

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

HOUSE BILL 2709

AN ACT

AMENDING SECTION 15-393, ARIZONA REVISED STATUTES; RELATING TO CAREER
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. Career technical education district governing board;
5 report; definitions

6 A. The management and control of a career technical education
7 district are vested in the career technical education district governing
8 board, including the content and quality of the courses offered by the
9 district, the quality of teachers who provide instruction on behalf of the
10 district, the salaries of teachers who provide instruction on behalf of
11 the district and the reimbursement of other entities for the facilities
12 used by the district. This section does not restrict a school district
13 from offering any career and technical education course that does not
14 qualify for funding as a career technical education course or career
15 technical education district program. Unless the governing boards of the
16 school districts participating in the formation of the career technical
17 education district vote to implement an alternative election system as
18 provided in subsection B of this section, the career technical education
19 board ~~shall consist~~ CONSISTS of five members elected from five single
20 member districts formed within the career technical education district.
21 The single member district election system shall be submitted as part of
22 the plan for the career technical education district pursuant to section
23 15-392 and shall be established in the plan as follows:

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

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

36 3. A person who is a registered voter of this state and who is a
37 resident of the single member district is eligible for election to the
38 office of career technical education board member from the single member
39 district. The terms of office of the members of the career technical
40 education board shall be as prescribed in section 15-427, subsection B.
41 An employee of a career technical education district or the spouse of an
42 employee shall not hold membership on a governing board of a career
43 technical education district by which the employee is employed. A member
44 of one school district governing board or career technical education
45 district governing board is ineligible to be a candidate for nomination or

1 election to or serve simultaneously as a member of any other governing
2 board, except that a member of a governing board may be a candidate for
3 nomination or election for any other governing board if the member is
4 serving in the last year of a term of office. A member of a governing
5 board shall resign the member's seat on the governing board before
6 becoming a candidate for nomination or election to the governing board of
7 any other school district or career technical education district, unless
8 the member of the governing board is serving in the last year of a term of
9 office. Members of a career technical education district governing board
10 are subject to the conflict of interest requirements prescribed in section
11 38-503.

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

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

22 C. The career technical education ~~district shall be~~ DISTRICTS ARE
23 subject to the following provisions of this title:

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

40 D. Notwithstanding subsection C of this section, the following
41 apply to a career technical education district:

- 42 1. A career technical education district may issue bonds for the
43 purposes specified in section 15-1021 and in chapter 4, article 5 of this
44 title to an amount in the aggregate, including the existing indebtedness,
45 not exceeding one percent of the net assessed value of the full cash value

1 of the property within the career technical education district. For the
2 purposes of this paragraph, "full cash value" and "net assessed value"
3 have the same meanings prescribed in section 42-11001.

4 2. The number of governing board members for a career technical
5 education district shall be as prescribed in subsection A of this section.

6 3. The student count for the first year of operation of a career
7 technical education district as provided in this article shall be
8 determined as follows:

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

22 (b) The student count for the new career technical education
23 district shall be the student count as determined in subdivision (a) of
24 this paragraph.

25 (c) For the first year of operation, the career technical education
26 district shall revise the student count to the actual average daily
27 membership as prescribed in section 15-901, subsection A, paragraph 1 for
28 students attending classes in the career technical education district. A
29 career technical education district shall revise its student count, the
30 base support level as provided in section 15-943.02, the revenue control
31 limit as provided in section 15-944.01 and the district additional
32 assistance as provided in section 15-962.01 before May 15. A career
33 technical education district that overestimated its student count shall
34 revise its budget before May 15. A career technical education district
35 that underestimated its student count may revise its budget before May 15.

36 (d) After March 15 of the first year of operation, the school
37 district of residence shall adjust its student count by reducing it to
38 reflect the courses actually taken at the career technical education
39 district. The school district of residence shall revise its student
40 count, the base support level as provided in section 15-943, the revenue
41 control limit as provided in section 15-944 and the district additional
42 assistance as provided in section 15-962.01 prior to May 15. A district
43 that underestimated the student count for students attending the career
44 technical education district shall revise its budget before May 15. A

1 district that overestimated the student count for students attending the
2 career technical education district may revise its budget before May 15.

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

5 (f) Pupils in an approved career technical education district
6 centralized program may generate an average daily membership of 1.0 during
7 any day of the week and at any time between July 1 and June 30 of each
8 fiscal year. For the purposes of this paragraph, "school district of
9 residence" means the school district that included the pupil in its
10 average daily membership for the year before the first year of operation
11 of the career technical education district and that would have included
12 the pupil in its student count for the purposes of computing its base
13 support level for the fiscal year of the first year of operation of the
14 career technical education district if the pupil had not enrolled in the
15 career technical education district.

16 4. A student includes any person enrolled in the career technical
17 education district without regard to the person's age or high school
18 graduation status, except that:

19 (a) A student in a kindergarten program or in any of grades one
20 through nine who enrolls in courses offered by the career technical
21 education district shall not be included in the career technical education
22 district's student count or average daily membership.

23 (b) A student in a kindergarten program or in any of grades one
24 through nine who is enrolled in career and technical education courses
25 shall not be funded in whole or in part with monies provided by a career
26 technical education district, except that a pupil in grade eight or nine
27 may be funded with monies generated by the five cent qualifying tax rate
28 authorized in subsection F of this section.

29 (c) A student who has graduated from high school or received a
30 general equivalency diploma or who is over twenty-one years of age shall
31 not be included in the student count of the career technical education
32 district for the purposes of chapter 9, articles 3, 4 and 5 of this title.

33 (d) A student who is enrolled in any internship course as part of a
34 career technical education district program shall not be included in the
35 student count of the career technical education district for that
36 internship course for the purposes of chapter 9, articles 3, 4 and 5 of
37 this title.

38 5. A career technical education district may operate for more than
39 one hundred eighty days per year, with expanded hours of service.

40 6. A career technical education district may use the carryforward
41 provisions of section 15-943.01.

42 7. A school district that is part of a career technical education
43 district shall use any monies received pursuant to this article to
44 supplement and not supplant base year career and technical education
45 courses, and directly related equipment and facilities, except that a

1 school district that is part of a career technical education district and
2 that has used monies received pursuant to this article to supplant career
3 and technical education courses that were offered before the first year
4 that the school district participated in the career technical education
5 district or the first year that the school district used monies received
6 pursuant to this article or that used the monies for purposes other than
7 for career and technical education courses shall use one hundred percent
8 of the monies received pursuant to this article to supplement and not
9 supplant base year career and technical education courses. Each
10 applicable school district shall provide a report to the career technical
11 education board and the department of education outlining the required
12 maintenance of effort and how monies were used to supplement and not
13 supplant base year career and technical education courses and directly
14 related equipment and facilities.

15 8. A career technical education district shall use any monies
16 received pursuant to this article to enhance and not supplant career and
17 technical education courses and directly related equipment and facilities.

18 9. A career technical education district or a school district that
19 is part of a career technical education district or a charter school shall
20 only include pupils in grades ten through twelve in ~~the calculation of~~
21 **CALCULATING** student count or average daily membership if the pupils are
22 enrolled in courses that are approved jointly by the governing board of
23 the career technical education district and each participating school
24 district or charter school for satellite courses taught within the
25 participating school district or charter school, or approved solely by the
26 career technical education district for centrally located courses.
27 Student count and average daily membership from courses that are not part
28 of an approved program for career and technical education shall not be
29 included in student count and average daily membership of a career
30 technical education district.

31 E. The career technical education board shall appoint a
32 superintendent as the executive officer of the career technical education
33 district.

34 F. Taxes may be levied ~~for the~~ **T0** support ~~of~~ the career technical
35 education district as prescribed in chapter 9, article 6 of this title,
36 except that a career technical education district shall not levy a
37 property tax pursuant to law that exceeds ~~five cents~~ **\$.05** per ~~one hundred~~
38 ~~dollars~~ **\$100** assessed valuation except for bond monies pursuant to
39 subsection D, paragraph 1 of this section. Except for the taxes levied
40 pursuant to section 15-994, such taxes shall be obtained from a levy of
41 taxes on the taxable property used for secondary tax purposes.

42 G. The schools in the career technical education district are
43 available to all persons who reside in the career technical education
44 district and to pupils whose school district of residence within this
45 state is paying tuition on behalf of the pupils to a district of

1 attendance that is a member of the career technical education district,
2 subject to the rules for admission prescribed by the career technical
3 education board.

4 H. The career technical education board may collect tuition for
5 adult students and the attendance of pupils who are residents of school
6 districts that are not participating in the career technical education
7 district pursuant to arrangements made between the governing board of the
8 school district and the career technical education board.

9 I. The career technical education board may accept gifts, grants,
10 federal monies, tuition and other allocations of monies to erect, repair
11 and equip buildings and for the cost ~~of operation of~~ TO OPERATE the
12 schools of the career technical education district.

13 J. One member of the career technical education board shall be
14 selected chairman. The chairman shall be selected annually on a rotation
15 basis from among the participating school districts. The chairman of the
16 career technical education board shall be a voting member.

17 K. A career technical education board and a community college
18 district, A NONPROFIT ORGANIZATION THAT IS DEVOTED TO VOCATIONAL TRAINING
19 OR A PUBLIC OR PRIVATE POSTSECONDARY INSTITUTION may enter into agreements
20 ~~for the provision of~~ TO PROVIDE administrative, operational and
21 educational services and facilities.

22 L. Any agreement between the governing board of a career technical
23 education district and another career technical education district, a
24 school district, a charter school, ~~or~~ a community college district, A
25 NONPROFIT ORGANIZATION OR A PUBLIC OR PRIVATE POSTSECONDARY INSTITUTION
26 shall be in the form of EITHER an intergovernmental agreement or other
27 written contract. The auditor general shall modify the uniform system of
28 financial records and budget forms in accordance with this subsection.
29 The intergovernmental agreement or other written contract shall completely
30 and accurately specify each of the following:

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

33 2. The accountability provisions of the intergovernmental agreement
34 or other written contract.

35 3. The responsibilities of each career technical education
36 district, each school district, each charter school, ~~and~~ each community
37 college district, EACH NONPROFIT ORGANIZATION AND EACH PUBLIC OR PRIVATE
38 POSTSECONDARY INSTITUTION that is a party to the intergovernmental
39 agreement or other written contract.

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

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

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

4 7. The amount that the career technical education district will
5 contribute to a course and the amount of support required by the school
6 district, ~~or the~~ community college, **NONPROFIT ORGANIZATION OR PUBLIC OR**
7 **PRIVATE POSTSECONDARY INSTITUTION.**

8 8. That the services provided by the career technical education
9 district, ~~the~~ school district, ~~the~~ charter school, ~~or the~~ community
10 college district, **NONPROFIT ORGANIZATION OR PUBLIC OR PRIVATE**
11 **POSTSECONDARY INSTITUTION** be proportionally calculated in the cost of
12 delivering the service.

13 9. That the payment for services shall not exceed the cost of the
14 services provided.

15 10. That the career technical education district will provide the
16 following minimum services for all member districts:

17 (a) Professional development of career and technical teachers in
18 the career technical education district who are teaching programs or
19 courses at a satellite campus.

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

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

25 M. A member school district or charter school may not submit
26 requests ~~for the approval~~ **TO APPROVE** or ~~addition of~~ **ADD** satellite campus
27 career technical education district programs or courses directly to the
28 career and technical education division of the department of education,
29 but shall submit all appropriate application documentation and materials
30 for programs or courses to the career technical education district. On
31 approval from the career technical education board, a career technical
32 education district shall only submit requests ~~for the approval~~ **TO APPROVE**
33 or ~~addition of~~ **ADD** satellite campus career technical education district
34 programs or courses directly to the career and technical education
35 division of the department of education, which shall determine whether the
36 criteria prescribed in section 15-391, paragraphs 2 and 4 have been
37 met. If the career and technical education division of the department of
38 education determines that a course does not meet the criteria for approval
39 as a career technical education course, the governing board of the career
40 technical education district may appeal this decision to the state board
41 of education acting as the state board of vocational education.

42 N. Notwithstanding any other law, the average daily membership for
43 a pupil who is enrolled in a career technical education course and who
44 does not meet the criteria specified in subsection P or Q of this section
45 shall be 0.25 for each course, except the sum of the average daily

1 membership shall not exceed the limits prescribed by subsection D, P or Q
2 of this section, as applicable.

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

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

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

- 40 1. The course qualifies as a career technical education course.
- 41 2. The course is offered to all eligible students in each member
42 district of the career technical education district and enrolls students
43 from multiple high schools.
- 44 3. The career technical education district program in which the
45 course is included addresses a specific industry need and has been

1 developed in cooperation with that industry, or the leased facility is a
2 state or federal asset that would otherwise be unused or underutilized.

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

8 R. A student who is enrolled in an accommodation school may be
9 treated as a student of the school district in which the student
10 physically resides for the purposes of enrollment in a career technical
11 education district and shall be included in the calculation of average
12 daily membership for either the career technical education district or the
13 accommodation school, or both.

14 S. Notwithstanding any other law, the student count for a career
15 technical education district ~~shall be~~ IS equivalent to the career
16 technical education district's average daily membership.

17 T. A school district or charter school may not prohibit or
18 discourage students who are enrolled in that school district or charter
19 school from attending courses offered by a career technical education
20 district, including requiring students to generate a full 1.0 average
21 daily membership or to enroll in more courses than are needed to graduate
22 before enrolling in and attending programs or courses offered by a career
23 technical education district.

24 U. The governing board of the career technical education district
25 may contract with any charter school that is located within the boundaries
26 of the career technical education district to allow that charter school to
27 offer career and technical education courses or programs as a satellite
28 campus.

29 V. Beginning in 2020 and every five years thereafter, the career
30 and technical education division of the department of education shall
31 review career technical education district programs and career technical
32 education courses to ensure compliance, quality and eligibility. Any
33 program or course deemed to not meet the requirements set forth by law
34 shall not be funded for the current school year and shall be removed from
35 the approved program and course list for the purposes of funding. The
36 career and technical education division may establish a staggered schedule
37 for reviewing each career technical education district.

38 W. For the purposes of this section:

39 1. "Base year" means the complete school year in which voters of a
40 school district elected to join a career technical education district.

41 2. "Centralized campus" means a facility that is owned and operated
42 by a career technical education district ~~for the purpose of offering TO~~
43 OFFER career technical education district programs or career technical
44 education courses.

1 3. "Lease" means a written agreement in which the right ~~of~~
2 ~~occupancy~~ **TO OCCUPY** or use ~~of~~ real property is conveyed from one person or
3 entity to another person or entity for a specified period of time.

4 4. "Leased centralized campus" means a facility that is leased and
5 operated by a career technical education district for the purpose of
6 offering career technical education district programs or career technical
7 education courses.

8 5. "Satellite campus" means a facility that is owned or operated by
9 a school district or charter school ~~for the purpose of offering~~ **TO OFFER**
10 career technical education district programs or career technical education
11 courses.