

REFERENCE TITLE: CTEDs; average daily membership

State of Arizona
House of Representatives
Fifty-fifth Legislature
First Regular Session
2021

HB 2124

Introduced by
Representative Udall

AN ACT

AMENDING SECTIONS 15-341.01 AND 15-393, ARIZONA REVISED STATUTES; RELATING
TO CAREER TECHNICAL EDUCATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-341.01, Arizona Revised Statutes, is amended
3 to read:

4 15-341.01. One hundred eighty day school year; definition

5 A. Notwithstanding any other law AND EXCEPT AS PRESCRIBED IN
6 SECTION 15-393, SUBSECTION D, PARAGRAPH 5, school instruction shall be
7 conducted in each public school in this state for school sessions that
8 total at least one hundred eighty days each school year. The
9 superintendent of public instruction shall cause all relevant school
10 funding formulas to be adjusted to reflect instruction on the one hundred
11 eighty days' equivalency. The department of education shall adjust the
12 amount of state aid distributed to school districts pursuant to section
13 15-971 to correspond to the increased number of school days prescribed by
14 this section.

15 B. For the purposes of this section, "one hundred eighty days"
16 means one hundred eighty days of instruction or an equivalent number of
17 minutes of instruction per school year based on a different number of days
18 of instruction approved by the school district governing board or charter
19 school governing body.

20 Sec. 2. Section 15-393, Arizona Revised Statutes, is amended to
21 read:

22 15-393. Career technical education district governing board;
23 report; definitions

24 A. The management and control of a career technical education
25 district are vested in the career technical education district governing
26 board, including the content and quality of the courses offered by the
27 district, the quality of teachers who provide instruction on behalf of the
28 district, the salaries of teachers who provide instruction on behalf of
29 the district and the reimbursement of other entities for the facilities
30 used by the district. This section does not restrict a school district
31 from offering any career and technical education course that does not
32 qualify for funding as a career technical education course or career
33 technical education district program. Unless the governing boards of the
34 school districts participating in the formation of the career technical
35 education district vote to implement an alternative election system as
36 provided in subsection B of this section, the career technical education
37 board ~~shall consist~~ CONSISTS of five members elected from five single
38 member districts formed within the career technical education district.
39 The single member district election system shall be submitted as part of
40 the plan for the career technical education district pursuant to section
41 15-392 and shall be established in the plan as follows:

42 1. The governing boards of the school districts participating in
43 the formation of the career technical education district shall define the
44 boundaries of the single member districts so that the single member
45 districts are as nearly equal in population as is practicable, except that

1 if the career technical education district lies in part in each of two or
2 more counties, at least one single member district may be entirely within
3 each of the counties comprising the career technical education district if
4 this district design is consistent with the obligation to equalize the
5 population among single member districts.

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

9 3. A person who is a registered voter of this state and who is a
10 resident of the single member district is eligible for election to the
11 office of career technical education board member from the single member
12 district. The terms of office of the members of the career technical
13 education board shall be as prescribed in section 15-427, subsection B.
14 An employee of a career technical education district or the spouse of an
15 employee shall not hold membership on a governing board of a career
16 technical education district by which the employee is employed. A member
17 of one school district governing board or career technical education
18 district governing board is ineligible to be a candidate for nomination or
19 election to or serve simultaneously as a member of any other governing
20 board, except that a member of a governing board may be a candidate for
21 nomination or election for any other governing board if the member is
22 serving in the last year of a term of office. A member of a governing
23 board shall resign the member's seat on the governing board before
24 becoming a candidate for nomination or election to the governing board of
25 any other school district or career technical education district, unless
26 the member of the governing board is serving in the last year of a term of
27 office. Members of a career technical education district governing board
28 are subject to the conflict of interest requirements prescribed in section
29 38-503.

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

32 B. The governing boards of the school districts participating in
33 the formation of the career technical education district may vote to
34 implement any other alternative election system for the election of career
35 technical education district board members. If an alternative election
36 system is selected, it shall be submitted as part of the plan for the
37 career technical education district pursuant to section 15-392, and the
38 implementation of the system shall be as approved by the United States
39 justice department.

40 C. ~~The Career technical education district shall be~~ DISTRICTS ARE
41 subject to the following provisions of this title:

- 42 1. Chapter 1, articles 1 through 6.
- 43 2. Sections 15-208, 15-210, 15-213 and 15-234.
- 44 3. Articles 2, 3 and 5 of this chapter.
- 45 4. Section 15-361.

1 5. Chapter 4, articles 1, 2 and 5.
2 6. Chapter 5, articles 1 and 3.
3 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728,
4 15-729 and 15-730.
5 8. Chapter 7, article 5.
6 9. Chapter 8, articles 1, 3 and 4.
7 10. Sections 15-828 and 15-829.
8 11. Chapter 9, article 1, article 6, except for section 15-995, and
9 article 7.
10 12. Sections 15-941, 15-943.01, 15-952, 15-953 and 15-973.
11 13. Sections 15-1101 and 15-1104.
12 14. Chapter 10, articles 2, 3, 4 and 8.
13 D. Notwithstanding subsection C of this section, the following
14 apply to a career technical education district:
15 1. A career technical education district may issue bonds for the
16 purposes specified in section 15-1021 and in chapter 4, article 5 of this
17 title to an amount in the aggregate, including the existing indebtedness,
18 not exceeding one percent of the net assessed value of the full cash value
19 of the property within the career technical education district. For the
20 purposes of this paragraph, "full cash value" and "net assessed value"
21 have the same meanings prescribed in section 42-11001.
22 2. The number of governing board members for a career technical
23 education district shall be as prescribed in subsection A of this section.
24 3. The student count for the first year of operation of a career
25 technical education district as provided in this article shall be
26 determined as follows:
27 (a) Determine the estimated student count for career technical
28 education district classes that will operate in the first year of
29 operation. This estimate shall be based on actual registration of pupils
30 as of March 30 scheduled to attend classes that will be operated by the
31 career technical education district. The student count for the school
32 district of residence of the pupils registered at the career technical
33 education district shall be adjusted. The adjustment shall cause the
34 school district of residence to reduce the student count for the pupil to
35 reflect the courses to be taken at the career technical education
36 district. The school district of residence shall review and approve the
37 adjustment of its own student count as provided in this subdivision before
38 the pupils from the school district can be added to the student count of
39 the career technical education district.
40 (b) The student count for the new career technical education
41 district shall be the student count as determined in subdivision (a) of
42 this paragraph.
43 (c) For the first year of operation, the career technical education
44 district shall revise the student count to the actual average daily
45 membership as prescribed in section 15-901, subsection A, paragraph 1 for

1 students attending classes in the career technical education district. A
2 career technical education district shall revise its student count, the
3 base support level as provided in section 15-943.02, the revenue control
4 limit as provided in section 15-944.01 and the district additional
5 assistance as provided in section 15-962.01 before May 15. A career
6 technical education district that overestimated its student count shall
7 revise its budget before May 15. A career technical education district
8 that underestimated its student count may revise its budget before May 15.

9 (d) After March 15 of the first year of operation, the school
10 district of residence shall adjust its student count by reducing it to
11 reflect the courses actually taken at the career technical education
12 district. The school district of residence shall revise its student
13 count, the base support level as provided in section 15-943, the revenue
14 control limit as provided in section 15-944 and the district additional
15 assistance as provided in section 15-962.01 prior to May 15. A district
16 that underestimated the student count for students attending the career
17 technical education district shall revise its budget before May 15. A
18 district that overestimated the student count for students attending the
19 career technical education district may revise its budget before May 15.

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

22 (f) Pupils in an approved career technical education district
23 centralized program may generate an average daily membership of 1.0 during
24 any day of the week and at any time between July 1 and June 30 of each
25 fiscal year. For the purposes of this paragraph, "school district of
26 residence" means the school district that included the pupil in its
27 average daily membership for the year before the first year of operation
28 of the career technical education district and that would have included
29 the pupil in its student count for the purposes of computing its base
30 support level for the fiscal year of the first year of operation of the
31 career technical education district if the pupil had not enrolled in the
32 career technical education district.

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

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

40 (b) A student in a kindergarten program or in any of grades one
41 through nine who is enrolled in career and technical education courses
42 shall not be funded in whole or in part with monies provided by a career
43 technical education district, except that a pupil in grade eight or nine
44 may be funded with monies generated by the ~~five-cent~~ \$.05 qualifying tax
45 rate authorized in subsection F of this section.

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

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

10 5. A career technical education district may operate for more OR
11 LESS than one hundred eighty days per year, with expanded hours of
12 service.

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

15 7. A school district that is part of a career technical education
16 district shall use any monies received pursuant to this article to
17 supplement and not supplant base year career and technical education
18 courses, and directly related equipment and facilities, except that a
19 school district that is part of a career technical education district and
20 that has used monies received pursuant to this article to supplant career
21 and technical education courses that were offered before the first year
22 that the school district participated in the career technical education
23 district or the first year that the school district used monies received
24 pursuant to this article or that used the monies for purposes other than
25 for career and technical education courses shall use one hundred percent
26 of the monies received pursuant to this article to supplement and not
27 supplant base year career and technical education courses. Each
28 applicable school district shall provide a report to the career technical
29 education board and the department of education outlining the required
30 maintenance of effort and how monies were used to supplement and not
31 supplant base year career and technical education courses and directly
32 related equipment and facilities.

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

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

1 program for career and technical education shall not be included in
2 student count and average daily membership of a career technical education
3 district.

4 E. The career technical education board shall appoint a
5 superintendent as the executive officer of the career technical education
6 district.

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

15 G. The schools in the career technical education district are
16 available to all persons who reside in the career technical education
17 district and to pupils whose school district of residence within this
18 state is paying tuition on behalf of the pupils to a district of
19 attendance that is a member of the career technical education district,
20 subject to the rules for admission prescribed by the career technical
21 education board.

22 H. The career technical education board may collect tuition for
23 adult students and the attendance of pupils who are residents of school
24 districts that are not participating in the career technical education
25 district pursuant to arrangements made between the governing board of the
26 school district and the career technical education board.

27 I. The career technical education board may accept gifts, grants,
28 federal monies, tuition and other allocations of monies to erect, repair
29 and equip buildings and for the cost of ~~operation of~~ OPERATING the schools
30 of the career technical education district.

31 J. One member of the career technical education board shall be
32 selected chairman. The chairman shall be selected annually on a rotation
33 basis from among the participating school districts. The chairman of the
34 career technical education board shall be a voting member.

35 K. A career technical education board and a community college
36 district may enter into agreements ~~for the provision of~~ TO PROVIDE
37 administrative, operational and educational services and facilities.

38 L. Any agreement between the governing board of a career technical
39 education district and another career technical education district, a
40 school district, a charter school or a community college district shall be
41 in the form of an intergovernmental agreement or other written
42 contract. The auditor general shall modify the uniform system of
43 financial records and budget forms in accordance with this subsection.
44 The intergovernmental agreement or other written contract shall completely
45 and accurately specify each of the following:

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

3 2. The accountability provisions of the intergovernmental agreement
4 or other written contract.

5 3. The responsibilities of each career technical education
6 district, each school district, each charter school and each community
7 college district that is a party to the intergovernmental agreement or
8 other written contract.

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

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

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

17 7. The amount that the career technical education district will
18 contribute to a course and the amount of support required by the school
19 district, ~~THE CHARTER SCHOOL~~ or the community college.

20 8. That the services provided by the career technical education
21 district, the school district, the charter school or the community college
22 district be proportionally calculated in the cost of delivering the
23 service.

24 9. That the payment for services shall not exceed the cost of the
25 services provided.

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

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

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

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

36 M. A member school district or charter school may not submit
37 requests ~~for the approval~~ TO APPROVE or ~~addition of~~ ADD satellite campus
38 career technical education district programs or courses directly to the
39 career and technical education division of the department of education,
40 but shall submit all appropriate application documentation and materials
41 for programs or courses to the career technical education district. On
42 approval from the career technical education board, a career technical
43 education district shall only submit requests ~~for the approval~~ TO APPROVE
44 or ~~addition of~~ ADD satellite campus career technical education district
45 programs or courses directly to the career and technical education

1 division of the department of education, which shall determine whether the
2 criteria prescribed in section 15-391, paragraphs 2 and 4 have been
3 met. If the career and technical education division of the department of
4 education determines that a course does not meet the criteria for approval
5 as a career technical education course, the governing board of the career
6 technical education district may appeal this decision to the state board
7 of education acting as the state board of vocational education.

8 N. Notwithstanding any other law, the average daily membership for
9 a pupil who is enrolled in a career technical education course and who
10 does not meet the criteria specified in subsection P or Q of this section
11 shall be 0.25 for each course, except the sum of the average daily
12 membership shall not exceed the limits prescribed by subsection D, P or Q
13 of this section, as applicable.

14 O. If a career and technical education course or program is
15 provided on a satellite campus, the sum of the average daily membership,
16 as provided in section 15-901, subsection A, paragraph 1, for that pupil
17 in the school district or charter school and career technical education
18 district shall not exceed 1.25. The school district or charter school and
19 the career technical education district shall determine the apportionment
20 of the average daily membership for that pupil between the school district
21 or charter school and the career technical education district. A pupil
22 who attends a course or program at a satellite campus and who is not
23 enrolled in the school district or charter school where the satellite
24 campus is located may generate the average daily membership FOR
25 INSTRUCTION RECEIVED ANY DAY OF THE WEEK AND AT ANY TIME BETWEEN JULY 1
26 AND JUNE 30 OF EACH FISCAL YEAR pursuant to this subsection if the pupil
27 is enrolled in a school district that is a member district in the same
28 career technical education district.

29 P. The sum of the average daily membership of a pupil who is
30 enrolled in both the school district and career technical education course
31 or career technical education program provided ~~at~~ BY a community college
32 pursuant to subsection K of this section or at a centralized campus shall
33 not exceed 1.75. The member school district and the career technical
34 education district shall determine the apportionment of the average daily
35 membership and student enrollment for that pupil between the member school
36 district and the career technical education district, except that the
37 amount apportioned shall not exceed 1.0 for either entity.
38 Notwithstanding any other law, the average daily membership for a pupil in
39 grade ten, eleven or twelve who is enrolled in a course that meets for at
40 least one hundred fifty minutes per class period at a centralized campus
41 shall be 0.75. To qualify for funding pursuant to this subsection, a
42 centralized campus shall offer programs and courses to all eligible
43 students in each member district of the career technical education
44 district. STUDENTS IN AN APPROVED CAREER TECHNICAL EDUCATION PROGRAM MAY
45 GENERATE AN AVERAGE DAILY MEMBERSHIP FOR INSTRUCTION RECEIVED DURING ANY

DAY OF THE WEEK AND AT ANY TIME BETWEEN JULY 1 AND JUNE 30 OF EACH FISCAL YEAR.

Q. The average daily membership for a pupil in grade ten, eleven or twelve who is enrolled in a course that meets for at least one hundred fifty minutes per class period at a leased centralized campus shall not exceed 0.75. STUDENTS IN AN APPROVED CAREER TECHNICAL EDUCATION PROGRAM PROVIDED BY A LEASED CENTRALIZED CAMPUS MAY GENERATE AN AVERAGE DAILY MEMBERSHIP FOR INSTRUCTION RECEIVED DURING ANY DAY OF THE WEEK AND AT ANY TIME BETWEEN JULY 1 AND JUNE 30 OF EACH FISCAL YEAR. The sum of the average daily membership, as provided in section 15-901, subsection A, paragraph 1, of a pupil who is enrolled in both the school district and in career technical education courses provided at a leased centralized campus shall not exceed 1.75 if all of the following conditions are met:

1. The course qualifies as a career technical education course.

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

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

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

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

S. Notwithstanding any other law, the student count for a career technical education district shall be equivalent to the career technical education district's average daily membership. STUDENTS IN AN APPROVED CAREER TECHNICAL EDUCATION PROGRAM PROVIDED BY A SATELLITE CAMPUS, CENTRALIZED CAMPUS OR LEASED CENTRALIZED CAMPUS MAY GENERATE AN AVERAGE DAILY MEMBERSHIP FOR INSTRUCTION RECEIVED DURING ANY DAY OF THE WEEK AND AT ANY TIME BETWEEN JULY 1 AND JUNE 30 OF EACH FISCAL YEAR. THE DEPARTMENT MAY NOT RESTRICT THE INSTRUCTIONAL TIME BY LIMITING THE PARTICULAR DAYS OF THE WEEK OR TIME OF THE FISCAL YEAR FOR INSTRUCTION TO OCCUR.

T. A school district or charter school may not prohibit or discourage students who are enrolled in that school district or charter school from attending courses offered by a career technical education

1 district, including requiring students to generate a full 1.0 average
 2 daily membership or to enroll in more courses than are needed to graduate
 3 before enrolling in and attending programs or courses offered by a career
 4 technical education district.

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

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

19 W. For the purposes of this section:

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

22 2. "Centralized campus" means a facility that is owned and operated
 23 by a career technical education district ~~for the purpose of offering~~ TO
 24 OFFER career technical education district programs or career technical
 25 education courses.

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

29 4. "Leased centralized campus" means a facility that is leased and
 30 operated by a career technical education district for the purpose of
 31 offering career technical education district programs or career technical
 32 education courses.

33 5. "Satellite campus" means a facility that is owned or operated by
 34 a school district or charter school ~~for the purpose of offering~~ TO OFFER
 35 career technical education district programs or career technical education
 36 courses.

37 Sec. 3. Legislative findings and intent

38 A. The legislature finds that the unique nature of many career
 39 technical education courses and programs require maximum flexibility in
 40 scheduling to provide access to students. Career technical education
 41 instruction delivery commonly requires block scheduling with longer hours
 42 over a shorter period of time, so instruction may occur over a few months
 43 rather than an entire semester. In an effort to provide efficient
 44 scheduling, career technical education courses may meet on Saturdays in
 45 order to offer the full-day instruction appropriate for a particular

1 program. This flexibility also gives students more opportunities to
2 fulfill the hourly obligations required for industry certification by
3 regulators or a particular trade.

4 B. The intent of section 15-393, Arizona Revised Statutes, as
5 amended by this act, is to establish clear statutory authority for career
6 technical education districts to deliver career technical education
7 instruction any day of the week at any time between July 1 and June 30 of
8 each fiscal year. The legislature's intent is to offer maximum scheduling
9 flexibility for career technical education programs to be delivered in
10 ways that best serve the students.