

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~~ \$0.05 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**  
**INSTRUCTION RECEIVED ANY DAY OF THE WEEK AND AT ANY TIME BETWEEN JULY 1**  
**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**

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

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

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

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

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

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

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

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

43 T. A school district or charter school may not prohibit or  
44 discourage students who are enrolled in that school district or charter  
45 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.