

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

SENATE BILL 1071

AN ACT

AMENDING TITLE 15, CHAPTER 1, ARTICLE 8, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-189.06; AMENDING SECTION 15-203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2018, CHAPTER 78, SECTION 2 AND CHAPTER 315, SECTION 1; REPEALING SECTION 15-203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2018, CHAPTER 78, SECTION 2 AND CHAPTER 111, SECTION 1; AMENDING SECTION 15-341, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2018, CHAPTER 285, SECTION 8 AND CHAPTER 292, SECTION 2; REPEALING SECTION 15-341, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2018, CHAPTER 329, SECTION 1; AMENDING SECTIONS 15-501, 15-503, 15-537, 15-701, 15-795.01 AND 15-977, ARIZONA REVISED STATUTES; RELATING TO SCHOOL PERSONNEL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 15, chapter 1, article 8, Arizona Revised
3 Statutes, is amended by adding section 15-189.06, to read:

4 15-189.06. Charter schools; teacher performance evaluation
5 systems; principal evaluation policies

6 A. EACH CHARTER SCHOOL GOVERNING BODY SHALL ESTABLISH A SYSTEM TO
7 EVALUATE THE PERFORMANCE OF TEACHERS IN THE CHARTER SCHOOL THAT RESULTS IN
8 AT LEAST ONE EVALUATION OF EACH TEACHER BY A QUALIFIED EVALUATOR EACH
9 SCHOOL YEAR. EACH GOVERNING BODY SHALL ESTABLISH A TEACHER PERFORMANCE
10 EVALUATION SYSTEM THAT MEETS ALL OF THE FOLLOWING CRITERIA:

11 1. IS DESIGNED TO IMPROVE TEACHER PERFORMANCE AND STUDENT
12 ACHIEVEMENT.

13 2. INCLUDES THE USE OF QUANTITATIVE DATA ON THE ACADEMIC PROGRESS
14 FOR ALL STUDENTS, WHICH SHALL ACCOUNT FOR BETWEEN TWENTY PERCENT AND
15 THIRTY-THREE PERCENT OF THE EVALUATION OUTCOMES.

16 3. INCLUDES FOUR PERFORMANCE CLASSIFICATIONS, DESIGNATED AS HIGHLY
17 EFFECTIVE, EFFECTIVE, DEVELOPING AND INEFFECTIVE.

18 B. EACH CHARTER SCHOOL GOVERNING BODY SHALL ADOPT IN A PUBLIC
19 MEETING POLICIES TO IMPLEMENT FOR PRINCIPAL EVALUATIONS AT THE CHARTER
20 SCHOOL. BEFORE ADOPTING PRINCIPAL EVALUATION POLICIES, THE GOVERNING BODY
21 SHALL PROVIDE OPPORTUNITIES FOR PUBLIC DISCUSSION ON THE PROPOSED
22 POLICIES. FOR CHARTER HOLDERS, THE PRINCIPAL EVALUATION POLICIES APPLY TO
23 EACH CHARTER SCHOOL'S INSTRUCTIONAL LEADER WHOSE PRIMARY RESPONSIBILITY IS
24 TO OVERSEE THE ACADEMIC PERFORMANCE OF THE CHARTER SCHOOL. THIS
25 SUBSECTION DOES NOT APPLY TO AN OFFICER, DIRECTOR, MEMBER OR PARTNER OF
26 THE CHARTER HOLDER. EACH GOVERNING BODY SHALL ADOPT PRINCIPAL EVALUATION
27 POLICIES THAT MEET ALL OF THE FOLLOWING CRITERIA:

28 1. ARE DESIGNED TO IMPROVE PRINCIPAL PERFORMANCE AND STUDENT
29 ACHIEVEMENT.

30 2. INCLUDE THE USE OF QUANTITATIVE DATA ON THE ACADEMIC PROGRESS
31 FOR ALL STUDENTS, WHICH SHALL ACCOUNT FOR BETWEEN TWENTY PERCENT AND
32 THIRTY-THREE PERCENT OF THE EVALUATION OUTCOMES.

33 3. INCLUDE FOUR PERFORMANCE CLASSIFICATIONS, DESIGNATED AS HIGHLY
34 EFFECTIVE, EFFECTIVE, DEVELOPING AND INEFFECTIVE.

35 4. DESCRIBE BOTH OF THE FOLLOWING:

36 (a) THE METHODS USED TO EVALUATE THE PERFORMANCE OF PRINCIPALS,
37 INCLUDING THE DATA USED TO MEASURE STUDENT PERFORMANCE AND JOB
38 EFFECTIVENESS.

39 (b) THE FORMULA USED TO DETERMINE EVALUATION OUTCOMES.

40 Sec. 2. Section 15-203, Arizona Revised Statutes, as amended by
41 Laws 2018, chapter 78, section 2 and chapter 315, section 1, is amended to
42 read:

43 15-203. Powers and duties

44 A. The state board of education shall:

- 1 1. Exercise general supervision over and regulate the conduct of
2 the public school system and adopt any rules and policies it deems
3 necessary to accomplish this purpose.
- 4 2. Keep a record of its proceedings.
- 5 3. Make rules for its own government.
- 6 4. Determine the policy and work undertaken by it.
- 7 5. Subject to title 41, chapter 4, article 4, employ staff.
- 8 6. Prescribe and supervise the duties of its employees pursuant to
9 title 41, chapter 4, article 4, if not otherwise prescribed by statute.
- 10 7. Delegate to the superintendent of public instruction the
11 execution of board policies and rules.
- 12 8. Recommend to the legislature changes or additions to the
13 statutes pertaining to schools.
- 14 9. Prepare, publish and distribute reports concerning the
15 educational welfare of this state.
- 16 10. Prepare a budget for expenditures necessary for proper
17 maintenance of the board and accomplishment of its purposes and present
18 the budget to the legislature.
- 19 11. Aid in the enforcement of laws relating to schools.
- 20 12. Prescribe a minimum course of study in the common schools,
21 minimum competency requirements for the promotion of pupils from the third
22 grade and minimum course of study and competency requirements for the
23 promotion of pupils from the eighth grade. The state board of education
24 shall prepare a fiscal impact statement of any proposed changes to the
25 minimum course of study or competency requirements and, on completion,
26 shall send a copy to the director of the joint legislative budget
27 committee and the executive director of the school facilities board. The
28 state board of education shall not adopt any changes in the minimum course
29 of study or competency requirements in effect on July 1, 1998 that will
30 have a fiscal impact on school capital costs.
- 31 13. Prescribe minimum course of study and competency requirements
32 for the graduation of pupils from high school. The state board of
33 education shall prepare a fiscal impact statement of any proposed changes
34 to the minimum course of study or competency requirements and, on
35 completion, shall send a copy to the director of the joint legislative
36 budget committee and the executive director of the school facilities
37 board. The state board of education shall not adopt any changes in the
38 minimum course of study or competency requirements in effect on July 1,
39 1998 that will have a fiscal impact on school capital costs.
- 40 14. Pursuant to section 15-501.01, supervise and control the
41 certification of persons engaged in instructional work directly as any
42 classroom, laboratory or other teacher or indirectly as a supervisory
43 teacher, speech therapist, principal or superintendent in a school
44 district, including school district preschool programs, or any other

1 educational institution below the community college, college or university
2 level, and prescribe rules for certification.

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

9 16. Adopt rules governing the methods for the administration of all
10 proficiency examinations.

11 17. Adopt proficiency examinations for its use. ~~The state board of~~
12 ~~education shall~~ AND determine the passing score for the proficiency
13 examinations.

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

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

21 20. Impose such disciplinary action, including the issuance of a
22 letter of censure, suspension, suspension with conditions or revocation of
23 a certificate, on a finding of immoral or unprofessional conduct.

24 21. Establish an assessment, data gathering and reporting system
25 for pupil performance as prescribed in chapter 7, article 3 of this title,
26 including qualifying examinations for the college credit by examination
27 incentive program pursuant to section 15-249.06.

28 22. Adopt a rule to promote braille literacy pursuant to section
29 15-214.

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

33 24. For purposes of federal law, serve as the state board for
34 vocational and technological education and meet at least four times each
35 year solely to execute the powers and duties of the state board for
36 vocational and technological education.

37 25. Develop and maintain a handbook for use in the schools of this
38 state that provides guidance for the teaching of moral, civic and ethical
39 education. The handbook shall promote existing curriculum frameworks and
40 shall encourage school districts to recognize moral, civic and ethical
41 values within instructional and programmatic educational development
42 programs for the general purpose of instilling character and ethical
43 principles in pupils in kindergarten programs and grades one through
44 twelve.

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

6 We hold these truths to be self-evident, that all men
7 are created equal, that they are endowed by their creator with
8 certain unalienable rights, that among these are life, liberty
9 and the pursuit of happiness. That to secure these rights,
10 governments are instituted among men, deriving their just
11 powers from the consent of the governed. . . .

12 27. Adopt rules that provide for certification reciprocity pursuant
13 to section 15-501.01.

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

17 (a) Currently resides in this state.

18 (b) Provides documented evidence from the department of veterans'
19 services that the person enlisted in the armed forces of the United States
20 and served in World War I, World War II, the Korean conflict or the
21 Vietnam conflict.

22 29. Cooperate with the Arizona-Mexico commission in the governor's
23 office and with researchers at universities in this state to collect data
24 and conduct projects in the United States and Mexico on issues that are
25 within the scope of the duties of the department of education and that
26 relate to quality of life, trade and economic development in this state in
27 a manner that will help the Arizona-Mexico commission to assess and
28 enhance the economic competitiveness of this state and of the
29 Arizona-Mexico region.

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

33 31. Adopt guidelines to encourage pupils in grades nine, ten,
34 eleven and twelve to volunteer for twenty hours of community service
35 before graduation from high school. A school district that complies with
36 the guidelines adopted pursuant to this paragraph is not liable for
37 damages resulting from a pupil's participation in community service unless
38 the school district is found to have demonstrated wanton or reckless
39 disregard for the safety of the pupil and other participants in community
40 service. For the purposes of this paragraph, "community service" may
41 include service learning. The guidelines shall include the following:

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

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

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

3 (d) Orientation and notification procedures of community service
4 opportunities for pupils entering grade nine, including the development of
5 a notification form. The notification form shall be signed by the pupil
6 and the pupil's parent or guardian, except that a pupil shall not be
7 required to participate in community service if the parent or guardian
8 notifies the principal of the pupil's school in writing that the parent or
9 guardian does not wish the pupil to participate in community service.

10 (e) Procedures for a pupil in grade nine to prepare a written
11 proposal that outlines the type of community service that the pupil would
12 like to perform and the goals that the pupil hopes to achieve as a result
13 of community service. The pupil's written proposal shall be reviewed by a
14 faculty advisor, a guidance counselor or any other school employee who is
15 designated as the community service program coordinator for that school.
16 The pupil may alter the written proposal at any time before performing
17 community service.

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

22 32. To facilitate the transfer of military personnel and their
23 dependents to and from the public schools of this state, pursue, in
24 cooperation with the Arizona board of regents, reciprocity agreements with
25 other states concerning the transfer credits for military personnel and
26 their dependents. A reciprocity agreement entered into pursuant to this
27 paragraph shall:

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

29 (i) The transfer of student records.

30 (ii) Awarding credit for completed coursework.

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

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

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

43 34. For each of the alternative textbook formats of human-voiced
44 audio, large-print and braille, designate alternative media producers to
45 adapt existing standard print textbooks or to provide specialized

1 textbooks, or both, for pupils with disabilities in this state. Each
2 alternative media producer shall be capable of producing alternative
3 textbooks in all relevant subjects in at least one of the alternative
4 textbook formats. The board shall post the designated list of alternative
5 media producers on its website.

6 35. Adopt a list of approved professional development training
7 providers for use by school districts as provided in section 15-107,
8 subsection J. The professional development training providers shall meet
9 the training curriculum requirements determined by the state board of
10 education in at least the areas of school finance, governance, employment,
11 staffing, inventory and human resources, internal controls and
12 procurement.

13 36. Adopt rules to prohibit a person who violates the notification
14 requirements prescribed in section 15-183, subsection C, paragraph 8 or
15 section 15-550, subsection C from certification pursuant to this title
16 until the person is no longer charged or is acquitted of any offenses
17 listed in section 41-1758.03, subsection B. The state board shall also
18 adopt rules to prohibit a person who violates the notification
19 requirements, certification surrender requirements or fingerprint
20 clearance card surrender requirements prescribed in section 15-183,
21 subsection C, paragraph 9 or section 15-550, subsection D from
22 certification pursuant to this title for at least ten years after the date
23 of the violation.

24 37. Adopt rules for the alternative certification of teachers of
25 nontraditional foreign languages that allow for the passing of a
26 nationally accredited test to substitute for the education coursework
27 required for certification.

~~28 38. Adopt and maintain a model framework for a teacher and
29 principal evaluation instrument that includes quantitative data on student
30 academic progress that accounts for between thirty-three percent and fifty
31 percent of the evaluation outcomes. The framework shall include four
32 performance classifications, designated as highly effective, effective,
33 developing and ineffective, and guidelines for school districts and
34 charter schools to use in their evaluation instruments. The state board
35 of education shall adopt best practices for professional development and
36 evaluator training. The state board of education may periodically make
37 adjustments to align the model framework for teacher and principal
38 evaluations with assessment or data changes at the state level. School
39 districts and charter schools shall use an instrument that meets the data
40 requirements established by the state board of education to annually
41 evaluate individual teachers and principals. School districts and charter
42 schools shall adopt definitions for the performance classifications
43 adopted by the state board of education in a public meeting and apply the
44 performance classifications to their evaluation instruments in a manner
45 designed to improve principal and teacher performance. For charter~~

~~holders, the principal evaluation instrument applies to each charter school's instructional leader whose primary responsibility is to oversee the academic performance of the charter school. This paragraph does not apply to an officer, director, member or partner of the charter holder. The school district governing board shall discuss at a public meeting at least annually its aggregate performance classifications of principals and teachers.~~

~~39.~~ 38. Adopt rules to define competency-based educational pathways for college and career readiness that may be used by schools. The rules shall include the following components:

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

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

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

~~40.~~ 39. In consultation with the department of health services, the department of education, medical professionals, school health professionals, school administrators and an organization that represents school nurses in this state, adopt rules that prescribe the following for school districts and charter schools:

(a) Annual training in the administration of auto-injectable epinephrine for designated medical and nonmedical school personnel. The annual training prescribed in this subdivision is optional during any fiscal year in which a school does not stock epinephrine auto-injectors at the school during that fiscal year.

(b) Annual training for all school site personnel on the recognition of anaphylactic shock symptoms and the procedures to follow when anaphylactic shock occurs, following the national guidelines of the American academy of pediatrics. The annual training prescribed in this subdivision is optional during any fiscal year in which a school does not stock epinephrine auto-injectors at the school during that fiscal year.

(c) Procedures for the administration of epinephrine auto-injectors in emergency situations.

(d) Procedures for annually requesting a standing order for epinephrine auto-injectors pursuant to section 15-157 from the chief medical officer of the department of health services, the chief medical officer of a county health department, a doctor of medicine licensed pursuant to title 32, chapter 13 or a doctor of osteopathic medicine licensed pursuant to title 32, chapter 17.

(e) Procedures for reporting the use of epinephrine auto-injectors to the department of health services.

1 ~~41.~~ 40. In consultation with the department of education, medical
2 professionals, school health professionals, school administrators and an
3 organization that represents school nurses in this state, adopt rules that
4 prescribe the following for school districts and charter schools that
5 elect to administer inhalers:

6 (a) Annual training in the recognition of respiratory distress
7 symptoms and the procedures to follow when respiratory distress occurs, in
8 accordance with good clinical practice, and the administration of
9 inhalers, as directed on the prescription protocol, by designated medical
10 and nonmedical school personnel.

11 (b) Requirements for school districts and charter schools that
12 elect to administer inhalers to designate at least two employees at each
13 school to be trained in the recognition of respiratory distress symptoms
14 and the procedures to follow when respiratory distress occurs, in
15 accordance with good clinical practice, and at least two employees at each
16 school to be trained in the administration of inhalers, as directed on the
17 prescription protocol.

18 (c) Procedures for the administration of inhalers in emergency
19 situations, as directed on the prescription protocol.

20 (d) Procedures for annually requesting a standing order for
21 inhalers and spacers or holding chambers pursuant to section 15-158 from
22 the chief medical officer of a county health department, a physician
23 licensed pursuant to title 32, chapter 13 or 17 or a nurse practitioner
24 licensed pursuant to title 32, chapter 15.

25 (e) Procedures for notifying a parent once an inhaler has been
26 administered.

27 41. ADOPT RULES FOR CERTIFICATION THAT ALLOW SUBSTITUTE TEACHERS
28 WHO CAN DEMONSTRATE PRIMARY TEACHING RESPONSIBILITY IN A CLASSROOM AS
29 DEFINED BY THE STATE BOARD OF EDUCATION TO USE THE TIME SPENT IN THAT
30 CLASSROOM TOWARD THE REQUIRED CAPSTONE EXPERIENCE FOR STANDARD TEACHING
31 CERTIFICATION.

32 B. The state board of education may:

33 1. Contract.

34 2. Sue and be sued.

35 3. Distribute and score the tests prescribed in chapter 7, article
36 3 of this title.

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

1 5. Proceed with the disposal of any complaint requesting
2 disciplinary action or with any disciplinary action against a person
3 holding a certificate as prescribed in subsection A, paragraph 14 of this
4 section after the suspension or expiration of the certificate or surrender
5 of the certificate by the holder.

6 6. Assess costs and reasonable attorney fees against a person who
7 files a frivolous complaint or who files a complaint in bad faith. Costs
8 assessed pursuant to this paragraph shall not exceed the expenses incurred
9 by the department of education in the investigation of the complaint.

10 Sec. 3. Repeal

11 Section 15-203, Arizona Revised Statutes, as amended by Laws 2018,
12 chapter 78, section 2 and chapter 111, section 1, is repealed.

13 Sec. 4. Section 15-341, Arizona Revised Statutes, as amended by
14 Laws 2018, chapter 285, section 8 and chapter 292, section 2, is amended
15 to read:

16 15-341. General powers and duties; immunity; delegation

17 A. The governing board shall:

18 1. Prescribe and enforce policies and procedures for the governance
19 of the schools that are not inconsistent with law or rules prescribed by
20 the state board of education.

21 2. Exclude from schools all books, publications, papers or
22 audiovisual materials of a sectarian, partisan or denominational
23 character. This paragraph does not prohibit the elective course permitted
24 by section 15-717.01.

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

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

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

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

32 7. Construct school buildings on approval by a vote of the district
33 electors.

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

36 9. Purchase school sites when authorized by a vote of the district
37 at an election conducted as nearly as practicable in the same manner as
38 the election provided in section 15-481 and held on a date prescribed in
39 section 15-491, subsection E, but such authorization shall not necessarily
40 specify the site to be purchased and such authorization shall not be
41 necessary to exchange unimproved property as provided in section 15-342,
42 paragraph 23.

43 10. Construct, improve and furnish buildings used for school
44 purposes when such buildings or premises are leased from the national park
45 service.

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

4 12. Hold pupils to strict account for disorderly conduct on school
5 property.

6 13. Discipline students for disorderly conduct on the way to and
7 from school.

8 14. Except as provided in section 15-1224, deposit all monies
9 received by the district as gifts, grants and devises with the county
10 treasurer who shall credit the deposits as designated in the uniform
11 system of financial records. If not inconsistent with the terms of the
12 gifts, grants and devises given, any balance remaining after expenditures
13 for the intended purpose of the monies have been made shall be used for
14 reduction of school district taxes for the budget year, except that in the
15 case of accommodation schools the county treasurer shall carry the balance
16 forward for use by the county school superintendent for accommodation
17 schools for the budget year.

18 15. Provide that, if a parent or legal guardian chooses not to
19 accept a decision of the teacher as provided in paragraph 42 of this
20 subsection, the parent or legal guardian may request in writing that the
21 governing board review the teacher's decision. This paragraph does not
22 release school districts from any liability relating to a child's
23 promotion or retention.

24 16. Provide for adequate supervision over pupils in instructional
25 and noninstructional activities by certificated or noncertificated
26 personnel.

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

30 18. Make an annual report to the county school superintendent on or
31 before October 1 in the manner and form and on the blanks prescribed by
32 the superintendent of public instruction or county school superintendent.
33 The board shall also make reports directly to the county school
34 superintendent or the superintendent of public instruction whenever
35 required.

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

42 20. Establish bank accounts in which the board during a month may
43 deposit miscellaneous monies received directly by the district. The board
44 shall remit monies deposited in the bank accounts at least monthly to the

1 county treasurer for deposit as provided in paragraph 19 of this
2 subsection and in accordance with the uniform system of financial records.

3 21. Prescribe and enforce policies and procedures for disciplinary
4 action against a teacher who engages in conduct that is a violation of the
5 policies of the governing board but that is not cause for dismissal of the
6 teacher or for revocation of the certificate of the teacher. Disciplinary
7 action may include suspension without pay for a period of time not to
8 exceed ten school days. Disciplinary action shall not include suspension
9 with pay or suspension without pay for a period of time longer than ten
10 school days. The procedures shall include notice, hearing and appeal
11 provisions for violations that are cause for disciplinary action. The
12 governing board may designate a person or persons to act on behalf of the
13 board on these matters.

14 22. Prescribe and enforce policies and procedures for disciplinary
15 action against an administrator who engages in conduct that is a violation
16 of the policies of the governing board regarding duties of administrators
17 but that is not cause for dismissal of the administrator or for revocation
18 of the certificate of the administrator. Disciplinary action may include
19 suspension without pay for a period of time not to exceed ten school days.
20 Disciplinary action shall not include suspension with pay or suspension
21 without pay for a period of time longer than ten school days. The
22 procedures shall include notice, hearing and appeal provisions for
23 violations that are cause for disciplinary action. The governing board
24 may designate a person or persons to act on behalf of the board on these
25 matters. For violations that are cause for dismissal, the provisions of
26 notice, hearing and appeal in chapter 5, article 3 of this title shall
27 apply. The filing of a timely request for a hearing suspends the
28 imposition of a suspension without pay or a dismissal pending completion
29 of the hearing.

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

34 24. Prescribe and enforce policies and procedures relating to the
35 health and safety of all pupils participating in district-sponsored
36 practice sessions or games or other interscholastic athletic activities,
37 including:

38 (a) The provision of water.

39 (b) Guidelines, information and forms, developed in consultation
40 with a statewide private entity that supervises interscholastic
41 activities, to inform and educate coaches, pupils and parents of the
42 dangers of concussions and head injuries and the risks of continued
43 participation in athletic activity after a concussion. The policies and
44 procedures shall require that, before a pupil participates in an athletic
45 activity, the pupil and the pupil's parent must sign an information form

1 at least once each school year that states that the parent is aware of the
2 nature and risk of concussion. The policies and procedures shall require
3 that a pupil who is suspected of sustaining a concussion in a practice
4 session, game or other interscholastic athletic activity be immediately
5 removed from the athletic activity and that the pupil's parent or guardian
6 be notified. A coach from the pupil's team or an official or a licensed
7 health care provider may remove a pupil from play. A team parent may also
8 remove the parent's own child from play. A pupil may return to play on
9 the same day if a health care provider rules out a suspected concussion at
10 the time the pupil is removed from play. On a subsequent day, the pupil
11 may return to play if the pupil has been evaluated by and received written
12 clearance to resume participation in athletic activity from a health care
13 provider who has been trained in the evaluation and management of
14 concussions and head injuries. A health care provider who is a volunteer
15 and who provides clearance to participate in athletic activity on the day
16 of the suspected injury or on a subsequent day is immune from civil
17 liability with respect to all decisions made and actions taken that are
18 based on good faith implementation of the requirements of this
19 subdivision, except in cases of gross negligence or wanton or wilful
20 neglect. A school district, school district employee, team coach,
21 official or team volunteer or a parent or guardian of a team member is not
22 subject to civil liability for any act, omission or policy undertaken in
23 good faith to comply with the requirements of this subdivision or for a
24 decision made or an action taken by a health care provider. A group or
25 organization that uses property or facilities owned or operated by a
26 school district for athletic activities shall comply with the requirements
27 of this subdivision. A school district and its employees and volunteers
28 are not subject to civil liability for any other person or organization's
29 failure or alleged failure to comply with the requirements of this
30 subdivision. This subdivision does not apply to teams that are based in
31 another state and that participate in an athletic activity in this state.
32 For the purposes of this subdivision, athletic activity does not include
33 dance, rhythmic gymnastics, competitions or exhibitions of academic skills
34 or knowledge or other similar forms of physical noncontact activities,
35 civic activities or academic activities, whether engaged in for the
36 purposes of competition or recreation. For the purposes of this
37 subdivision, "health care provider" means a physician who is licensed
38 pursuant to title 32, chapter 13 or 17, an athletic trainer who is
39 licensed pursuant to title 32, chapter 41, a nurse practitioner who is
40 licensed pursuant to title 32, chapter 15, and a physician assistant who
41 is licensed pursuant to title 32, chapter 25.

42 (c) Guidelines, information and forms that are developed in
43 consultation with a statewide private entity that supervises
44 interscholastic activities to inform and educate coaches, pupils and
45 parents of the dangers of heat-related illnesses, sudden cardiac death and

1 prescription opioid use. Before a pupil participates in any
2 district-sponsored practice session, ~~OR~~ OR game or other interscholastic
3 athletic activity, the pupil and the pupil's parent must be provided with
4 information at least once each school year on the risks of heat-related
5 illnesses, sudden cardiac death and prescription opioid addiction.

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

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

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

13 28. Ensure that insurance coverage is secured for all construction
14 projects for purposes of general liability, property damage and workers'
15 compensation and secure performance and payment bonds for all construction
16 projects.

17 29. Keep in the personnel file of all current and former employees
18 who provide instruction to pupils at a school information about the
19 employee's educational and teaching background and experience in a
20 particular academic content subject area. A school district shall inform
21 parents and guardians of the availability of the information and shall
22 make the information available for inspection on request of parents and
23 guardians of pupils enrolled at a school. This paragraph does not require
24 any school to release personally identifiable information in relation to
25 any teacher or employee, including the teacher's or employee's address,
26 salary, social security number or telephone number.

27 30. Report to local law enforcement agencies any suspected crime
28 against a person or property that is a serious offense as defined in
29 section 13-706 or that involves a deadly weapon or dangerous instrument or
30 serious physical injury and any conduct that poses a threat of death or
31 serious physical injury to employees, students or anyone on the property
32 of the school. This paragraph does not limit or preclude the reporting by
33 a school district or an employee of a school district of suspected crimes
34 other than those required to be reported by this paragraph. For the
35 purposes of this paragraph, "dangerous instrument", "deadly weapon" and
36 "serious physical injury" have the same meanings prescribed in section
37 13-105.

38 31. In conjunction with local law enforcement agencies and
39 emergency response agencies, develop an emergency response plan for each
40 school in the school district in accordance with minimum standards
41 developed jointly by the department of education and the division of
42 emergency management within the department of emergency and military
43 affairs.

1 32. Provide written notice to the parents or guardians of all
2 students enrolled in the school district at least ten days before a public
3 meeting to discuss closing a school within the school district. The
4 notice shall include the reasons for the proposed closure and the time and
5 place of the meeting. The governing board shall fix a time for a public
6 meeting on the proposed closure not less than ten days before voting in a
7 public meeting to close the school. The school district governing board
8 shall give notice of the time and place of the meeting. At the time and
9 place designated in the notice, the school district governing board shall
10 hear reasons for or against closing the school. The school district
11 governing board is exempt from this paragraph if the governing board
12 determines that the school shall be closed because it poses a danger to
13 the health or safety of the pupils or employees of the school. A
14 governing board may consult with the school facilities board for technical
15 assistance and for information on the impact of closing a school. The
16 information provided from the school facilities board shall not require
17 the governing board to take or not take any action.

18 33. Incorporate instruction on Native American history into
19 appropriate existing curricula.

20 34. Prescribe and enforce policies and procedures:

21 (a) Allowing pupils who have been diagnosed with anaphylaxis by a
22 health care provider licensed pursuant to title 32, chapter 13, 14, 17 or
23 25 or by a registered nurse practitioner licensed and certified pursuant
24 to title 32, chapter 15 to carry and self-administer emergency
25 medications, including epinephrine auto-injectors, while at school and at
26 school-sponsored activities. The pupil's name on the prescription label
27 on the medication container or on the medication device and annual written
28 documentation from the pupil's parent or guardian to the school that
29 authorizes possession and self-administration is sufficient proof that the
30 pupil is entitled to the possession and self-administration of the
31 medication. The policies shall require a pupil who uses an epinephrine
32 auto-injector while at school and at school-sponsored activities to notify
33 the nurse or the designated school staff person of the use of the
34 medication as soon as practicable. A school district and its employees
35 are immune from civil liability with respect to all decisions made and
36 actions taken that are based on good faith implementation of the
37 requirements of this subdivision, except in cases of wanton or wilful
38 neglect.

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

41 35. Allow the possession and self-administration of prescription
42 medication for breathing disorders in handheld inhaler devices by pupils
43 who have been prescribed that medication by a health care professional
44 licensed pursuant to title 32. The pupil's name on the prescription label
45 on the medication container or on the handheld inhaler device and annual

1 written documentation from the pupil's parent or guardian to the school
2 that authorizes possession and self-administration shall be sufficient
3 proof that the pupil is entitled to the possession and self-administration
4 of the medication. A school district and its employees are immune from
5 civil liability with respect to all decisions made and actions taken that
6 are based on a good faith implementation of the requirements of this
7 paragraph.

8 36. Prescribe and enforce policies and procedures to prohibit
9 pupils from harassing, intimidating and bullying other pupils on school
10 grounds, on school property, on school buses, at school bus stops, at
11 school-sponsored events and activities and through the use of electronic
12 technology or electronic communication on school computers, networks,
13 forums and mailing lists that include the following components:

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

19 (b) A requirement that school district employees report in writing
20 suspected incidents of harassment, intimidation or bullying to the
21 appropriate school official and a description of appropriate disciplinary
22 procedures for employees who fail to report suspected incidents that are
23 known to the employee.

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

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

32 (e) A formal process for the documentation of reported incidents of
33 harassment, intimidation or bullying and for the confidentiality,
34 maintenance and disposition of this documentation. School districts shall
35 maintain documentation of all incidents reported pursuant to this
36 paragraph for at least six years. The school shall not use that
37 documentation to impose disciplinary action unless the appropriate school
38 official has investigated and determined that the reported incidents of
39 harassment, intimidation or bullying occurred. If a school provides
40 documentation of reported incidents to persons other than school officials
41 or law enforcement, all individually identifiable information shall be
42 redacted.

43 (f) A formal process for the investigation by the appropriate
44 school officials of suspected incidents of harassment, intimidation or
45 bullying, including procedures for notifying the alleged victim and the

1 alleged victim's parent or guardian when a school official or employee
2 becomes aware of the suspected incident of harassment, intimidation or
3 bullying.

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

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

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

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

13 37. Prescribe and enforce policies and procedures regarding
14 changing or adopting attendance boundaries that include the following
15 components:

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

18 (b) A procedure to notify the parents or guardians of the students
19 affected.

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

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

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

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

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

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

41 39. Ensure that the contract for the superintendent is structured
42 in a manner in which up to twenty percent of the total annual salary
43 included for the superintendent in the contract is classified as
44 performance pay. This paragraph does not require school districts to
45 increase total compensation for superintendents. Unless the school

1 district governing board votes to implement an alternative procedure at a
2 public meeting called for this purpose, the performance pay portion of the
3 superintendent's total annual compensation shall be determined as follows:

4 (a) Twenty-five percent of the performance pay shall be determined
5 based on the percentage of academic gain determined by the department of
6 education of pupils who are enrolled in the school district compared to
7 the academic gain achieved by the highest ranking of the fifty largest
8 school districts in this state. For the purposes of this subdivision, the
9 department of education shall determine academic gain by the academic
10 growth achieved by each pupil who has been enrolled at the same school in
11 a school district for at least five consecutive months measured against
12 that pupil's academic results in the 2008-2009 school year. For the
13 purposes of this subdivision, of the fifty largest school districts in
14 this state, the school district with pupils who demonstrate the highest
15 statewide percentage of overall academic gain measured against academic
16 results for the 2008-2009 school year shall be assigned a score of 100 and
17 the school district with pupils who demonstrate the lowest statewide
18 percentage of overall academic gain measured against academic results for
19 the 2008-2009 school year shall be assigned a score of 0.

20 (b) Twenty-five percent of the performance pay shall be determined
21 by the percentage of parents of pupils who are enrolled at the school
22 district who assign a letter grade of "A" to the school on a survey of
23 parental satisfaction with the school district. The parental satisfaction
24 survey shall be administered and scored by an independent entity that is
25 selected by the governing board and that demonstrates sufficient expertise
26 and experience to accurately measure the results of the survey. The
27 parental satisfaction survey shall use standard random sampling procedures
28 and provide anonymity and confidentiality to each parent who participates
29 in the survey. The letter grade scale used on the parental satisfaction
30 survey shall direct parents to assign one of the following letter grades:

- 31 (i) A letter grade of "A" if the school district is excellent.
- 32 (ii) A letter grade of "B" if the school district is above average.
- 33 (iii) A letter grade of "C" if the school district is average.
- 34 (iv) A letter grade of "D" if the school district is below average.
- 35 (v) A letter grade of "F" if the school district is a failure.

36 (c) Twenty-five percent of the performance pay shall be determined
37 by the percentage of teachers who are employed at the school district and
38 who assign a letter grade of "A" to the school on a survey of teacher
39 satisfaction with the school. The teacher satisfaction survey shall be
40 administered and scored by an independent entity that is selected by the
41 governing board and that demonstrates sufficient expertise and experience
42 to accurately measure the results of the survey. The teacher satisfaction
43 survey shall use standard random sampling procedures and provide anonymity
44 and confidentiality to each teacher who participates in the survey. The

1 letter grade scale used on the teacher satisfaction survey shall direct
2 teachers to assign one of the following letter grades:

- 3 (i) A letter grade of "A" if the school district is excellent.
- 4 (ii) A letter grade of "B" if the school district is above average.
- 5 (iii) A letter grade of "C" if the school district is average.
- 6 (iv) A letter grade of "D" if the school district is below average.
- 7 (v) A letter grade of "F" if the school district is a failure.

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

10 40. Maintain and store permanent public records of the school
11 district as required by law. Notwithstanding section 39-101, the
12 standards adopted by the Arizona state library, archives and public
13 records for the maintenance and storage of school district public records
14 shall allow school districts to elect to satisfy the requirements of this
15 paragraph by maintaining and storing these records either on paper or in
16 an electronic format, or a combination of a paper and electronic format.

17 41. Adopt in a public meeting and implement policies for principal
18 evaluations. Before ~~the adoption of~~ ADOPTING principal evaluation
19 policies, the school district governing board shall provide opportunities
20 for public discussion on the proposed policies. THE GOVERNING BOARD SHALL
21 ADOPT POLICIES THAT:

22 (a) ARE DESIGNED TO IMPROVE PRINCIPAL PERFORMANCE AND IMPROVE
23 STUDENT ACHIEVEMENT.

24 (b) INCLUDE THE USE OF QUANTITATIVE DATA ON THE ACADEMIC PROGRESS
25 FOR ALL STUDENTS, WHICH SHALL ACCOUNT FOR BETWEEN TWENTY PERCENT AND
26 THIRTY-THREE PERCENT OF THE EVALUATION OUTCOMES.

27 (c) INCLUDE FOUR PERFORMANCE CLASSIFICATIONS, DESIGNATED AS HIGHLY
28 EFFECTIVE, EFFECTIVE, DEVELOPING AND INEFFECTIVE. ~~The policies shall~~

29 ~~(c)~~ (d) Describe BOTH OF THE FOLLOWING:

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

33 ~~(b) Alignment of professional development opportunities to the~~
34 ~~principal evaluations.~~

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

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

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

41 ~~(d) Transfer and contract processes for principals designated in~~
42 ~~the lowest performance classification pursuant to section 15-203,~~
43 ~~subsection A, paragraph 38.~~

1 (i) THE METHODS USED TO EVALUATE THE PERFORMANCE OF PRINCIPALS,
2 INCLUDING THE DATA USED TO MEASURE STUDENT PERFORMANCE AND JOB
3 EFFECTIVENESS.

4 (ii) THE FORMULA USED TO DETERMINE EVALUATION OUTCOMES.

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

12 43. Prescribe and enforce policies and procedures for the emergency
13 administration by an employee of a school district pursuant to section
14 36-2267 of naloxone hydrochloride or any other opioid antagonist approved
15 by the United States food and drug administration.

16 44. In addition to the notification requirements prescribed in
17 paragraph 36 of this subsection, prescribe and enforce reasonable and
18 appropriate policies to notify a pupil's parent or guardian if any person
19 engages in harassing, threatening or intimidating conduct against that
20 pupil. A school district and its officials and employees are immune from
21 civil liability with respect to all decisions made and actions taken that
22 are based on good faith implementation of the requirements of this
23 paragraph, except in cases of gross negligence or wanton or wilful
24 neglect. A person ~~commits~~ ENGAGES IN threatening or intimidating if the
25 person threatens or intimidates by word or conduct to cause physical
26 injury to another person or serious damage to the property of another on
27 school grounds. A person ~~commits~~ ENGAGES IN harassment if, with intent to
28 harass or with knowledge that the person is harassing another person, the
29 person anonymously or otherwise contacts, communicates or causes a
30 communication with another person by verbal, electronic, mechanical,
31 telephonic or written means in a manner that harasses on school grounds or
32 substantially disrupts the school environment.

33 B. Notwithstanding subsection A, paragraphs 7, 9 and 11 of this
34 section, the county school superintendent may construct, improve and
35 furnish school buildings or purchase or sell school sites in the conduct
36 of an accommodation school.

37 C. If any school district acquires real or personal property,
38 whether by purchase, exchange, condemnation, gift or otherwise, the
39 governing board shall pay to the county treasurer any taxes on the
40 property that were unpaid as of the date of acquisition, including
41 penalties and interest. The lien for unpaid delinquent taxes, penalties
42 and interest on property acquired by a school district:

43 1. Is not abated, extinguished, discharged or merged in the title
44 to the property.

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

1 D. The governing board may not locate a school on property that is
2 less than one-fourth mile from agricultural land regulated pursuant to
3 section 3-365, except that the owner of the agricultural land may agree to
4 comply with the buffer zone requirements of section 3-365. If the owner
5 agrees in writing to comply with the buffer zone requirements and records
6 the agreement in the office of the county recorder as a restrictive
7 covenant running with the title to the land, the school district may
8 locate a school within the affected buffer zone. The agreement may
9 include any stipulations regarding the school, including conditions for
10 future expansion of the school and changes in the operational status of
11 the school that will result in a breach of the agreement.

12 E. A school district, its governing board members, its school
13 council members and its employees are immune from civil liability for the
14 consequences of adoption and implementation of policies and procedures
15 pursuant to subsection A of this section and section 15-342. This waiver
16 does not apply if the school district, its governing board members, its
17 school council members or its employees are guilty of gross negligence or
18 intentional misconduct.

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

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

41 H. Subsections C through G of this section apply to a county board
42 of supervisors and a county school superintendent when operating and
43 administering an accommodation school.

44 I. A school district governing board may delegate authority in
45 writing to the superintendent of the school district to submit plans for

1 new school facilities to the school facilities board for the purpose of
2 certifying that the plans meet the minimum school facility adequacy
3 guidelines prescribed in section 15-2011.

4 Sec. 5. Repeal

5 Section 15-341, Arizona Revised Statutes, as amended by Laws 2018,
6 chapter 329, section 1, is repealed.

7 Sec. 6. Section 15-501, Arizona Revised Statutes, is amended to
8 read:

9 15-501. Definitions

10 In this chapter, unless the context otherwise requires:

11 1. "Administrator" means any school district administrator except a
12 school principal ~~devoting not less than~~ WHO DEVOTES AT LEAST fifty per
13 cent PERCENT of ~~his~~ THE PRINCIPAL'S time to classroom teaching.

14 2. "Certificated teacher" means a person who holds a certificate
15 from the state board of education to work in the schools of this state and
16 who is employed under contract in a school district in a position that
17 requires certification except a psychologist or an administrator ~~devoting~~
18 ~~less than~~ WHO DEVOTES AT LEAST fifty per cent PERCENT of ~~his~~ THE PERSON'S
19 time to classroom teaching.

20 3. "Full-time" means TO BE employed for a full school day, or its
21 equivalent, or for a full class load, or its equivalent, as determined by
22 the governing board.

23 4. "Governing board" means the governing board of a school district
24 or a county school superintendent in the case of accommodation schools
25 located in such A county.

26 5. "Inadequacy of classroom performance" means the definition of
27 inadequacy classroom performance adopted by the governing board pursuant
28 to section 15-538.

29 6. "Major portion of a school year" means full-time employment for
30 fifty-one per cent PERCENT of the school days during which school is in
31 session, except that a certificated teacher is not deemed to have
32 completed the major portion of the third school year of three consecutive
33 years of employment until the end of the third school year.

34 7. "Performance classifications" means the ~~four~~ performance
35 classifications adopted by the ~~state board of education pursuant to~~
36 ~~section 15-203, subsection A, paragraph 38~~ GOVERNING BOARD.

37 8. "Qualified evaluator" means a school principal or other person
38 who is trained to evaluate teachers and who is designated by the governing
39 board to evaluate the school district's certificated teachers.

40 9. "Superintendent" means the superintendent of schools of a school
41 district.

42 10. "Suspension without pay" means suspension without pay for a
43 period of time not to exceed ten school days.

1 Sec. 7. Section 15-503, Arizona Revised Statutes, is amended to
2 read:

3 15-503. Superintendents, principals, head teachers and school
4 psychologists; term of employment; evaluation;
5 contract delivery; nonretention notice

6 A. The governing board may:

7 1. Employ a superintendent or principal, or both. If the governing
8 board employs a superintendent, the governing board shall determine the
9 qualifications for the superintendent by action taken at a public meeting.
10 The governing board shall require a superintendent to have a valid
11 fingerprint clearance card that is issued pursuant to title 41, chapter
12 12, article 3.1.

13 2. Appoint a head teacher.

14 3. Jointly with another governing board employ a superintendent or
15 a principal, or both. If the governing board jointly employs a
16 superintendent, the governing boards shall jointly determine the
17 qualifications for the superintendent by action taken at a public meeting.
18 The governing boards shall require a superintendent to have a valid
19 fingerprint clearance card that is issued pursuant to title 41, chapter
20 12, article 3.1.

21 B. The term of employment of superintendents may be for any period
22 not exceeding three years, except that if the superintendent's contract
23 with the school district is for multiple years pursuant to this subsection
24 the school district shall not offer to extend or renegotiate the contract
25 until no earlier than fifteen months before the expiration of the
26 contract. The term of employment of principals may be for any period not
27 exceeding three years ~~pursuant to section 15-341, subsection A, paragraph~~
28 ~~41~~, except that if the principal's contract with the school district is
29 for multiple years the school district shall not offer to extend or
30 negotiate the contract until May of the year preceding the final year of
31 the contract. The school district governing board or the governing body
32 of the charter school shall communicate the superintendent's or
33 principal's duties with respect to the classroom site fund established by
34 section 15-977.

35 C. The governing board shall establish systems for the evaluation
36 of the performance of principals ~~that meet the requirements prescribed in~~
37 ~~section 15-203, subsection A, paragraph 38~~ and other school administrators
38 and certificated school psychologists in the school district. In the
39 development and adoption of these performance evaluation systems, the
40 governing board shall avail itself of the advice of its administrators and
41 certificated school psychologists. Each evaluation shall include
42 recommendations as to areas of improvement in the performance of the
43 certificated school psychologist if the performance of the certificated
44 school psychologist warrants improvement. After transmittal of an
45 assessment, a GOVERNING board designee shall confer with the certificated

1 school psychologist to make specific recommendations as to areas of
2 improvement in the certificated school psychologist's performance. The
3 GOVERNING board designee shall provide assistance and opportunities for
4 the certificated school psychologist to improve performance and shall
5 follow up with the certificated school psychologist after a reasonable
6 period of time for the purpose of ascertaining that the certificated
7 school psychologist is demonstrating adequate performance. The evaluation
8 process for certificated school psychologists shall include appeal
9 procedures for certificated school psychologists who disagree with the
10 evaluation of their performance, if the evaluation is for use as criteria
11 for establishing compensation or dismissal.

12 D. On or before May 15 each year, the governing board shall offer a
13 contract for the next school year to each certified administrator and
14 certificated school psychologist who is in the last year of the person's
15 contract unless, on or before April 15, the governing board, a member of
16 the board acting on behalf of the GOVERNING board or the superintendent of
17 the school district gives notice to the administrator or certificated
18 school psychologist of the GOVERNING board's intention not to offer a new
19 contract. If the governing board has called for an override election for
20 the third Tuesday in May as provided in section 15-481, the governing
21 board shall offer a contract for the next school year to each certified
22 administrator or certificated school psychologist who is in the last year
23 of the person's contract on or before June 15 unless, no later than five
24 days after the override election excluding Saturday, Sunday and legal
25 holidays, the governing board, a member of the GOVERNING board acting on
26 behalf of the GOVERNING board or the superintendent of the school district
27 gives notice to the administrator or the certificated school psychologist
28 of the GOVERNING board's intention not to offer a new contract. The
29 administrator's or the certificated school psychologist's acceptance of
30 the contract shall be indicated within thirty days ~~from~~ AFTER the date of
31 the written contract or the offer is revoked. The administrator or
32 certificated school psychologist accepts the contract by signing the
33 contract and returning it to the governing board or by making a written
34 instrument that accepts the terms of the contract and delivering the
35 written instrument to the governing board.

36 E. Notice of the GOVERNING board's intention not to reemploy the
37 administrator or certificated school psychologist shall be made by
38 delivering the notice personally to the administrator or the certificated
39 school psychologist or by sending the notice by certified mail, postmarked
40 on or before the applicable deadline prescribed in subsection D of this
41 section, and directed to the administrator or the certificated school
42 psychologist at the person's place of residence as recorded in the school
43 district records.

44 F. The ~~school district~~ governing board shall make available the
45 evaluation and performance classification ~~pursuant to section 15-203,~~

1 ~~subsection A, paragraph 38~~ of each principal in the school district to
2 school districts and charter schools that are inquiring about the
3 performance of the principal for hiring purposes.

4 Sec. 8. Section 15-537, Arizona Revised Statutes, is amended to
5 read:

6 15-537. Performance of certificated teachers; evaluation
7 system; alternative performance evaluation cycle;
8 confidentiality

9 A. The governing board ~~of a school district~~ shall establish a
10 system ~~for the evaluation of~~ TO EVALUATE the performance of certificated
11 teachers in the school district ~~that meets the requirements prescribed in~~
12 ~~section 15-203, subsection A, paragraph 38 and~~ that results in at least
13 one evaluation of each certificated teacher by a qualified evaluator each
14 school year or as provided in subsection B of this section. THE GOVERNING
15 BOARD SHALL ESTABLISH A TEACHER PERFORMANCE EVALUATION SYSTEM THAT IS
16 DESIGNED TO IMPROVE TEACHER PERFORMANCE AND IMPROVE STUDENT ACHIEVEMENT
17 AND THAT INCLUDES THE USE OF QUANTITATIVE DATA ON THE ACADEMIC PROGRESS
18 FOR ALL STUDENTS, WHICH SHALL ACCOUNT FOR BETWEEN TWENTY PERCENT AND
19 THIRTY-THREE PERCENT OF THE EVALUATION OUTCOMES. THE EVALUATION SYSTEM
20 SHALL INCLUDE FOUR PERFORMANCE CLASSIFICATIONS, DESIGNATED AS HIGHLY
21 EFFECTIVE, EFFECTIVE, DEVELOPING AND INEFFECTIVE. The objectives of the
22 teacher performance evaluation system are to improve instruction and
23 maintain instructional strengths. The governing board shall involve its
24 certificated teachers in the development and periodic evaluation of the
25 teacher performance evaluation system.

26 B. A school district may use an alternative performance evaluation
27 cycle pursuant to this subsection subject to the following:

28 1. The governing board shall adopt policies for an expedited
29 performance review during the years in which a teacher is not undergoing a
30 formal performance evaluation pursuant to subsection A of this section.
31 The expedited performance review policies may classify teacher performance
32 in categories that include teamwork and support for lower-performing
33 teachers.

34 2. The governing board shall allow only teachers who have been
35 evaluated and designated in the highest performance classification for at
36 least three consecutive years by the same school district under the
37 evaluation system established pursuant to subsection A of this section to
38 participate in the alternative performance evaluation cycle.

39 3. If an expedited performance review under this subsection
40 determines that the teacher is not in the highest performance
41 classification, the teacher shall be removed from the alternative
42 performance evaluation cycle and be reviewed ~~on~~ UNDER the evaluation
43 system established pursuant to subsection A of this section.

44 C. The ~~school district~~ governing board shall adopt teacher
45 evaluation policies in a public meeting. Before ~~the adoption of~~ ADOPTING

1 teacher evaluation policies, the ~~school district~~ governing board shall
2 provide opportunities for public discussion on the proposed policies. The
3 policies shall describe:

4 1. Incentives for teachers in the highest performance
5 classification, which may include multiyear contracts not to exceed three
6 years. The policies shall specify that the offer and acceptance of a
7 multiyear contract does not exclude that teacher from the application of
8 section 15-538.01, 15-540, 15-541 or 15-549 and that the teacher may
9 accept a multiyear contract offer or decline and accept a one-year
10 contract.

11 2. Incentives for teachers in the two highest performance
12 classifications to work at schools that are assigned a letter grade of D
13 or F pursuant to section 15-241.

14 3. Protections for teachers who are transferred to schools that are
15 assigned a letter grade of D or F pursuant to section 15-241.

16 4. Protections for teachers if the principal of the school is
17 designated in the lowest performance classification.

18 D. The policies prescribed in subsection C of this section shall
19 describe:

20 1. Performance improvement plans for teachers designated in the
21 lowest performance classification.

22 2. Dismissal or nonrenewal procedures pursuant to section 15-536 or
23 15-539 for teachers who continue to be designated in the lowest
24 performance classification. The procedures shall require that the school
25 district issue the preliminary notice of inadequacy of classroom
26 performance no later than the second consecutive year that the teacher is
27 designated in one of the two lowest performance classifications unless the
28 teacher is in the first or second year of employment with the school
29 district or has been reassigned to teach a new subject or grade level for
30 the preceding or current school year.

31 E. A teacher who has been employed by the school district for the
32 major portion of three or more consecutive school years and who is
33 currently designated in the lowest performance classification for two
34 consecutive school years shall not be transferred as a teacher to another
35 school in that school district unless the school district has issued a
36 preliminary notice of inadequacy of classroom performance and approved a
37 performance improvement plan for the teacher pursuant to section 15-539
38 and the governing board has approved the new placement as in the best
39 interests of the pupils in the school. A teacher who continues to be
40 designated in one of the two lowest performance classifications shall not
41 be permitted to transfer to another school. A teacher shall not be
42 transferred more than once pursuant to this subsection.

43 F. The governing board shall prescribe specific procedures for the
44 teacher performance evaluation system, which shall include at least the
45 following elements:

1 1. At least two actual classroom observations of the certificated
2 teacher demonstrating teaching skills in a complete and uninterrupted
3 lesson by the qualified evaluator. There shall be at least sixty calendar
4 days between the first and last observations. The last observation may
5 follow the issuance of a preliminary notice of inadequacy of classroom
6 performance and be used to determine whether the teacher has corrected
7 inadequacies and has demonstrated adequate classroom performance. An
8 observation shall not be conducted within two instructional days of any
9 scheduled period in which school is not in session for one week or more.
10 Within ten business days after each observation, the qualified evaluator
11 shall provide written feedback to the teacher.

12 2. Specific and reasonable plans for the improvement of teacher
13 performance as provided in subsection I of this section.

14 3. Appeal procedures for teachers who disagree with the evaluation
15 of their performance, if the evaluation is for use as criteria for
16 establishing compensation.

17 4. Training requirements for qualified evaluators.

18 5. A plan for the appropriate use of quantitative data of student
19 academic progress in evaluations of all certificated teachers. The plan
20 may make distinctions between certificated teachers who provide direct
21 instruction to students and certificated teachers who do not provide
22 direct instruction to students. The plan may include data for multiple
23 school years and may limit the use of data for certificated teachers who
24 have taught for less than two complete school years.

25 G. The governing board may waive the requirement of a second
26 classroom observation for a continuing teacher whose teaching performance
27 based on the first classroom observation places the teacher in one of the
28 two highest performance classifications for the current school year,
29 unless the teacher requests a second observation.

30 H. The results of an annual evaluation conducted as provided in
31 this section shall be in writing or provided in an electronic format to
32 the certificated teacher, and a copy shall be transmitted or provided in
33 an electronic format to the certificated teacher within five days after
34 completion of the evaluation. The certificated teacher may initiate a
35 written reaction or response to the evaluation.

36 I. Each evaluation shall include recommendations as to areas of
37 improvement in the performance of the certificated teacher if the
38 performance of the teacher warrants improvement. After transmittal of an
39 evaluation, the qualified evaluator or another board designee shall confer
40 with the teacher to make specific recommendations as to areas of
41 improvement in the teacher's performance. The qualified evaluator or
42 other board designee shall provide professional development opportunities
43 for the certificated teacher to improve performance and follow up with the
44 teacher after a reasonable period of time for the purpose of ascertaining
45 that the teacher is demonstrating adequate performance.

1 J. Copies of the evaluation report and performance classification
2 of a certificated teacher retained by the governing board and the
3 department of education are confidential, do not constitute a public
4 record and shall not be released or shown to any person except:

5 1. To the certificated teacher who may make any use of it.

6 2. To authorized district officers and employees for all personnel
7 matters regarding employment and contracts and for any hearing that
8 relates to personnel matters.

9 3. To school districts and charter schools that inquire about the
10 performance of the teacher for prospective employment purposes. A school
11 district or charter school that receives information about a certificated
12 teacher from the evaluation report and performance classification shall
13 use this information solely for employment purposes and shall not release
14 this information to or allow access to this information by any other
15 person, entity, school district or charter school.

16 4. For introduction in evidence or discovery in any court action
17 between the governing board and the certificated teacher in which either:

18 (a) The competency of the teacher is at issue.

19 (b) The evaluation and performance classification were an exhibit
20 at a hearing, the result of which is challenged.

21 K. Any school district policy pertaining to the transfer of
22 teachers from one school to another school in a school district shall take
23 into consideration the current distribution of teachers across all of the
24 performance classifications and the needs of the pupils in the school
25 district.

26 Sec. 9. Section 15-701, Arizona Revised Statutes, is amended to
27 read:

28 15-701. Common school; promotions; requirements; certificate;
29 supervision of eighth grades by superintendent of
30 high school district; high school admissions;
31 academic credit; definition

32 A. The state board of education shall:

33 1. Prescribe a minimum course of study, ~~as defined in section~~
34 ~~15-101 and~~ incorporating the academic standards adopted by the state board
35 of education, ~~to be taught in the common schools.~~

36 2. Prescribe competency requirements for the promotion of pupils
37 from the eighth grade and competency requirements for the promotion of
38 pupils from the third grade incorporating the academic standards in at
39 least the areas of reading, writing, mathematics, science and social
40 studies. The competency requirements for the promotion of pupils from the
41 third grade shall include the following:

42 (a) A requirement that a pupil not be promoted from the third grade
43 if the pupil obtains a score on the reading portion of the statewide
44 assessment that does not demonstrate sufficient reading skills as
45 established by the STATE board. A pupil may not be retained if data

1 regarding the pupil's performance on the statewide assessment is not
2 available before the end of the current academic year. A pupil who is not
3 retained due to the unavailability of test data must receive
4 evidence-based intervention and remedial strategies pursuant to
5 subdivision (c) of this paragraph if the third grade assessment data
6 subsequently does not demonstrate sufficient reading skills.

7 (b) A mechanism to allow a school district governing board or the
8 governing body of a charter school to promote from the third grade a pupil
9 who does not demonstrate sufficient reading skills pursuant to subdivision
10 (a) of this paragraph if the pupil:

11 (i) Is an English learner or a limited English proficient student
12 as defined in section 15-751 and has had fewer than two years of English
13 language instruction.

14 (ii) Is in the process of a special education referral or
15 evaluation for placement in special education, has been diagnosed as
16 having a significant reading impairment, including dyslexia, or is a child
17 with a disability as defined in section 15-761 if the pupil's
18 individualized education program team and the pupil's parent or guardian
19 agree that promotion is appropriate based on the pupil's individualized
20 education program.

21 (iii) Has demonstrated or subsequently demonstrates sufficient
22 reading skills or adequate progress ~~towards~~ TOWARD sufficient reading
23 skills of the third grade reading standards as evidenced through a
24 collection of reading assessments approved by the state board of
25 education, which includes an alternative standardized reading assessment
26 approved by the state board.

27 (iv) Receives intervention and remedial services during the summer
28 or a subsequent school year pursuant to subdivision (c) of this paragraph
29 and demonstrates sufficient progress based on guidelines issued pursuant
30 to subsection B, paragraph 6 of this section.

31 (c) Evidence-based intervention and remedial strategies developed
32 by the state board of education for pupils who are not promoted from the
33 third grade. A school district governing board or the governing body of a
34 charter school shall offer more than one of the intervention and remedial
35 strategies developed by the state board of education. The parent or
36 guardian of a pupil who is not promoted from the third grade and the
37 pupil's teacher and principal may choose the most appropriate intervention
38 and remedial strategies that will be provided to that pupil. The
39 intervention and remedial strategies developed by the state board of
40 education shall include:

41 (i) A requirement that the pupil be assigned for evidence-based
42 reading instruction by a different teacher who was designated in that
43 teacher's most recent performance evaluation in one of the top two
44 performance classifications ~~pursuant to section 15-203, subsection A,~~
45 ~~paragraph 38.~~

1 (ii) Summer school reading instruction.

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

5 (iv) Small group and teacher-led evidence-based reading
6 instruction, which may include computer-based or online reading
7 instruction.

8 (d) A requirement that a school district governing board or charter
9 school governing body that promotes a pupil pursuant to subdivision (b) of
10 this paragraph provide annual reporting to the department of education on
11 or before October 1 that includes information on the total number of
12 pupils subject to the retention provisions of subdivision (a) of this
13 paragraph, the total number of students promoted pursuant to subdivision
14 (b) of this paragraph, the total number of pupils retained in grade three
15 and the interventions administered pursuant to subdivision (c) of this
16 paragraph.

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

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

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

29 B. School districts and charter schools shall provide annual
30 written notification to parents of pupils in kindergarten programs and
31 first, second and third grades that a pupil who does not demonstrate
32 sufficient reading skills pursuant to subsection A of this section will
33 not be promoted from the third grade. School districts and charter
34 schools shall identify each pupil who is at risk of reading below grade
35 level in kindergarten and grades one, two and three, based on local or
36 statewide assessments, and shall provide to the parent of that pupil a
37 specific written notification of the reading deficiency that includes the
38 following information:

39 1. A description of the pupil's specific individual needs.

40 2. A description of the current reading services provided to the
41 pupil.

42 3. A description of the available supplemental instructional
43 services and supporting programs that are designed to remediate reading
44 deficiencies. Each school district or charter school shall offer more
45 than one evidence-based intervention strategy and more than one remedial

1 strategy developed by the state board of education for pupils with reading
2 deficiencies. The notification shall list the intervention and remedial
3 strategies offered and shall instruct the parent to choose, in
4 consultation with the pupil's teacher, the most appropriate strategies to
5 be provided and implemented for that child.

6 4. Parental strategies to assist the pupil to attain reading
7 proficiency.

8 5. A statement that the pupil will not be promoted from the third
9 grade if the pupil does not demonstrate sufficient reading skills pursuant
10 to subsection A, paragraph 2, subdivision (a) of this section, unless the
11 pupil is exempt from mandatory retention in grade three or the pupil
12 qualifies for an exemption pursuant to subsection A, paragraph 2,
13 subdivision (b) of this section.

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

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

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

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

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

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

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

43 G. Within any high school district or union high school district,
44 the superintendent of the high school district shall supervise the work of
45 the eighth grade of all schools employing no superintendent or principal.

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

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

10 J. A school district may conduct a ceremony to honor pupils who
11 have been promoted from the eighth grade.

12 K. For the purposes of this section, "dyslexia" means a condition
13 that:

14 1. Is neurological in origin.

15 2. Is characterized by difficulties with accurate or fluent word
16 recognition and by poor spelling and decoding abilities, including
17 difficulties that typically result from a deficit in the phonological
18 component of language that is often unexpected in relation to other
19 cognitive abilities and to the provision of effective classroom
20 instruction.

21 3. May include secondary consequences such as problems with reading
22 comprehension and reduced reading experience that may impede the growth of
23 vocabulary and background knowledge.

24 Sec. 10. Section 15-795.01, Arizona Revised Statutes, is amended to
25 read:

26 15-795.01. Competency-based college-ready educational
27 pathways

28 In accordance with the rules adopted by the state board of education
29 pursuant to section 15-203, subsection A, paragraph ~~39~~ 38, students who
30 are eligible for a high school diploma through the fulfillment of a
31 defined competency-based college-ready educational pathway shall have
32 multiple pathways available to them and may:

33 1. Enroll the following fall semester in a community college under
34 the jurisdiction of a community college district in this state. Community
35 colleges under the jurisdiction of a community college district in this
36 state shall admit students who obtain a high school diploma through the
37 fulfillment of a defined competency-based educational pathway and who
38 otherwise meet the qualifications for admission. The school district or
39 charter school from which the student earned the high school diploma shall
40 include that student in the school district's or charter school's student
41 count and shall continue to receive per pupil funding for a student who
42 earns a high school diploma until that student would otherwise have
43 graduated at the end of grade twelve, as long as that student is enrolled
44 as a full-time student in a community college under the jurisdiction of a
45 community college district in this state. The school district or charter

1 school shall subtract twenty percent of its average daily membership
2 amount and reimburse the community college if the student has earned a
3 high school diploma and is attending a community college as a full-time
4 student. If the student attends community college on a community college
5 campus, the school district or charter school shall reimburse the
6 community college district for the amount of operating and capital outlay
7 full-time student equivalency monies. For the purposes of this paragraph,
8 the amount of operating full-time student equivalency monies shall be
9 equivalent to the average appropriation per full-time student equivalent
10 for all community college districts as calculated pursuant to section
11 15-1466, subsection C, paragraph 2. Fifty percent of the remaining
12 balance of the per pupil funding shall be used for teacher and pupil
13 incentives, including scholarship programs, to offset the costs of
14 competency-based pathways and to provide customized programs of assistance
15 for students who do not demonstrate mastery. The other fifty percent
16 shall be used for maintenance and operations, including capital. Under
17 this paragraph, a student who earns a high school diploma is responsible
18 for tuition. A student who earns a high school diploma may enroll in
19 community college courses offered on a community college campus or a high
20 school campus, or both. Notwithstanding any other law, community college
21 districts shall not classify a student who remains in high school pursuant
22 to this paragraph as a full-time equivalent student. Students who take
23 courses on high school campuses pursuant to this paragraph shall be
24 eligible to participate in extracurricular activities, including
25 interscholastic sports, through the end of grade twelve. The expenditure
26 by community college districts of payments from the school district or
27 charter school to the community colleges under this section shall not be
28 included under the district expenditure limitation prescribed pursuant to
29 article IX, section 21, Constitution of Arizona. If the instruction
30 provided under this paragraph is offered on a community college campus,
31 the funding and implementation mechanics between the school district or
32 charter school and the community college shall be determined by agreement
33 between the school district or charter school and the community college.

34 2. Remain in high school and participate in programs of study
35 available to students through the school district or charter school. The
36 school district or charter school shall continue to include that student
37 in the school district's or charter school's student count and shall
38 continue to receive per pupil funding for a student who is eligible for a
39 high school diploma until that student would otherwise have graduated at
40 the end of grade twelve, as long as that student is enrolled in approved
41 advanced preparation programs of study at that school district or charter
42 school. Students who elect to remain in high school pursuant to this
43 paragraph shall not be prevented from enrolling at a high school after the
44 student becomes eligible for a high school diploma and shall be eligible

1 to participate in extracurricular activities, including interscholastic
2 sports, through the end of grade twelve.

3 3. Enroll in a full-time career and technical education program
4 offered on a high school campus or a career technical education district
5 campus, or any combination of these campuses. A student who elects to
6 remain in high school pursuant to this paragraph shall not be prevented
7 from enrolling at a high school after the pupil becomes eligible for a
8 high school diploma and shall be eligible to participate in
9 extracurricular activities, including interscholastic sports, through the
10 end of grade twelve. The school district or charter school from which the
11 student became eligible for the high school diploma shall include that
12 student in the school district's or charter school's student count and
13 shall continue to receive per pupil funding for a student who is eligible
14 for a high school diploma until that student would otherwise have
15 graduated at the end of grade twelve, as long as that student is enrolled
16 in an approved full-time career and technical education program.
17 Notwithstanding any other law, if the instruction provided under this
18 paragraph is provided by a career technical education district in a
19 full-time career and technical education program that is designed to lead
20 to a certificate that is awarded by an industry or recognized as meeting
21 industry standards, the sum of the average daily membership for that pupil
22 shall not exceed 1.25, and the average daily membership shall be
23 apportioned at 1.0 for the career technical education district and 0.25
24 for the school district.

25 4. If accepted for admission to a university under the jurisdiction
26 of the Arizona board of regents, enroll in the university after completion
27 of additional high school coursework designed to prepare students for
28 admission to selective postsecondary institutions that offer baccalaureate
29 degrees. The school district or charter school from which the student
30 earned the high school diploma shall include that student in the school
31 district's or charter school's student count and shall continue to receive
32 per pupil funding for a student who earns a high school diploma until that
33 student would otherwise have graduated at the end of grade twelve for as
34 long as that student is enrolled as a full-time student in the university.
35 One-third of the school district's or charter school's average daily
36 membership amount shall be retained by the school district or the operator
37 of the charter school. One-third of the school district's or charter
38 school's average daily membership amount shall be retained for use at the
39 school site. One-third of the school district's or charter school's
40 average daily membership amount shall be distributed as follows:

41 (a) Fifty percent of this amount shall be deposited in a
42 scholarship account established and managed by the school district or
43 charter school from which the student graduated specifically for a student
44 who qualifies for a diploma and who attends a university under the
45 jurisdiction of the Arizona board of regents as a full-time student.

1 (b) Fifty percent of this amount shall be retained by the
2 university where the student is enrolled.

3 Sec. 11. Section 15-977, Arizona Revised Statutes, is amended to
4 read:

5 15-977. Classroom site fund; definitions

6 A. The classroom site fund is established consisting of monies
7 transferred to the fund pursuant to section 37-521, subsection B, section
8 42-5029, subsection E, paragraph 10 and section 42-5029.02, subsection
9 A, ~~paragraph 10~~. The department of education shall administer the fund.
10 School districts and charter schools may not supplant existing school site
11 funding with revenues from the fund. All monies distributed from the fund
12 are intended for use at the school site. Each school district or charter
13 school shall allocate forty percent of the monies for teacher compensation
14 increases based on performance and employment related expenses, twenty
15 percent of the monies for teacher base salary increases and employment
16 related expenses and forty percent of the monies for maintenance and
17 operation purposes as prescribed in subsection H of this section. Teacher
18 compensation increases based on performance or teacher base salary
19 increases distributed pursuant to this subsection shall supplement, and
20 not supplant, teacher compensation monies from any other sources. The
21 school district or charter school shall notify each school principal of
22 the amount available to the school by April 15 of each year. The district
23 or charter school shall request from the school's principal each school's
24 priority for the allocation of the funds available to the school for each
25 program listed under subsection H of this section. The amount budgeted by
26 the school district or charter school pursuant to this section shall not
27 be included in the allowable budget balance carryforward calculated
28 pursuant to section 15-943.01.

29 B. A school district governing board must adopt a performance based
30 compensation system at a public hearing to allocate funding from the
31 classroom site fund pursuant to subsection A of this section. Individual
32 teacher performance ~~as measured by the teacher's performance~~
33 ~~classification pursuant to section 15-203, subsection A, paragraph 38~~
34 shall be a component of the school district's portion of the forty percent
35 allocation for teacher compensation based on performance and employment
36 related expenses.

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

- 39 1. School district performance and school performance.
- 40 2. Individual teacher performance ~~as measured by the teacher's~~
41 ~~performance classification pursuant to section 15-203, subsection A,~~
42 ~~paragraph 38~~. The individual teacher performance component shall account
43 for thirty-three percent of the forty percent allocation for teacher
44 compensation based on performance and employment related expenses.

1 3. Measures of academic progress toward the academic standards
2 adopted by the state board of education.

3 4. Other measures of academic progress.

4 5. Dropout or graduation rates.

5 6. Attendance rates.

6 7. Ratings of school quality by parents.

7 8. Ratings of school quality by students.

8 9. The input of teachers and administrators.

9 10. Approval of the performance based compensation system based on
10 an affirmative vote of at least seventy percent of the teachers eligible
11 to participate in the performance based compensation system.

12 11. An appeals process for teachers who have been denied
13 performance based compensation.

14 12. Regular evaluation for effectiveness, ~~which shall comply with~~
15 ~~section 15-203, subsection A, paragraph 38.~~

16 D. A performance based compensation system shall include teacher
17 professional development programs that are aligned with the elements of
18 the performance based compensation system.

19 E. A school district governing board may modify the elements
20 contained in subsection C of this section and consider additional elements
21 when adopting a performance based compensation system. A school district
22 governing board shall adopt any modifications or additional elements and
23 specify the criteria used at a public hearing.

24 F. Until December 31, 2009, each school district shall develop an
25 assessment plan for its performance based compensation system and submit
26 the plan to the department of education by December 31 of each year. A
27 copy of the performance based compensation system and assessment plan
28 adopted by the school district governing board shall be included in the
29 report submitted to the department of education.

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

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

39 2. The allocation to each charter school and school district for a
40 fiscal year shall equal the per pupil amount established in paragraph 1 of
41 this subsection for the fiscal year multiplied by the weighted student
42 count for the school district or charter school for the fiscal year
43 pursuant to section 15-943, paragraph 2, subdivision (a). For the
44 purposes of this paragraph, the weighted student count for a school
45 district that serves as the district of attendance for nonresident pupils

1 shall be increased to include nonresident pupils who attend school in the
2 school district.

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

- 5 1. Class size reduction.
- 6 2. Teacher compensation increases.
- 7 3. Assessment intervention programs.
- 8 4. Teacher development.
- 9 5. Dropout prevention programs.
- 10 6. Teacher liability insurance premiums.

11 I. The district governing board or charter school shall allocate
12 the classroom site fund monies to include, ~~wherever~~ IF possible, the
13 priorities identified by the principals of the schools while ~~assuring~~
14 ENSURING that the ~~funds~~ MONIES maximize classroom opportunities and
15 conform to the authorized expenditures identified in subsection A of this
16 section.

17 J. School districts and charter schools that receive monies from
18 the classroom site fund shall submit a report by November 15 of each year
19 to the superintendent of public instruction that provides an accounting of
20 the expenditures of monies distributed from the fund during the previous
21 fiscal year and a summary of the results of district and school programs
22 funded with monies distributed from the fund. The department of education
23 in conjunction with the auditor general shall prescribe the format of the
24 report under this subsection.

25 K. School districts and charter schools that receive monies from
26 the classroom site fund shall receive these monies monthly in an amount
27 not to exceed one-twelfth of the monies estimated pursuant to subsection G
28 of this section, except that if there are insufficient monies in the fund
29 that month to make payments, the distribution for that month shall be
30 prorated for each school district or charter school. The department of
31 education may make an additional payment in the current month for any
32 prior month or months in which school districts or charter schools
33 received a prorated payment if there are sufficient monies in the fund
34 that month for the additional payments. The state is not required to make
35 payments to a school district or charter school classroom site fund if the
36 state classroom site fund revenue collections are insufficient to meet the
37 estimated allocations to school districts and charter schools pursuant to
38 subsection G of this section.

39 L. The state education system for committed youth shall receive
40 monies from the classroom site fund in the same manner as school districts
41 and charter schools. The Arizona state schools for the deaf and the blind
42 shall receive monies from the classroom site fund in an amount that
43 corresponds to the weighted student count for the current year pursuant to
44 section 15-943, paragraph 2, subdivision (b) for each pupil enrolled in
45 the Arizona state schools for the deaf and the blind. Except as otherwise

1 provided in this subsection, the Arizona state schools for the deaf and
2 the blind and the state education system for committed youth are subject
3 to this section in the same manner as school districts and charter
4 schools.

5 M. Each school district and charter school, including school
6 districts that unify pursuant to section 15-448 or consolidate pursuant to
7 section 15-459, shall establish a local level classroom site fund to
8 receive allocations from the state level classroom site fund. The local
9 level classroom site fund shall be a budgetary controlled account.
10 Interest charges for any registered warrants for the local level classroom
11 site fund shall be a charge against the local level classroom site fund.
12 Interest earned on monies in the local level classroom site fund shall be
13 added to the local level classroom site fund as provided in section
14 15-978. This state shall not be required to make payments to a school
15 district or charter school local level classroom site fund that are in
16 addition to monies transferred to the state level classroom site fund
17 pursuant to section 37-521, subsection B, section 42-5029, subsection E,
18 paragraph 10 and section 42-5029.02, subsection A, ~~paragraph 10~~.

19 N. Monies distributed from the classroom site fund for class size
20 reduction, assessment intervention and dropout prevention programs shall
21 only be used for instructional purposes in the instruction function as
22 defined in the uniform system of financial records, except that monies
23 shall not be used for school-sponsored athletics.

24 O. For the purposes of this section:

25 1. "Assessment intervention" means summer programs, after school
26 programs, before school programs or tutoring programs that are
27 specifically designed to ensure that pupils meet the Arizona academic
28 standards as measured by the statewide assessment prescribed by section
29 15-741.

30 2. "Class size reduction" means any maintenance and operations
31 expenditure that is designed to reduce the ratio of pupils to classroom
32 teachers, including the use of persons who serve as aides to classroom
33 teachers.