

House Engrossed

four-year degrees; community colleges

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

# HOUSE BILL 2523

AN ACT

AMENDING SECTIONS 15-1401 AND 15-1444, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 12, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1444.01; RELATING TO COMMUNITY COLLEGES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-1401, Arizona Revised Statutes, is amended to  
3 read:

4 15-1401. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Accredited" means accredited by a regional accrediting agency  
7 recognized by the United States department of education or by the council  
8 on postsecondary accreditation.

9 2. "Additional short-term classes" means those classes that are not  
10 in session on the forty-fifth day of the fall or spring semester, that  
11 commence at various times during the fiscal year and that are offered over  
12 a period of less than sixteen weeks.

13 3. "Budget year" means the fiscal year for which the community  
14 college district is budgeting and that immediately follows the current  
15 year.

16 4. "Community college" means an educational institution that is  
17 operated by a district board and that provides a program ~~not exceeding two~~  
18 **OF NOT MORE THAN FOUR** years' training in the arts, sciences and humanities  
19 beyond the twelfth grade of the public or private high school course of  
20 study or vocational education, including terminal courses of a technical  
21 and vocational nature and basic adult education courses.

22 5. "Community college tuition financing district" means a district  
23 that is organized pursuant to section 15-1409.

24 6. "Current year" means the fiscal year in which the community  
25 college district is operating.

26 7. "District" means a community college district that is  
27 established pursuant to sections 15-1402 and 15-1403 or section 15-1402.01  
28 and that is a political subdivision of this state and, unless otherwise  
29 specified, includes community college tuition financing districts  
30 established pursuant to section 15-1409.

31 8. "District board" means the community college district governing  
32 board.

33 9. "Full-time equivalent student" means student enrollment for  
34 fifteen community college semester credit units per semester.

35 10. "Open entry, open exit classes" means those classes in which  
36 students enter or exit based on mastery of specified competencies and that  
37 commence at various times during the fiscal year.

38 11. "Operational expense budget" means the budget as adopted by the  
39 district board pursuant to section 15-1461.

40 12. "Operational expenses" means the administration, instruction,  
41 operation of community college plant, maintenance of community college  
42 plant, fixed charges and contingencies incurred in the operation of a  
43 district, ~~exclusive of~~ **EXCLUDING** all capital outlay items, special levies,  
44 auxiliary enterprise funds, restricted funds and bond service items.

1           13. "Provisional community college district" means a community  
2 college district THAT WAS organized pursuant to section 15-1409 AND THAT  
3 BEGAN OPERATIONS BEFORE JANUARY 1, 2015.

4           Sec. 2. Section 15-1444, Arizona Revised Statutes, is amended to  
5 read:

6           15-1444. General powers and duties of district boards

7           A. Except as otherwise provided, ~~the~~ EACH district board shall:

8           1. Maintain each community college UNDER ITS JURISDICTION for a  
9 period of ~~not less than~~ AT LEAST eight months in each year and, if the  
10 ~~funds~~ MONIES of the district are sufficient, maintain each community  
11 college for a longer period.

12           2. Adopt policies in a public forum to offer programs that meet the  
13 educational needs of the population served by the community college.

14           3. Enforce the courses of study prescribed by the district board.

15           4. Visit each community college under its jurisdiction and examine  
16 carefully into its management, conditions and needs.

17           5. Exclude from each community college all books, publications or  
18 papers of a sectarian, partisan or denominational character intended for  
19 use as textbooks.

20           6. Appoint and employ a chancellor or chancellors, ~~vice-chancellors~~  
21 VICE CHANCELLORS, a president or presidents, vice presidents, deans,  
22 professors, instructors, lecturers, fellows and such other officers and  
23 employees it deems necessary. The district board may enter into  
24 employment contracts with chancellors, ~~vice-chancellors~~ VICE CHANCELLORS  
25 and presidents for a duration of more than one year but not more than five  
26 years.

27           7. Determine the salaries of persons it appoints and employs. A  
28 district may not compensate an employee for work performed on behalf of an  
29 elected employee representative organization and may not provide more  
30 favorable terms and conditions of employment to any employee because that  
31 individual belongs to an elected employee representative organization.

32           8. Remove any officer or employee if in its judgment the interests  
33 of education in this state require the removal.

34           9. Award degrees, certificates and diplomas on the completion of  
35 courses and curricula as it deems appropriate.

36           10. Appoint or employ, if it deems necessary, police officers who  
37 shall have the authority and power of peace officers. The police officers  
38 who have received a certificate from the Arizona peace officer standards  
39 and training board are eligible for membership in and benefits under  
40 either title 38, chapter 5, article 2 or the public safety personnel  
41 retirement system under title 38, chapter 5, article 4.

42           11. Determine the location within the district of a community  
43 college and purchase, receive, hold, make and take leases of, sell and  
44 convey real or personal property for the benefit of the community colleges  
45 under its jurisdiction.

1           12. Obtain insurance or be self-insured, or a combination of  
2 insurance and self-insurance, against loss, to the extent it is determined  
3 necessary on community college buildings of the district. The local  
4 district shall have an insurable interest in the buildings.

5           B. The district board may:

6           1. Administer trusts declared or created for the district and  
7 receive by gift or devise and hold in trust or otherwise property  
8 wheresoever located, and if not otherwise provided, dispose of the  
9 property for the benefit of the district.

10          2. Lease real property, as lessor or as lessee. If a district is  
11 the lessee, the lease may contain an option to purchase the property. The  
12 district board may adopt policies as are deemed necessary and may delegate  
13 in writing to the chancellor or president of the district, or their  
14 designees, all or any part of its authority to lease property under this  
15 paragraph. Any delegation by the district board pursuant to this  
16 paragraph may be rescinded in whole or in part at any time by the district  
17 board.

18          3. Sue and be sued.

19          4. Contract. The district board may adopt such policies as are  
20 deemed necessary and may delegate in writing to the chancellor or  
21 president of the district, or their designees, all or any part of its  
22 authority to contract under this paragraph. Any delegation of authority  
23 under this paragraph may be rescinded by the district board at any time in  
24 whole or in part.

25          5. Construct, remodel and repair buildings.

26          6. In conjunction with other districts, establish policies for  
27 ~~procurement of~~ **PROCURING** goods and services.

28          7. Provide a plan or plans for employee benefits, which may include  
29 optional retirement programs pursuant to section 15-1451, subsection A,  
30 which allow for participation in a cafeteria plan that meets the  
31 requirements of the United States internal revenue code of 1986.

32          8. Accept grants or donations of monies from the United States or  
33 any of its agencies, departments or officers, this state, political  
34 subdivisions of this state, tribal governments, school districts, special  
35 taxing districts, persons, corporations, foundations or associations. The  
36 district board shall deposit the monies into a specific fund or account  
37 and shall administer the monies in accordance with the purpose of the  
38 grant or donation with specific policies or restrictions as described or  
39 stipulated in the grant or donation. In the case of personal property  
40 granted or donated to or for the benefit of a community college district,  
41 the district board shall immediately transfer possession and ownership of  
42 the property to the designated district. Monies received pursuant to this  
43 paragraph are not considered local revenues for the purposes of article  
44 IX, section 21, Constitution of Arizona.

1           9. Enter into intergovernmental agreements or contracts pursuant to  
2 section 11-952.01 for participation in programs offered by public agency  
3 pools or separately contract with a trustee or board of trustees that  
4 provides a common self-insurance program with pooled funds and risks  
5 pursuant to section 15-382, subsection B, paragraph 2. The district board  
6 is not required to engage in competitive procurement in order to make the  
7 decision to participate in these programs.

8           10. Name a building or a group of buildings that is located on a  
9 community college campus on behalf of a person or entity that has made a  
10 significant contribution of monies or other property to the community  
11 college or the community college district.

12           11. Enter into research and development agreements, royalty  
13 agreements, development agreements, licensing agreements and  
14 profit-sharing agreements concerning the research, development,  
15 production, storing or marketing of new products developed or to be  
16 developed through community college district research. Monies received  
17 pursuant to this paragraph are not considered local revenues for the  
18 purposes of article IX, section 21, Constitution of Arizona.

19           12. Enter into an intergovernmental agreement pursuant to section  
20 15-1747 to participate in a reciprocity agreement subject to the terms of  
21 the reciprocity agreement.

22           13. Engage in entrepreneurial and commercial activities. Monies  
23 received pursuant to this paragraph are not considered local revenues for  
24 the purposes of article IX, section 21, Constitution of Arizona.

25           14. Collect auxiliary fees, including cafeteria fees, food service  
26 fees, bookstore fees and dormitory fees. Monies received pursuant to this  
27 paragraph are not considered local revenues for the purposes of article  
28 IX, section 21, Constitution of Arizona.

29           15. Provide goods and services pursuant to a contract with a  
30 political subdivision of this state or with a tribal government. Monies  
31 received pursuant to this paragraph are not considered local revenues for  
32 the purposes of article IX, section 21, Constitution of Arizona.

33           16. FOR A COMMUNITY COLLEGE IN A COUNTY WITH A POPULATION OF SEVEN  
34 HUNDRED FIFTY THOUSAND PERSONS OR LESS, OFFER FOUR-YEAR BACCALAUREATE  
35 DEGREES THAT ARE ACCREDITED BY A REGIONAL ACCREDITATION AGENCY APPROVED BY  
36 THE UNITED STATES DEPARTMENT OF EDUCATION.

37           17. FOR A COMMUNITY COLLEGE IN A COUNTY WITH A POPULATION OF MORE  
38 THAN SEVEN HUNDRED FIFTY THOUSAND PERSONS, OFFER FOUR-YEAR BACCALAUREATE  
39 DEGREES THAT ARE ACCREDITED BY A REGIONAL ACCREDITATION AGENCY APPROVED BY  
40 THE UNITED STATES DEPARTMENT OF EDUCATION AS FOLLOWS:

41           (a) FOR THE FIRST FOUR YEARS THAT A COMMUNITY COLLEGE OFFERS  
42 FOUR-YEAR BACCALAUREATE DEGREES, THE COMMUNITY COLLEGE MAY NOT OFFER MORE  
43 THAN TEN PERCENT OF ITS TOTAL NUMBER OF DEGREE AND CERTIFICATION OFFERINGS  
44 FOR FOUR-YEAR BACCALAUREATE DEGREES. FOR THE FIFTH AND SUBSEQUENT YEARS  
45 THAT A COMMUNITY COLLEGE OFFERS FOUR-YEAR BACCALAUREATE DEGREES, THE

1 COMMUNITY COLLEGE MAY NOT OFFER MORE THAN FIFTEEN PERCENT OF ITS TOTAL  
2 NUMBER OF DEGREE AND CERTIFICATION OFFERINGS FOR FOUR-YEAR BACCALAUREATE  
3 DEGREES.

4 (b) TUITION PER CREDIT HOUR FOR THE THIRD AND FOURTH YEARS OF A  
5 FOUR-YEAR BACCALAUREATE PROGRAM MAY NOT EXCEED ONE HUNDRED FIFTY PERCENT  
6 OF THE TUITION PER CREDIT HOUR OF ANY OTHER DISTRICT PROGRAM.

7 C. If a district acquires real or personal property, whether by  
8 purchase, exchange, condemnation, gift or otherwise, the district shall  
9 pay to the county treasurer any taxes on the property that were unpaid as  
10 of the date of acquisition, including penalties and interest. The lien  
11 for unpaid delinquent taxes, penalties and interest on property acquired  
12 by the district:

13 1. Is not abated, extinguished, discharged or merged in the title  
14 to the property.

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

16 D. In a district whose boundaries encompass a vehicle emissions  
17 control area as defined in section 49-541, the district board shall  
18 require all out-of-county and out-of-state students to sign an affidavit  
19 at the time of course registration that the student's vehicle meets the  
20 requirements of section 49-542. The district board on property under its  
21 jurisdiction within a vehicle emissions control area shall prohibit the  
22 parking of those vehicles that fail to comply with section 49-542.

23 E. A community college district and a career technical education  
24 district governing board may enter into agreements ~~for the provision of~~ TO  
25 PROVIDE administrative, operational and educational services and  
26 facilities.

27 F. Each district may establish a program for the exchange of  
28 students between the community colleges under its jurisdiction and  
29 colleges and universities located in Sonora, Mexico. The program may  
30 provide for in-state tuition for Sonora students at the community colleges  
31 under the jurisdiction of the district in exchange for similar tuition  
32 provisions for Arizona students enrolled or seeking enrollment in Sonora  
33 colleges and universities. The community colleges may work in conjunction  
34 with the Arizona-Mexico commission in the governor's office to coordinate  
35 recruitment and admissions activities to provide for in-state tuition for  
36 up to fifty Sonora students at the community colleges under the  
37 jurisdiction of the district in exchange for similar tuition provisions  
38 for up to fifty total Arizona students enrolled or seeking enrollment in  
39 Sonora colleges and universities.

40 G. Each district shall facilitate transfer articulation  
41 coordination pursuant to section 15-1824.



- 1 (c) ASSESSMENT METHODS AND MEASURES.
- 2 8. THE PROJECTED ENROLLMENT BY YEAR FOR THE FIRST THREE YEARS.
- 3 9. EVIDENCE OF MARKET DEMAND FOR THE DEGREE.
- 4 10. SIMILAR PROGRAMS OFFERED AT OTHER INSTITUTIONS OF HIGHER
- 5 EDUCATION IN THIS STATE.
- 6 11. THE NEW RESOURCES REQUIRED, INCLUDING A LONG-TERM PLAN FOR
- 7 FACULTY RECRUITMENT THAT INDICATES THE ABILITY TO PAY THE INCREASED
- 8 SALARIES OF DOCTORAL FACULTY AND IDENTIFIES RECRUITMENT STRATEGIES FOR NEW
- 9 FACULTY.
- 10 D. EACH COMMUNITY COLLEGE OFFERING A BACCALAUREATE DEGREE PROGRAM
- 11 PURSUANT TO SECTION 15-1444, SUBSECTION B, PARAGRAPH 16 OR 17 SHALL SUBMIT
- 12 A REPORT TO THE JOINT LEGISLATIVE AUDIT COMMITTEE ON OR BEFORE OCTOBER 1
- 13 OF THE FIFTH YEAR AFTER OFFERING BACCALAUREATE DEGREE PROGRAM. THE REPORT
- 14 SHALL REVIEW THE FIRST FIVE YEARS OF THE BACCALAUREATE DEGREE PROGRAM AT
- 15 THE COMMUNITY COLLEGE AND SHALL INCLUDE ALL OF THE FOLLOWING:
- 16 1. THE NUMBER OF:
- 17 (a) BACCALAUREATE DEGREE PROGRAMS IMPLEMENTED AT THE COMMUNITY
- 18 COLLEGE.
- 19 (b) APPLICANTS TO EACH BACCALAUREATE DEGREE PROGRAM.
- 20 (c) PERSONS WHO ARE ADMITTED INTO EACH BACCALAUREATE DEGREE
- 21 PROGRAM.
- 22 (d) PERSONS WHO ARE ENROLLED IN EACH BACCALAUREATE DEGREE PROGRAM.
- 23 (e) PERSONS WHO RECEIVED DEGREES FROM EACH BACCALAUREATE DEGREE
- 24 PROGRAM.
- 25 2. THE COSTS OF EACH BACCALAUREATE DEGREE PROGRAM, INCLUDING COST
- 26 PER DEGREE AND THE FUNDING SOURCES THAT WERE USED TO FINANCE THESE
- 27 PROGRAMS.
- 28 3. CURRENT TRENDS IN WORKFORCE DEMANDS THAT REQUIRE FOUR-YEAR
- 29 DEGREES IN EACH SPECIFIC BACCALAUREATE DEGREE PROGRAM OFFERED.
- 30 4. CURRENT COMPLETION AND CONTINUATION RATES, IF AVAILABLE, FOR
- 31 EACH COHORT OF STUDENTS PARTICIPATING IN EACH BACCALAUREATE DEGREE
- 32 PROGRAM.
- 33 5. INFORMATION ON THE IMPACT OF EACH BACCALAUREATE DEGREE PROGRAM
- 34 ON UNDERSERVED AND UNDERPREPARED STUDENTS.
- 35 6. THE EXTENT TO WHICH EACH BACCALAUREATE DEGREE PROGRAM FULFILLS
- 36 IDENTIFIED WORKFORCE NEEDS FOR NEW BACCALAUREATE DEGREE PROGRAMS.
- 37 7. INFORMATION ON THE PLACES OF EMPLOYMENT OF STUDENTS AND THE
- 38 SUBSEQUENT JOB PLACEMENT OF GRADUATES OF EACH BACCALAUREATE DEGREE
- 39 PROGRAM.
- 40 8. THE COSTS TO STUDENTS OF EACH BACCALAUREATE DEGREE PROGRAM, THE
- 41 AMOUNT OF FINANCIAL AID OFFERED AND STUDENT DEBT LEVELS OF GRADUATES OF
- 42 EACH BACCALAUREATE DEGREE PROGRAM.
- 43 9. TIME-TO-DEGREE RATES AND COMPLETION RATES FOR EACH BACCALAUREATE
- 44 DEGREE PROGRAM.

- 1 E. EACH COMMUNITY COLLEGE DISTRICT THAT OFFERS A BACCALAUREATE  
2 DEGREE PROGRAM SHALL INCLUDE ALL OF THE FOLLOWING IN ITS ANNUAL REPORT  
3 REQUIRED BY SECTION 15-1427:
- 4 1. THE TOTAL NUMBER OF STUDENTS PURSUING A BACCALAUREATE DEGREE AT  
5 THE COMMUNITY COLLEGE DISTRICT PURSUANT TO THIS SECTION.
  - 6 2. THE TOTAL NUMBER OF BACCALAUREATE DEGREES COMPLETED AT THE  
7 COMMUNITY COLLEGE DISTRICT.
  - 8 3. WORKFORCE DATA SHOWING DEMAND OF THE BACCALAUREATE DEGREE  
9 PROGRAMS BEING OFFERED AT THE COMMUNITY COLLEGE DISTRICT.
  - 10 4. THE AVERAGE COST OF TUITION PER CREDIT HOUR FOR THE  
11 BACCALAUREATE DEGREES BEING OFFERED AT THE COMMUNITY COLLEGE DISTRICT.
- 12 Sec. 4. Legislative findings and intent
- 13 The legislature finds and declares:
- 14 1. Four-year degrees are of increasing importance in enabling  
15 individuals to qualify for and obtain jobs.
  - 16 2. It is a priority in this state to afford the citizens in this  
17 state, particularly those in rural areas of this state, greater access to  
18 higher education.
  - 19 3. Community colleges can help fill the gaps in this state's higher  
20 education system by granting baccalaureate degrees in order to meet the  
21 growing demand for a skilled workforce.
  - 22 4. It is therefore in the interest of this state to grant community  
23 colleges the ability to seek authorization to offer four-year  
24 baccalaureate degrees.
  - 25 5. Baccalaureate programs offered under this act do not otherwise  
26 alter the role and mission of a public community college.