performing schools in this state. The
7 survey of parent quality rating shall be administered by the department of
8 education. The board shall consider the design elements of the schools
9 with the highest academic productivity scores and parent quality ratings
10 in the development of elementary and high school designs. The board shall
11 develop separate school designs for elementary, middle and high schools
12 with varying pupil capacities.

13 7. Develop application forms, reporting forms and procedures to
14 carry out the requirements of this article~~---~~, INCLUDING DEVELOPING AND
15 IMPLEMENTING POLICIES AND PROCEDURES TO:

16 (a) ENSURE THAT THE BOARD NOTIFIES SCHOOL DISTRICTS IN A UNIFORM
17 MANNER OF THE SERVICES AND FUNDING AVAILABLE FOR SCHOOL DISTRICTS FROM THE
18 BOARD FOR FACILITY CONSTRUCTION, RENOVATION AND REPAIR PROJECTS. THE
19 POLICIES AND PROCEDURES SHALL REQUIRE THE BOARD TO PROVIDE AT LEAST ONE
20 ANNUAL COMMUNICATION TO SCHOOL DISTRICTS IN A MANNER PRESCRIBED BY THE
21 BOARD AND SHALL REQUIRE EACH SCHOOL DISTRICT TO DEVELOP AND MAINTAIN A
22 LIST OF PERSONS WHO ARE RESPONSIBLE FOR FACILITIES MANAGEMENT AT THAT
23 SCHOOL DISTRICT.

24 (b) ESTABLISH A PROJECT ELIGIBILITY ASSESSMENT FOR ALL PROJECTS
25 SUBMITTED FOR BUILDING RENEWAL GRANT FUNDING OR EMERGENCY DEFICIENCIES
26 CORRECTION FUNDING, INCLUDING ESTABLISHING STANDARDIZED CRITERIA FOR
27 PROJECT ELIGIBILITY. BEFORE THE SCHOOL FACILITIES BOARD FORMALLY APPROVES
28 A PROJECT, THE STAFF OF THE BOARD MAY REVIEW THE COSTS AND SCOPE OF THE
29 PROPOSED PROJECT WITH PERSONS AND ENTITIES THAT HAVE SUBMITTED BIDS ON THE
30 PROJECT.

31 (c) ENSURE THAT THE BOARD MAINTAINS STANDARDIZED DOCUMENTATION OF
32 ALL PROJECTS SUBMITTED TO THE BOARD FOR CONSIDERATION TO RECEIVE SERVICES
33 OR A FINANCIAL AWARD FROM THE BOARD. THE BOARD SHALL MAINTAIN STANDARDIZED
34 DOCUMENTATION OF ANY PROJECT AWARDED MONIES BY THE BOARD, INCLUDING
35 RECORDS OF PAYMENTS TO SCHOOL DISTRICTS IN A MANNER PRESCRIBED BY THE
36 BOARD. THE STANDARDIZED DOCUMENTATION SHALL INCLUDE THE FOLLOWING AS PART
37 OF THE ELIGIBILITY DETERMINATION CRITERIA:

38 (i) WHETHER THE PROBLEM THAT THE PROPOSED PROJECT INTENDS TO
39 ADDRESS CAUSED THE BUILDING OR FACILITY TO FALL BELOW THE MINIMUM SCHOOL
40 FACILITY ADEQUACY GUIDELINES PRESCRIBED IN SECTION 15-2011.

41 (ii) WHETHER THE SCHOOL DISTRICT PERFORMED THE ROUTINE PREVENTIVE
42 MAINTENANCE REQUIRED PURSUANT TO SECTION 15-2032 ON THE BUILDING OR
43 FACILITY.

44 (d) REQUIRE A SCHOOL DISTRICT TO SUBMIT CONTACT INFORMATION FOR
45 EACH PROPOSED PROJECT, INCLUDING THE NAME, E-MAIL ADDRESS AND TELEPHONE

1 NUMBER OF PERSONS WHO ARE RESPONSIBLE FOR FACILITIES MANAGEMENT AT THE
2 SCHOOL DISTRICT.

3 (e) REQUIRE A SCHOOL DISTRICT TO PROVIDE JUSTIFICATION FOR EACH
4 PROPOSED PROJECT, INCLUDING ALL OF THE FOLLOWING:

5 (i) THE SCHOOL DISTRICT'S USE OR PLANNED USE OF THE FACILITY.

6 (ii) A DETAILED DESCRIPTION OF THE PROBLEM AND THE SCHOOL
7 DISTRICT'S RECOMMENDED SOLUTION.

8 (iii) ANY COMPLETED PROFESSIONAL STUDY REGARDING THE PROPOSED
9 PROJECT.

10 (iv) ANY CITATION OR REPORT FROM GOVERNMENT ENTITIES.

11 (v) THE ESTIMATED COST OF THE PROPOSED PROJECT, WITH DOCUMENTATION.

12 (vi) THE PROJECT CATEGORY.

13 (vii) A DESCRIPTION OF ANY LOCAL FUNDING THAT WILL BE USED FOR THE
14 PROPOSED PROJECT IF THE SCHOOL FACILITIES BOARD STAFF IS AVAILABLE FOR THE
15 REVIEW WITHIN THE TIME FRAME ESTABLISHED BY THE SCHOOL DISTRICT.

16 (viii) DOCUMENTATION ON ASSOCIATED INSURANCE COVERAGE, IF
17 APPLICABLE.

18 (f) IF THE APPLICATION IS FOR MONIES FROM THE BUILDING RENEWAL
19 GRANT FUND ESTABLISHED BY SECTION 15-2032, REQUIRE THE SCHOOL DISTRICT TO
20 REPORT THE PREVENTIVE MAINTENANCE ACTIVITIES COMPLETED DURING THE PREVIOUS
21 TWELVE MONTHS FOR THE FACILITY FOR WHICH THE MONIES ARE BEING REQUESTED.

22 (g) REQUIRE THAT AN INITIAL APPLICATION NOT BE CONSIDERED COMPLETE
23 UNTIL ALL NECESSARY INFORMATION IS SUBMITTED.

24 (h) ALLOW A SCHOOL DISTRICT TO SUBMIT AN INCOMPLETE APPLICATION AND
25 REQUEST TECHNICAL ASSISTANCE FROM THE STAFF OF THE BOARD IF THE SCHOOL
26 DISTRICT IS UNABLE TO PROVIDE SUFFICIENT INFORMATION IN THE INITIAL
27 APPLICATION.

28 (i) REQUIRE THAT A COMPLETE APPLICATION BE RECEIVED BY THE SCHOOL
29 FACILITIES BOARD AT LEAST FIFTEEN BUSINESS DAYS BEFORE THE NEXT REGULARLY
30 SCHEDULED BOARD MEETING IN ORDER FOR THE APPLICATION TO BE CONSIDERED AT
31 THAT MEETING. AN INCOMPLETE APPLICATION MAY BE CONSIDERED AT THAT MEETING
32 IF BOTH THE STAFF OF THE BOARD AND THE SUPERINTENDENT OF THE SCHOOL
33 DISTRICT DEEM THE PROJECT CRITICAL.

34 (j) ALLOW THE STAFF OF THE BOARD TO NOTIFY A SCHOOL DISTRICT IN
35 WRITING BEFORE REVIEW BY THE BOARD THAT THE PROPOSED PROJECT DOES NOT MEET
36 ELIGIBILITY CRITERIA PRESCRIBED IN THIS CHAPTER. THE WRITTEN NOTIFICATION
37 SHALL INCLUDE DOCUMENTATION TO SUPPORT THE STAFF'S DETERMINATION THAT THE
38 PROPOSED PROJECT DOES NOT MEET THE ELIGIBILITY CRITERIA PRESCRIBED IN THIS
39 CHAPTER. THE SCHOOL DISTRICT MAY DIRECTLY APPEAL THE STAFF'S
40 DETERMINATION OF INELIGIBILITY TO THE EXECUTIVE DIRECTOR OF THE BOARD.
41 THE SCHOOL DISTRICT MAY DIRECTLY APPEAL THE EXECUTIVE DIRECTOR'S
42 DETERMINATION OF INELIGIBILITY TO THE SCHOOL FACILITIES BOARD.

43 (k) PROHIBIT THE STAFF OF THE BOARD FROM REQUESTING THAT A SCHOOL
44 DISTRICT WITHDRAW A PROJECT APPLICATION FROM REVIEW BY THE BOARD IF THE

1 INITIAL STAFF REVIEW DETERMINES THAT THE PROPOSED PROJECT MAY BE
2 INELIGIBLE FOR MONIES FROM THE BOARD.

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

5 9. Submit electronically an annual report on or before December 15
6 to the speaker of the house of representatives, the president of the
7 senate, the superintendent of public instruction, the secretary of state
8 and the governor that includes the following information:

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

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

15 (c) A summary of the findings and conclusions of the building
16 maintenance inspections conducted pursuant to this article during the
17 previous fiscal year.

18 (d) A summary of the findings of common design elements and
19 characteristics of the highest performing schools and the lowest
20 performing schools based on academic productivity, including the results
21 of the parent quality rating survey. For the purposes of this
22 subdivision, "academic productivity" means academic year advancement per
23 calendar year as measured with student-level data using the statewide
24 nationally standardized norm-referenced achievement test.

25 10. On or before December 1 of each year, report electronically to
26 the joint committee on capital review the amounts necessary to fulfill the
27 requirements of sections 15-2022 and 15-2041 for the following three
28 fiscal years. In developing the amounts necessary for this report, the
29 school facilities board shall use the most recent average daily membership
30 data available. On request from the board, the department of education
31 shall make available the most recent average daily membership data for use
32 in calculating the amounts necessary to fulfill the requirements of
33 section 15-2041 for the following three fiscal years. The board shall
34 provide copies of the report to the president of the senate, the speaker
35 of the house of representatives and the governor.

36 11. Adopt minimum school facility adequacy guidelines to provide
37 the minimum quality and quantity of school buildings and the facilities
38 and equipment necessary and appropriate to enable pupils to achieve the
39 educational goals of the Arizona state schools for the deaf and the blind.
40 The school facilities board shall establish minimum school facility
41 adequacy guidelines applicable to the Arizona state schools for the deaf
42 and the blind.

43 12. In each even-numbered year, report electronically to the joint
44 committee on capital review the amounts necessary to fulfill the
45 requirements of section 15-2041 for the Arizona state schools for the deaf

1 and the blind for the following two fiscal years. The Arizona state
2 schools for the deaf and the blind shall incorporate the findings of the
3 report in any request for new school facilities monies. Any monies
4 provided to the Arizona state schools for the deaf and the blind for new
5 school facilities are subject to legislative appropriation.

6 13. On or before June 15 of each year, submit electronically
7 detailed information regarding demographic assumptions, a proposed
8 construction schedule and new school construction cost estimates for
9 individual projects approved in the current fiscal year and expected
10 project approvals for the upcoming fiscal year to the joint committee on
11 capital review for its review. A copy of the report shall also be
12 submitted electronically to the governor's office of strategic planning
13 and budgeting. The joint legislative budget committee staff, the
14 governor's office of strategic planning and budgeting staff and the school
15 facilities board staff shall agree on the format of the report.

16 14. Every two years, provide school districts with information on
17 improving and maintaining the indoor environmental quality in school
18 buildings.

19 15. On or before December 31 of each year, report to the joint
20 legislative budget committee on all class B bond approvals by school
21 districts in that year. Each school district shall report to the school
22 facilities board on or before December 1 of each year information required
23 by the school facilities board for the report prescribed in this
24 paragraph.

25 16. Validate proposed adjacent ways projects submitted by school
26 districts as prescribed in section 15-995.

27 B. The school facilities board may contract for the following
28 services in compliance with the procurement practices prescribed in title
29 41, chapter 23:

- 30 1. Private services.
- 31 2. Construction project management services.
- 32 3. Assessments for school buildings to determine if the buildings
33 have outlived their useful life pursuant to section 15-2041, subsection G.
- 34 4. Services related to land acquisition and development of a school
35 site.

36 C. The governor shall appoint an executive director of the school
37 facilities board pursuant to section 38-211. The executive director is
38 eligible to receive compensation as determined pursuant to section 38-611
39 and may hire and fire necessary staff subject to title 41, chapter 4,
40 article 4 and as approved by the legislature in the budget. The executive
41 director shall have demonstrated competency in school finance, facilities
42 design or facilities management, either in private business or government
43 service. The executive director serves at the pleasure of the governor.
44 The staff of the school facilities board is exempt from title 41, chapter
45 4, articles 5 and 6. The executive director:

- 1 1. Shall analyze applications for monies submitted to the board by
2 school districts.
- 3 2. Shall assist the board in developing forms and procedures for
4 the distribution and review of applications and the distribution of monies
5 to school districts.
- 6 3. May review or audit, or both, the expenditure of monies by a
7 school district for deficiencies corrections and new school facilities.
- 8 4. Shall assist the board in the preparation of the board's annual
9 report.
- 10 5. Shall research and provide reports on issues of general interest
11 to the board.
- 12 6. May aid school districts in the development of reasonable and
13 cost-effective school designs in order to avoid statewide duplicated
14 efforts and unwarranted expenditures in the area of school design.
- 15 7. May assist school districts in facilitating the development of
16 multijurisdictional facilities.
- 17 8. Shall assist the board in any other appropriate matter or method
18 as directed by the members of the board.
- 19 9. Shall establish procedures to ensure compliance with the notice
20 and hearing requirements prescribed in section 15-905. The notice and
21 hearing procedures adopted by the board shall include the requirement,
22 with respect to the board's consideration of any application filed after
23 July 1, 2001 or after December 31 of the year in which the property
24 becomes territory in the vicinity of a military airport or ancillary
25 military facility as defined in section 28-8461 for monies to fund the
26 construction of new school facilities proposed to be located in territory
27 in the vicinity of a military airport or ancillary military facility, that
28 the military airport receive notification of the application by first
29 class mail at least thirty days before any hearing concerning the
30 application.
- 31 10. May expedite any request for monies in which the local match
32 was not obtained for a project that received preliminary approval by the
33 state board for school capital facilities.
- 34 11. Shall expedite any request for monies in which the school
35 district governing board submits an application that shows an immediate
36 need for a new school facility.
- 37 12. Shall make a determination as to administrative completion
38 within one month after the receipt of an application by a school district
39 for monies from the new school facilities fund.
- 40 13. Shall provide technical support to school districts as
41 requested by school districts in connection with the construction of new
42 school facilities and the maintenance of existing school facilities and
43 may contract directly with construction project managers pursuant to
44 subsection B of this section. This paragraph does not restrict a school

1 district from contracting with a construction project manager using
2 district or state resources.

3 D. When appropriate, the school facilities board shall review and
4 use the statewide school facilities inventory and needs assessment
5 conducted by the joint committee on capital review and issued in July,
6 1995.

7 E. The school facilities board shall contract with one or more
8 private building inspectors to complete an initial assessment of school
9 facilities and equipment and shall inspect each school building in this
10 state at least once every five years to ensure compliance with section
11 15-2011. A copy of the inspection report, together with any
12 recommendations for building maintenance, shall be provided to the school
13 facilities board and the governing board of the school district.

14 F. The school facilities board may consider appropriate
15 combinations of facilities or uses in making assessments of and curing
16 deficiencies pursuant to subsection A, paragraph 1 of this section and in
17 certifying plans for new school facilities pursuant to subsection A,
18 paragraph 5 of this section.

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

21 H. The board shall not distribute monies to a school district for
22 replacement or repair of facilities if the costs associated with the
23 replacement or repair are covered by insurance or a performance or payment
24 bond.

25 I. The board may contract for construction services and materials
26 that are necessary to correct existing deficiencies in school district
27 facilities. The board may procure the construction services necessary
28 pursuant to this subsection by any method, including
29 construction-manager-at-risk, design-build, design-bid-build or
30 job-order-contracting as provided by title 41, chapter 23. The
31 construction planning and services performed pursuant to this subsection
32 are exempt from section 41-791.01.

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

37 K. Each school district shall develop routine **preventative**
38 **PREVENTIVE** maintenance guidelines for its facilities. The guidelines
39 shall include plumbing systems, electrical systems, heating, ventilation
40 and air conditioning systems, special equipment and other systems and for
41 roofing systems shall recommend visual inspections performed by district
42 staff for signs of structural stress and weakness. The guidelines shall
43 be submitted to the school facilities board for review and approval. If
44 on inspection by the school facilities board it is determined that a
45 school district facility was inadequately maintained pursuant to the

1 school district's routine ~~preventative~~ PREVENTIVE maintenance guidelines,
2 the school district shall return the building to compliance with the
3 school district's routine ~~preventative~~ PREVENTIVE maintenance guidelines.

4 L. The school facilities board may temporarily transfer monies
5 between the capital reserve fund established by section 15-2003, the
6 emergency deficiencies correction fund established by section 15-2022 and
7 the new school facilities fund established by section 15-2041 if all of
8 the following conditions are met:

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

11 2. The transferred monies are restored to the fund where the monies
12 originated as soon as practicable after the temporary shortfall in the
13 other fund has been addressed.

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

16 M. After notifying each school district, and if a written objection
17 from the school district is not received by the school facilities board
18 within thirty days of the notification, the school facilities board may
19 access public utility company records of power, water, natural gas,
20 telephone and broadband usage to assemble consistent and accurate data on
21 utility consumption at school facilities to determine the effectiveness of
22 facility design, operation and maintenance measures intended to reduce
23 energy and water consumption and costs. Any public utility that provides
24 service to a school district in this state shall provide the data
25 requested by the school facilities board pursuant to this subsection.

26 N. The school facilities board shall not require a common school
27 district that provides instruction to pupils in grade nine to obtain
28 approval from the school facilities board to reconfigure its school
29 facilities. A common school district that provides instruction to pupils
30 in grade nine is not entitled to additional monies from the school
31 facilities board for facilities to educate pupils in grade nine.

32 O. A SCHOOL DISTRICT MAY APPEAL THE DENIAL OF A REQUEST FOR MONIES
33 PURSUANT TO THIS CHAPTER OR ANY OTHER APPEALABLE AGENCY ACTION BY THE
34 SCHOOL FACILITIES BOARD PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10. FOR
35 THE PURPOSES OF THIS SUBSECTION, "APPEALABLE AGENCY ACTION" HAS THE SAME
36 MEANING PRESCRIBED IN SECTION 41-1092.

37 Sec. 4. Section 15-2032, Arizona Revised Statutes, is amended to
38 read:

39 15-2032. School facilities board; building renewal grant
40 fund; definitions

41 A. The building renewal grant fund is established consisting of
42 monies appropriated to the fund by the legislature. The school facilities
43 board shall administer the fund and distribute monies to school districts
44 for the purpose of maintaining the adequacy of existing school facilities.

1 Monies in the fund are exempt from the provisions of section 35-190
2 relating to lapsing of appropriations.

3 B. The school facilities board shall distribute monies from the
4 fund based on grant requests from school districts to fund primary
5 building renewal projects. Project requests shall be prioritized by the
6 school facilities board, with priority given to school districts that have
7 provided routine ~~preventative~~ PREVENTIVE maintenance on the facility, ~~and~~
8 ~~to school districts that can provide a match of monies provided by the~~
9 ~~fund~~. The school facilities board shall approve only projects that will
10 be completed within twelve months, unless similar projects on average take
11 longer to complete.

12 C. School districts that receive monies from the fund shall use
13 these monies on projects for buildings or any part of a building in the
14 school facilities board's database for any of the following:

15 1. Major renovations and repairs to a building THAT IS USED FOR
16 STUDENT INSTRUCTION OR OTHER ACADEMIC PURPOSES.

17 2. Upgrading systems and areas that will maintain or extend the
18 useful life of the building.

19 3. Infrastructure costs.

20 D. Monies received from the fund shall not be used for any of the
21 following purposes:

22 1. New construction.

23 2. Remodeling interior space for aesthetic or preferential reasons.

24 3. Exterior beautification.

25 4. Demolition.

26 5. Routine ~~preventative~~ PREVENTIVE maintenance.

27 6. Any project in a building, or part of a building, that is being
28 leased to another entity.

29 E. Accommodation schools are not eligible for monies from the
30 building renewal grant fund.

31 F. If the school facilities board or a court of competent
32 jurisdiction determines that a school district received monies from the
33 building renewal grant fund that must be reimbursed to the school
34 facilities board due to legal action associated with improper construction
35 by a hired contractor, the school district shall reimburse the school
36 facilities board an agreed-on amount for deposit into the building renewal
37 grant fund.

38 G. THE SCHOOL FACILITIES BOARD SHALL CATEGORIZE EACH PROJECT THAT
39 IS ELIGIBLE FOR MONIES FROM THE BUILDING RENEWAL GRANT FUND AS EITHER
40 CRITICAL OR NONCRITICAL. THE BOARD SHALL ADOPT POLICIES AND PROCEDURES TO
41 PRIORITIZE CRITICAL PROJECTS AND TO DESIGNATE CRITICAL PROJECTS AS
42 PROJECTS THAT IMMEDIATELY IMPACT STUDENT SAFETY OR BUILDING CLOSURES OR
43 THAT RESULT IN OPERATIONAL DISRUPTIONS.

44 H. IF THE SCHOOL FACILITIES BOARD DETERMINES THAT SUFFICIENT MONIES
45 ARE NOT AVAILABLE FOR A NONCRITICAL PROJECT THAT THE BOARD HAS APPROVED,

1 THE BOARD SHALL NOTIFY THE SCHOOL DISTRICT THAT SUBMITTED THE PROJECT
2 REQUEST THAT MONIES WILL BE DISTRIBUTED FROM THE BUILDING RENEWAL GRANT
3 FUND FOR THE PROJECT ONLY IF THE LEGISLATURE APPROPRIATES SUFFICIENT
4 MONIES.

5 ~~G.~~ I. For the purposes of this section:

6 1. "Primary building renewal projects" means projects that are
7 necessary for buildings owned by school districts that are required to
8 meet the minimum adequacy standards for student capacity and that fall
9 below the minimum school facility adequacy guidelines, as adopted by the
10 school facilities board pursuant to section 15-2011, for school districts
11 that have provided routine ~~preventative~~ PREVENTIVE maintenance to the
12 school facility.

13 2. "Routine ~~preventative~~ PREVENTIVE maintenance" means services
14 that are performed on a regular schedule at intervals ranging from four
15 times a year to once every three years, or on the schedule of services
16 recommended by the manufacturer of the specific building system or
17 equipment, and that are intended to extend the useful life of a building
18 system and reduce the need for major repairs.

19 3. "Student capacity" has the same meaning prescribed in section
20 15-2011.