

REFERENCE TITLE: K-12 education; budget reconciliation; 2021-2022.

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

## HB 2898

Introduced by  
Representative Cobb (with permission of Committee on Rules)

### AN ACT

AMENDING SECTIONS 5-568 AND 15-185, ARIZONA REVISED STATUTES; AMENDING SECTION 15-203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 2, SECTION 2; REPEALING SECTION 15-240, ARIZONA REVISED STATUTES; AMENDING SECTION 15-251, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 2, SECTION 3; AMENDING SECTION 15-341, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 3, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-342.05; AMENDING SECTION 15-350, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 2, SECTION 4; AMENDING SECTIONS 15-393 AND 15-393.01, ARIZONA REVISED STATUTES; AMENDING SECTION 15-505, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 2021, CHAPTER 2, SECTION 5; AMENDING SECTION 15-512, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 2, SECTION 6; AMENDING SECTION 15-514, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 2, SECTION 7; AMENDING SECTION 15-746, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 7, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-747; AMENDING SECTIONS 15-774, 15-816, 15-816.01 AND 15-901, ARIZONA REVISED STATUTES; AMENDING SECTION 15-901.08, ARIZONA REVISED STATUTES, AS ADDED BY LAWS 2021, CHAPTER 299, SECTION 4; AMENDING SECTION 15-911, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 9, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-924; AMENDING SECTIONS 15-943, 15-945, 15-973 AND 15-1043, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 10, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 13; AMENDING TITLE 15, CHAPTER 10.1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1286; AMENDING SECTIONS

15-1304, 15-2032, 15-2041, 41-1276 AND 41-1750, ARIZONA REVISED STATUTES;  
AMENDING LAWS 2020, CHAPTER 26, SECTION 1; APPROPRIATING MONIES; RELATING  
TO KINDERGARTEN THROUGH GRADE TWELVE BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 5-568, Arizona Revised Statutes, is amended to  
3 read:

4 5-568. Disposition of unclaimed prize money

5 Unclaimed prize money for the prize on a winning ticket or share  
6 shall be retained for the person entitled to the prize for one hundred  
7 eighty days after the drawing in which the prize was won in the case of a  
8 drawing prize and for one hundred eighty days after the announced end of  
9 the game in question in the case of a prize determined in any manner other  
10 than by means of a drawing. If a claim is not made for the money within  
11 the applicable period, the money shall be transferred in the following  
12 amounts:

13 1. Fifty-five percent of the prize money shall be held in the state  
14 lottery prize fund for use as additional prizes in future games, except  
15 that if the amount of monies transferred by the commission pursuant to  
16 section 5-554, subsection H, paragraph 1 is less than ~~nine hundred~~  
17 ~~thousand dollars~~ \$900,000 each fiscal year, the difference shall be  
18 transferred to the internet crimes against children enforcement fund  
19 established by section 41-199 and if the amount of monies transferred by  
20 the commission pursuant to section 5-554, subsection H, paragraph 2 is  
21 less than ~~one hundred thousand dollars~~ \$100,000 each fiscal year, the  
22 difference shall be transferred to the victims' rights enforcement fund  
23 established by section 41-1727.

24 2. Thirty percent shall be transferred quarterly to the court  
25 appointed special advocate fund established by section 8-524.

26 3. Fifteen percent shall be transferred monthly to the tribal  
27 college dual enrollment program fund established by section 15-244.01.  
28 The amount transferred may not exceed ~~two hundred fifty thousand dollars~~  
29 \$325,000 in any fiscal year.

30 Sec. 2. Section 15-185, Arizona Revised Statutes, is amended to  
31 read:

32 15-185. Charter schools; financing; civil penalties;  
33 transportation; definition

34 A. A school district is not financially responsible for any charter  
35 school that is sponsored by the state board of education, the state board  
36 for charter schools, a university under the jurisdiction of the Arizona  
37 board of regents, a community college district or a group of community  
38 college districts.

39 B. Financial provisions for a charter school that is sponsored by  
40 the state board of education, the state board for charter schools, a  
41 university, a community college district or a group of community college  
42 districts are as follows:

43 1. The charter school shall calculate a base support level as  
44 prescribed in section 15-943, except that:

45 (a) Section 15-941 does not apply to these charter schools.

1 (b) The small school weights prescribed in section 15-943,  
2 paragraph 1 apply if a charter holder holds one charter for one or more  
3 school sites and the average daily membership for the school sites are  
4 combined for the calculation of the small school weight. The small school  
5 weight shall not be applied individually to a charter holder if one or  
6 more of the following conditions exist and the combined average daily  
7 membership derived from the following conditions is greater than six  
8 hundred:

9 (i) The organizational structure or management agreement of the  
10 charter holder requires the charter holder or charter school to contract  
11 with a specific management company.

12 (ii) The governing body of the charter holder has identical  
13 membership to another charter holder in this state.

14 (iii) The charter holder is a subsidiary of a corporation that has  
15 other subsidiaries that are charter holders in this state.

16 (iv) The charter holder holds more than one charter in this state.

17 (c) Notwithstanding subdivision (b) of this paragraph, for fiscal  
18 years 2015-2016 and 2016-2017 the department of education shall reduce by  
19 thirty-three percent the amount provided by the small school weight for  
20 charter schools prescribed in subdivision (b) of this paragraph.

21 2. Notwithstanding paragraph 1 of this subsection, the student  
22 count shall be determined initially using an estimated student count based  
23 on actual registration of pupils before the beginning of the school year.  
24 Notwithstanding section 15-1042, subsection F, student level data  
25 submitted to the department may be used to determine estimated student  
26 counts. After the first forty days, one hundred days or two hundred days  
27 in session, as applicable, the charter school shall revise the student  
28 count to be equal to the actual average daily membership, as defined in  
29 section 15-901, of the charter school. Before the fortieth day, one  
30 hundredth day or two hundredth day in session, as applicable, the state  
31 board of education, the state board for charter schools, the sponsoring  
32 university, the sponsoring community college district or the sponsoring  
33 group of community college districts may require a charter school to  
34 report periodically regarding pupil enrollment and attendance, and the  
35 department of education may revise its computation of equalization  
36 assistance based on the report. A charter school shall revise its student  
37 count, base support level and charter additional assistance before May 15.  
38 A charter school that overestimated its student count shall revise its  
39 budget before May 15. A charter school that underestimated its student  
40 count may revise its budget before May 15.

41 3. A charter school may use section 15-855 for the purposes of this  
42 section. The charter school and the department of education shall  
43 prescribe procedures for determining average daily membership.

1           4. Equalization assistance for the charter school shall be  
 2 determined by adding the amount of the base support level and charter  
 3 additional assistance. The amount of the charter additional assistance is  
 4 ~~\$1,875.21~~ \$1,897.90 per student count in preschool programs for children  
 5 with disabilities, kindergarten programs and grades one through eight and  
 6 ~~\$2,185.53~~ \$2,211.97 per student count in grades nine through twelve.

7           5. The state board of education shall apportion state aid from the  
 8 appropriations made for such purposes to the state treasurer for  
 9 disbursement to the charter schools in each county in an amount as  
 10 determined by this paragraph. The apportionments shall be made as  
 11 prescribed in section 15-973, subsection B.

12           6. The charter school shall not charge tuition for pupils who  
 13 reside in this state, levy taxes or issue bonds. A charter school may  
 14 admit pupils who are not residents of this state and shall charge tuition  
 15 for those pupils in the same manner prescribed in section 15-823.

16           7. Not later than noon on the day preceding each apportionment date  
 17 established by paragraph 5 of this subsection, the superintendent of  
 18 public instruction shall furnish to the state treasurer an abstract of the  
 19 apportionment and shall certify the apportionment to the department of  
 20 administration, which shall draw its warrant in favor of the charter  
 21 schools for the amount apportioned.

22           C. If a pupil is enrolled in both a charter school and a public  
 23 school that is not a charter school, the sum of the daily membership,  
 24 which includes enrollment as prescribed in section 15-901, subsection A,  
 25 paragraph 1, subdivisions (a) and (b) and daily attendance as prescribed  
 26 in section 15-901, subsection A, paragraph 5, for that pupil in the school  
 27 district and the charter school shall not exceed 1.0. If a pupil is  
 28 enrolled in both a charter school and a public school that is not a  
 29 charter school, the department of education shall direct the average daily  
 30 membership to the school with the most recent enrollment date. On  
 31 validation of actual enrollment in both a charter school and a public  
 32 school that is not a charter school and if the sum of the daily membership  
 33 or daily attendance for that pupil is greater than 1.0, the sum shall be  
 34 reduced to 1.0 and shall be apportioned between the public school and the  
 35 charter school based on the percentage of total time that the pupil is  
 36 enrolled or in attendance in the public school and the charter school.  
 37 The uniform system of financial records shall include guidelines to  
 38 apportion the pupil enrollment and attendance as provided in this section.

39           D. Charter schools are allowed to accept grants and gifts to  
 40 supplement their state funding, but it is not the intent of the charter  
 41 school law to require taxpayers to pay twice to educate the same pupils.  
 42 The base support level for a charter school or for a school district  
 43 sponsoring a charter school shall be reduced by an amount equal to the  
 44 total amount of monies received by a charter school from a federal or  
 45 state agency if the federal or state monies are intended for the basic

1 maintenance and operations of the school. The superintendent of public  
2 instruction shall estimate the amount of the reduction for the budget year  
3 and shall revise the reduction to reflect the actual amount before May 15  
4 of the current year. If the reduction results in a negative amount, the  
5 negative amount shall be used in computing all budget limits and  
6 equalization assistance, except that:

7 1. Equalization assistance shall not be less than zero.

8 2. For a charter school sponsored by the state board of education,  
9 the state board for charter schools, a university, a community college  
10 district or a group of community college districts, the total of the base  
11 support level and the charter additional assistance shall not be less than  
12 zero.

13 E. If a charter school was a district public school in the prior  
14 year and sponsored by the state board of education, the state board for  
15 charter schools, a university, a community college district or a group of  
16 community college districts, the reduction in subsection D of this section  
17 applies. The reduction to the base support level of the charter school  
18 shall equal the sum of the base support level and the charter additional  
19 assistance received in the current year for those pupils who were enrolled  
20 in the traditional public school in the prior year and are now enrolled in  
21 the charter school in the current year.

22 F. Equalization assistance for charter schools shall be provided as  
23 a single amount based on average daily membership without categorical  
24 distinctions between maintenance and operations or capital.

25 G. At the request of a charter school, the county school  
26 superintendent of the county where the charter school is located may  
27 provide the same educational services to the charter school as prescribed  
28 in section 15-308, subsection A. The county school superintendent may  
29 charge a fee to recover costs for providing educational services to  
30 charter schools.

31 H. If the sponsor of the charter school determines at a public  
32 meeting that the charter school is not in compliance with federal law,  
33 with the laws of this state or with its charter, the sponsor of a charter  
34 school may submit a request to the department of education to withhold up  
35 to ten percent of the monthly apportionment of state aid that would  
36 otherwise be due the charter school. The department shall adjust the  
37 charter school's apportionment accordingly. The sponsor shall provide  
38 written notice to the charter school at least seventy-two hours before the  
39 meeting and shall allow the charter school to respond to the allegations  
40 of noncompliance at the meeting before the sponsor makes a final  
41 determination to notify the department of education of noncompliance. The  
42 charter school shall submit a corrective action plan to the sponsor on a  
43 date specified by the sponsor at the meeting. The corrective action plan  
44 shall be designed to correct deficiencies at the charter school and to  
45 ensure that the charter school promptly returns to compliance. When the

1 sponsor determines that the charter school is in compliance, the  
2 department shall restore the full amount of state aid payments to the  
3 charter school.

4 I. In addition to the withholding of state aid payments pursuant to  
5 subsection H of this section, the sponsor of a charter school may impose a  
6 civil penalty of \$1,000 per occurrence if a charter school fails to comply  
7 with the fingerprinting requirements prescribed in section 15-183,  
8 subsection C or section 15-512. The sponsor of a charter school shall not  
9 impose a civil penalty if it is the first time the charter school is out  
10 of compliance with the fingerprinting requirements and if the charter  
11 school provides proof within forty-eight hours ~~of~~ AFTER written  
12 notification that an application for the appropriate fingerprint check has  
13 been received by the department of public safety. The sponsor of the  
14 charter school shall obtain proof that the charter school has been  
15 notified, and the notification shall identify the date of the deadline and  
16 shall be signed by both parties. The sponsor of a charter school shall  
17 automatically impose a civil penalty of \$1,000 per occurrence if the  
18 sponsor determines that the charter school subsequently violates the  
19 fingerprinting requirements. Civil penalties pursuant to this subsection  
20 shall be assessed by requesting the department of education to reduce the  
21 amount of state aid that the charter school would otherwise receive by an  
22 amount equal to the civil penalty. The amount of state aid withheld shall  
23 revert to the state general fund at the end of the fiscal year.

24 J. A charter school may receive and spend monies distributed by the  
25 department of education pursuant to section 42-5029, subsection E, section  
26 42-5029.02, subsection A and section 37-521, subsection B.

27 K. If a school district transports or contracts to transport pupils  
28 to the Arizona state schools for the deaf and the blind during any fiscal  
29 year, the school district may transport or contract with a charter school  
30 to transport sensory impaired pupils during that same fiscal year to a  
31 charter school if requested by the parent of the pupil and if the distance  
32 from the pupil's place of actual residence within the school district to  
33 the charter school is less than the distance from the pupil's place of  
34 actual residence within the school district to the campus of the Arizona  
35 state schools for the deaf and the blind.

36 L. Notwithstanding any other law, a university under the  
37 jurisdiction of the Arizona board of regents, a community college district  
38 or a group of community college districts shall not include any student in  
39 the student count of the university, community college district or group  
40 of community college districts for state funding purposes if that student  
41 is enrolled in and attending a charter school sponsored by the university,  
42 community college district or group of community college districts.

1 M. The governing body of a charter school shall transmit a copy of  
2 its proposed budget or the summary of the proposed budget and a notice of  
3 the public hearing to the department of education for posting on the  
4 department of education's website not later than ten days before the  
5 hearing and meeting. If the charter school maintains a website, the  
6 charter school governing body shall post on its website a copy of its  
7 proposed budget or the summary of the proposed budget and a notice of the  
8 public hearing.

9 N. The governing body of a charter school shall collaborate with  
10 the private organization that is approved by the state board of education  
11 pursuant to section 15-792.02 to provide approved board examination  
12 systems for the charter school.

13 O. If ~~permitted~~ ALLOWED by federal law, a charter school may opt  
14 out of federal grant opportunities if the charter holder or the  
15 appropriate governing body of the charter school determines that the  
16 federal requirements impose unduly burdensome reporting requirements.

17 P. For the purposes of this section, "monies intended for the basic  
18 maintenance and operations of the school" means monies intended to provide  
19 support for the educational program of the school, except that it does not  
20 include supplemental assistance for a specific purpose or title VIII of  
21 the elementary and secondary education act of 1965 monies. The auditor  
22 general shall determine which federal or state monies meet this  
23 definition.

24 Sec. 3. Section 15-203, Arizona Revised Statutes, as amended by  
25 Laws 2021, chapter 2, section 2, is amended to read:

26 15-203. Powers and duties; definition

27 A. The state board of education shall:

28 1. Exercise general supervision over and regulate the conduct of  
29 the public school system and adopt any rules and policies it deems  
30 necessary to accomplish this purpose.

31 2. Keep a record of its proceedings.

32 3. Make rules for its own government.

33 4. Determine the policy and work undertaken by it.

34 5. Subject to title 41, chapter 4, article 4, employ staff.

35 6. Prescribe and supervise the duties of its employees pursuant to  
36 title 41, chapter 4, article 4, if not otherwise prescribed by statute.

37 7. Delegate to the superintendent of public instruction the  
38 execution of board policies and rules.

39 8. Recommend to the legislature changes or additions to the  
40 statutes pertaining to schools.

41 9. Prepare, publish and distribute reports concerning the  
42 educational welfare of this state.

43 10. Prepare a budget for expenditures necessary for proper  
44 maintenance of the board and accomplishment of its purposes and present  
45 the budget to the legislature.



1           11. Aid in the enforcement of laws relating to schools.

2           12. Prescribe a minimum course of study in the common schools,  
3 minimum competency requirements for the promotion of pupils from the third  
4 grade and minimum course of study and competency requirements for the  
5 promotion of pupils from the eighth grade. The state board of education  
6 shall prepare a fiscal impact statement of any proposed changes to the  
7 minimum course of study or competency requirements and, on completion,  
8 shall send a copy to the director of the joint legislative budget  
9 committee and the executive director of the school facilities board. The  
10 state board of education shall not adopt any changes in the minimum course  
11 of study or competency requirements in effect on July 1, 1998 that will  
12 have a fiscal impact on school capital costs.

13           13. Prescribe minimum course of study and competency requirements  
14 for the graduation of pupils from high school. The state board of  
15 education shall prepare a fiscal impact statement of any proposed changes  
16 to the minimum course of study or competency requirements and, on  
17 completion, shall send a copy to the director of the joint legislative  
18 budget committee and the executive director of the school facilities  
19 board. The state board of education shall not adopt any changes in the  
20 minimum course of study or competency requirements in effect on July 1,  
21 1998 that will have a fiscal impact on school capital costs.

22           14. Pursuant to section 15-501.01, supervise and control the  
23 certification of persons engaged in instructional work directly as any  
24 classroom, laboratory or other teacher or indirectly as a supervisory  
25 teacher, speech therapist, principal or superintendent in a school  
26 district, including school district preschool programs, or any other  
27 educational institution below the community college, college or university  
28 level, and prescribe rules for certification.

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

35           16. Adopt rules governing the methods for the administration of all  
36 proficiency examinations.

37           17. Adopt proficiency examinations for its use and determine the  
38 passing score for the proficiency examinations.

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

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

1           20. Impose such disciplinary action, including disciplinary action  
2 pursuant to section 15-505 or the issuance of a letter of censure,  
3 suspension, suspension with conditions or revocation of a certificate, on  
4 a finding of immoral or unprofessional conduct.

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

9           22. Adopt a rule to promote braille literacy pursuant to section  
10 15-214.

11           23. Adopt rules prescribing procedures for ~~the investigation by~~ the  
12 ~~department~~ STATE BOARD of education ~~of~~ TO INVESTIGATE every written  
13 complaint alleging that a certificated person, a person seeking  
14 certification or a noncertificated person has engaged in immoral or  
15 unprofessional conduct.

16           24. For purposes of federal law, serve as the state board for  
17 vocational and technological education and meet at least four times each  
18 year solely to execute the powers and duties of the state board for  
19 vocational and technological education.

20           25. Develop and maintain a handbook for use in the schools of this  
21 state that provides guidance for the teaching of moral, civic and ethical  
22 education. The handbook shall promote existing curriculum frameworks and  
23 shall encourage school districts to recognize moral, civic and ethical  
24 values within instructional and programmatic educational development  
25 programs for the general purpose of instilling character and ethical  
26 principles in pupils in kindergarten programs and grades one through  
27 twelve.

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

33                   We hold these truths to be self-evident, that all men  
34 are created equal, that they are endowed by their creator with  
35 certain unalienable rights, that among these are life, liberty  
36 and the pursuit of happiness. That to secure these rights,  
37 governments are instituted among men, deriving their just  
38 powers from the consent of the governed. . . .

39           27. Adopt rules that provide for certification reciprocity pursuant  
40 to section 15-501.01.

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

44                   (a) Currently resides in this state.

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

5 29. Cooperate with the Arizona-Mexico commission in the governor's  
6 office and with researchers at universities in this state to collect data  
7 and conduct projects in the United States and Mexico on issues that are  
8 within the scope of the duties of the department of education and that  
9 relate to quality of life, trade and economic development in this state in  
10 a manner that will help the Arizona-Mexico commission to assess and  
11 enhance the economic competitiveness of this state and of the  
12 Arizona-Mexico region.

13 30. Adopt rules to define and provide guidance to schools as to the  
14 activities that would constitute immoral or unprofessional conduct of  
15 certificated and noncertificated persons.

16 31. Adopt guidelines to encourage pupils in grades nine, ten,  
17 eleven and twelve to volunteer for twenty hours of community service  
18 before graduation from high school. A school district that complies with  
19 the guidelines adopted pursuant to this paragraph is not liable for  
20 damages resulting from a pupil's participation in community service unless  
21 the school district is found to have demonstrated wanton or reckless  
22 disregard for the safety of the pupil and other participants in community  
23 service. For the purposes of this paragraph, "community service" may  
24 include service learning. The guidelines shall include the following:

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

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

29 (c) A consideration of risk assessment for community service  
30 projects.

31 (d) Orientation and notification procedures of community service  
32 opportunities for pupils entering grade nine, including the development of  
33 a notification form. The notification form shall be signed by the pupil  
34 and the pupil's parent or guardian, except that a pupil shall not be  
35 required to participate in community service if the parent or guardian  
36 notifies the principal of the pupil's school in writing that the parent or  
37 guardian does not wish the pupil to participate in community service.

38 (e) Procedures for a pupil in grade nine to prepare a written  
39 proposal that outlines the type of community service that the pupil would  
40 like to perform and the goals that the pupil hopes to achieve as a result  
41 of community service. The pupil's written proposal shall be reviewed by a  
42 faculty advisor, a guidance counselor or any other school employee who is  
43 designated as the community service program coordinator for that school.  
44 The pupil may alter the written proposal at any time before performing  
45 community service.

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

5 32. To facilitate the transfer of military personnel and their  
6 dependents to and from the public schools of this state, pursue, in  
7 cooperation with the Arizona board of regents, reciprocity agreements with  
8 other states concerning the transfer credits for military personnel and  
9 their dependents. A reciprocity agreement entered into pursuant to this  
10 paragraph shall:

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

12 (i) The transfer of student records.

13 (ii) Awarding credit for completed coursework.

14 (iii) ~~Permitting~~ ALLOWING a student to satisfy the graduation  
15 requirements prescribed in section 15-701.01 through the successful  
16 performance on comparable exit-level assessment instruments administered  
17 in another state.

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

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

26 34. For each of the alternative textbook formats of human-voiced  
27 audio, large-print and braille, designate alternative media producers to  
28 adapt existing standard print textbooks or to provide specialized  
29 textbooks, or both, for pupils with disabilities in this state. Each  
30 alternative media producer shall be capable of producing alternative  
31 textbooks in all relevant subjects in at least one of the alternative  
32 textbook formats. The board shall post the designated list of alternative  
33 media producers on its website.

34 35. Adopt a list of approved professional development training  
35 providers for use by school districts as provided in section 15-107,  
36 subsection J. The professional development training providers shall meet  
37 the training curriculum requirements determined by the state board of  
38 education in at least the areas of school finance, governance, employment,  
39 staffing, inventory and human resources, internal controls and  
40 procurement.

41 36. Adopt rules to prohibit a person who violates the notification  
42 requirements prescribed in section 15-183, subsection C, paragraph 8 or  
43 section 15-550, subsection ~~C~~ D from certification pursuant to this title  
44 until the person is no longer charged or is acquitted of any offenses  
45 listed in section 41-1758.03, subsection B. The state board shall also

1 adopt rules to prohibit a person who violates the notification  
2 requirements, certification surrender requirements or fingerprint  
3 clearance card surrender requirements prescribed in section 15-183,  
4 subsection C, paragraph 9 or section 15-550, subsection ~~D~~ E from  
5 certification pursuant to this title for at least ten years after the date  
6 of the violation.

7 37. Adopt rules for the alternative certification of teachers of  
8 nontraditional foreign languages that allow for the passing of a  
9 nationally accredited test to substitute for the education coursework  
10 required for certification.

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

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

16 (b) A process and criteria by which assessments may be identified  
17 or established to determine whether students have reached the desired  
18 competencies in a particular subject.

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

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

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

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

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

41 (d) Procedures for annually requesting a standing order for  
42 epinephrine auto-injectors pursuant to section 15-157 from the chief  
43 medical officer of the department of health services, the chief medical  
44 officer of a county health department, a doctor of medicine licensed

1 pursuant to title 32, chapter 13 or a doctor of osteopathic medicine  
2 licensed pursuant to title 32, chapter 17.

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

5 40. In consultation with the department of education, medical  
6 professionals, school health professionals, school administrators and an  
7 organization that represents school nurses in this state, adopt rules that  
8 prescribe the following for school districts and charter schools that  
9 elect to administer inhalers:

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

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

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

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

29 (e) Procedures for notifying a parent once an inhaler has been  
30 administered.

31 41. Adopt rules for certification that allow substitute teachers  
32 who can demonstrate primary teaching responsibility in a classroom as  
33 defined by the state board of education to use the time spent in that  
34 classroom toward the required capstone experience for standard teaching  
35 certification.

36 42. For the purposes of Sandra Day O'Connor civics celebration day  
37 instruction under section 15-710.01, develop a list of recommended  
38 resources relating to civics education that align with the academic  
39 standards prescribed by the state board of education in social studies  
40 pursuant to sections 15-701 and 15-701.01. The state board shall  
41 establish a process that allows public schools to recommend resources for  
42 addition to the list.

1           43. DIRECT AND OVERSEE THE WORK OF ALL INVESTIGATORS RELATED TO  
2 INVESTIGATING CERTIFICATED PERSONS, PERSONS SEEKING CERTIFICATION AND  
3 NONCERTIFICATED PERSONS FOR IMMORAL OR UNPROFESSIONAL CONDUCT UNDER THIS  
4 TITLE AND RULES ADOPTED PURSUANT TO THIS TITLE. THE INVESTIGATORS SHALL  
5 BE HOUSED WITHIN AND ARE EMPLOYEES OF THE STATE BOARD OF EDUCATION.

6           B. The state board of education may:

7           1. Contract.

8           2. Sue and be sued.

9           3. Distribute and score the tests prescribed in chapter 7, article  
10 3 of this title.

11           4. Provide for an advisory committee or hearing officers to conduct  
12 hearings and screenings to determine whether grounds exist to impose  
13 disciplinary action against a certificated person, whether grounds exist  
14 to reinstate a revoked or surrendered certificate, whether grounds exist  
15 to approve or deny an initial application for certification or a request  
16 for renewal of a certificate and whether grounds exist to impose or lift  
17 disciplinary action against a noncertificated person. The board may  
18 delegate its responsibility to conduct hearings and screenings to its  
19 advisory committee or hearing officers. Hearings shall be conducted  
20 pursuant to title 41, chapter 6, article 6.

21           5. Proceed with the disposal of any complaint requesting  
22 disciplinary action against a noncertificated person after the board has  
23 imposed disciplinary action pursuant to section 15-505 or **AGAINST** a person  
24 holding a certificate as prescribed in subsection A, paragraph 14 of this  
25 section after the suspension or expiration of the certificate or surrender  
26 of the certificate by the holder.

27           6. Assess costs and reasonable attorney fees against a person who  
28 files a frivolous complaint or who files a complaint in bad faith. Costs  
29 assessed pursuant to this paragraph shall not exceed the expenses incurred  
30 by the ~~department~~ **STATE BOARD** of education in the investigation of the  
31 complaint.

32           7. **ISSUE SUBPOENAS TO COMPEL THE ATTENDANCE AND TESTIMONY OF**  
33 **WITNESSES AND PRODUCTION OF DOCUMENTS OR ANY PHYSICAL EVIDENCE IN**  
34 **CONNECTION WITH AN INVESTIGATION OR HEARING OF AN ALLEGATION THAT A**  
35 **CERTIFICATED PERSON, A PERSON SEEKING CERTIFICATION OR A NONCERTIFICATED**  
36 **PERSON HAS ENGAGED IN IMMORAL OR UNPROFESSIONAL CONDUCT. IF A SUBPOENA**  
37 **ISSUED BY THE BOARD IS DISOBEYED, THE BOARD MAY PETITION THE SUPERIOR**  
38 **COURT TO ENFORCE THE SUBPOENA. ANY FAILURE TO OBEY AN ORDER OF THE COURT**  
39 **PURSUANT TO THIS PARAGRAPH MAY BE PUNISHED BY THE COURT AS CONTEMPT.**

40           C. For the purposes of this section, "noncertificated person" has  
41 the same meaning prescribed in section 15-505.

42           Sec. 4. Repeal

43           Section 15-240, Arizona Revised Statutes, is repealed.

1           Sec. 5. Section 15-251, Arizona Revised Statutes, as amended by  
2 Laws 2021, chapter 2, section 3, is amended to read:

3           15-251. Powers and duties

4           The superintendent of public instruction shall:

5           1. Superintend the schools of this state.

6           2. Request the auditor general to investigate when necessary the  
7 accounts of school monies kept by any state, county or district officer.

8           3. Subject to supervision by the state board of education,  
9 apportion to the several counties the monies to which each county is  
10 entitled for the year. Apportionment shall be made as provided in  
11 chapter 9 of this title.

12           4. Execute, under the direction of the state board of education,  
13 the policies that have been decided on by the state board.

14           5. Direct the performance of executive, administrative or  
15 ministerial functions by the department of education or divisions or  
16 employees of the department.

17           ~~6. Direct and oversee the work of all investigators related to  
18 investigating certificated persons, persons seeking certification and  
19 noncertificated persons for immoral or unprofessional conduct under this  
20 title and rules adopted pursuant to this title. The investigators shall  
21 be housed within and are employees of the department of education. For  
22 the purposes of this paragraph, "noncertificated person" has the same  
23 meaning prescribed in section 15-505.~~

24           ~~7.~~ 6. Provide information to the state board of education related  
25 to the powers and duties set forth in section 15-203.

26           Sec. 6. Section 15-341, Arizona Revised Statutes, is amended to  
27 read:

28           15-341. General powers and duties; immunity; delegation

29           A. The governing board shall:

30           1. Prescribe and enforce policies and procedures ~~for the governance~~  
31 ~~of~~ **TO GOVERN** the schools that are not inconsistent with law or rules  
32 prescribed by the state board of education.

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

37           3. Manage and control the school property within its district,  
38 except that a district may enter into a partnership with an entity,  
39 including a charter school, another school district or a military base, to  
40 operate a school or offer educational services in a district building,  
41 including at a vacant or partially used building, or in any building on  
42 the entity's property pursuant to a written agreement between the parties.

43           4. Acquire school furniture, apparatus, equipment, library books  
44 and supplies for ~~the use of the~~ schools **TO USE**.



- 1           5. Prescribe the curricula and criteria for the promotion and  
2 graduation of pupils as provided in sections 15-701 and 15-701.01.
- 3           6. Furnish, repair and insure, at full insurable value, the school  
4 property of the district.
- 5           7. Construct school buildings on approval by a vote of the district  
6 electors.
- 7           8. ~~Make~~ In the name of the district, ~~conveyances of~~ CONVEY property  
8 belonging to the district and sold by the board.
- 9           9. Purchase school sites when authorized by a vote of the district  
10 at an election conducted as nearly as practicable in the same manner as  
11 the election provided in section 15-481 and held on a date prescribed in  
12 section 15-491, subsection E, but such authorization shall not necessarily  
13 specify the site to be purchased and such authorization shall not be  
14 necessary to exchange unimproved property as provided in section 15-342,  
15 paragraph 23.
- 16          10. Construct, improve and furnish buildings used for school  
17 purposes when such buildings or premises are leased from the national park  
18 service.
- 19          11. Purchase school sites or construct, improve and furnish school  
20 buildings from the proceeds of the sale of school property only on  
21 approval by a vote of the district electors.
- 22          12. Hold pupils to strict account for disorderly conduct on school  
23 property.
- 24          13. Discipline students for disorderly conduct on the way to and  
25 from school.
- 26          14. Except as provided in section 15-1224, deposit all monies  
27 received by the district as gifts, grants and devises with the county  
28 treasurer who shall credit the deposits as designated in the uniform  
29 system of financial records. If not inconsistent with the terms of the  
30 gifts, grants and devises given, any balance remaining after expenditures  
31 for the intended purpose of the monies have been made shall be used for  
32 reduction of school district taxes for the budget year, except that in the  
33 case of accommodation schools the county treasurer shall carry the balance  
34 forward for use by the county school superintendent for accommodation  
35 schools for the budget year.
- 36          15. Provide that, if a parent or legal guardian chooses not to  
37 accept a decision of the teacher as provided in paragraph 42 of this  
38 subsection, the parent or legal guardian may request in writing that the  
39 governing board review the teacher's decision. This paragraph does not  
40 release school districts from any liability relating to a child's  
41 promotion or retention.
- 42          16. Provide for adequate supervision over pupils in instructional  
43 and noninstructional activities by certificated or noncertificated  
44 personnel.

1           17. Use school monies received from the state and county school  
2 apportionment exclusively ~~for payment of~~ TO PAY salaries of teachers and  
3 other employees and contingent expenses of the district.

4           18. ~~Make an annual~~ ANNUALLY report to the county school  
5 superintendent on or before October 1 in the manner and form and on the  
6 blanks prescribed by the superintendent of public instruction or county  
7 school superintendent. The board shall also make reports directly to the  
8 county school superintendent or the superintendent of public instruction  
9 whenever required.

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

16          20. Establish bank accounts in which the board during a month may  
17 deposit miscellaneous monies received directly by the district. The board  
18 shall remit monies deposited in the bank accounts at least monthly to the  
19 county treasurer for deposit as provided in paragraph 19 of this  
20 subsection and in accordance with the uniform system of financial records.

21          21. Prescribe and enforce policies and procedures for disciplinary  
22 action against a teacher who engages in conduct that is a violation of the  
23 policies of the governing board but that is not cause for dismissal of the  
24 teacher or for revocation of the certificate of the teacher. Disciplinary  
25 action may include suspension without pay for a period of time not to  
26 exceed ten school days. Disciplinary action shall not include suspension  
27 with pay or suspension without pay for a period of time longer than ten  
28 school days. The procedures shall include notice, hearing and appeal  
29 provisions for violations that are cause for disciplinary action. The  
30 governing board may designate a person or persons to act on behalf of the  
31 board on these matters.

32          22. Prescribe and enforce policies and procedures for disciplinary  
33 action against an administrator who engages in conduct that is a violation  
34 of the policies of the governing board regarding duties of administrators  
35 but that is not cause for dismissal of the administrator or for revocation  
36 of the certificate of the administrator. Disciplinary action may include  
37 suspension without pay for a period of time not to exceed ten school days.  
38 Disciplinary action shall not include suspension with pay or suspension  
39 without pay for a period of time longer than ten school days. The  
40 procedures shall include notice, hearing and appeal provisions for  
41 violations that are cause for disciplinary action. The governing board  
42 may designate a person or persons to act on behalf of the board on these  
43 matters. For violations that are cause for dismissal, the provisions of  
44 notice, hearing and appeal in chapter 5, article 3 of this title shall  
45 apply. The filing of a timely request for a hearing suspends the

1 imposition of a suspension without pay or a dismissal pending completion  
2 of the hearing.

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

7 24. Prescribe and enforce policies and procedures relating to the  
8 health and safety of all pupils participating in district-sponsored  
9 practice sessions or games or other interscholastic athletic activities,  
10 including:

11 (a) The provision of water.

12 (b) Guidelines, information and forms, developed in consultation  
13 with a statewide private entity that supervises interscholastic  
14 activities, to inform and educate coaches, pupils and parents of the  
15 dangers of concussions and head injuries and the risks of continued  
16 participation in athletic activity after a concussion. The policies and  
17 procedures shall require that, before a pupil participates in an athletic  
18 activity, the pupil and the pupil's parent must sign an information form  
19 at least once each school year that states that the parent is aware of the  
20 nature and risk of concussion. The policies and procedures shall require  
21 that a pupil who is suspected of sustaining a concussion in a practice  
22 session, game or other interscholastic athletic activity be immediately  
23 removed from the athletic activity and that the pupil's parent or guardian  
24 be notified. A coach from the pupil's team or an official or a licensed  
25 health care provider may remove a pupil from play. A team parent may also  
26 remove the parent's own child from play. A pupil may return to play on  
27 the same day if a health care provider rules out a suspected concussion at  
28 the time the pupil is removed from play. On a subsequent day, the pupil  
29 may return to play if the pupil has been evaluated by and received written  
30 clearance to resume participation in athletic activity from a health care  
31 provider who has been trained in the evaluation and management of  
32 concussions and head injuries. A health care provider who is a volunteer  
33 and who provides clearance to participate in athletic activity on the day  
34 of the suspected injury or on a subsequent day is immune from civil  
35 liability with respect to all decisions made and actions taken that are  
36 based on good faith implementation of the requirements of this  
37 subdivision, except in cases of gross negligence or wanton or wilful  
38 neglect. A school district, school district employee, team coach,  
39 official or team volunteer or a parent or guardian of a team member is not  
40 subject to civil liability for any act, omission or policy undertaken in  
41 good faith to comply with the requirements of this subdivision or for a  
42 decision made or an action taken by a health care provider. A group or  
43 organization that uses property or facilities owned or operated by a  
44 school district for athletic activities shall comply with the requirements  
45 of this subdivision. A school district and its employees and volunteers

1 are not subject to civil liability for any other person or organization's  
2 failure or alleged failure to comply with the requirements of this  
3 subdivision. This subdivision does not apply to teams that are based in  
4 another state and that participate in an athletic activity in this state.  
5 For the purposes of this subdivision, athletic activity does not include  
6 dance, rhythmic gymnastics, competitions or exhibitions of academic skills  
7 or knowledge or other similar forms of physical noncontact activities,  
8 civic activities or academic activities, whether engaged in for the  
9 purposes of competition or recreation. For the purposes of this  
10 subdivision, "health care provider" means a physician who is licensed  
11 pursuant to title 32, chapter 13 or 17, an athletic trainer who is  
12 licensed pursuant to title 32, chapter 41, a nurse practitioner who is  
13 licensed pursuant to title 32, chapter 15, and a physician assistant who  
14 is licensed pursuant to title 32, chapter 25.

15 (c) Guidelines, information and forms that are developed in  
16 consultation with a statewide private entity that supervises  
17 interscholastic activities to inform and educate coaches, pupils and  
18 parents of the dangers of heat-related illnesses, sudden cardiac death and  
19 prescription opioid use. Before a pupil participates in any  
20 district-sponsored practice session or game or other interscholastic  
21 athletic activity, the pupil and the pupil's parent must be provided with  
22 information at least once each school year on the risks of heat-related  
23 illnesses, sudden cardiac death and prescription opioid addiction.

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

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

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

31 28. Ensure that insurance coverage is secured for all construction  
32 projects for purposes of general liability, property damage and workers'  
33 compensation and secure performance and payment bonds for all construction  
34 projects.

35 29. Keep in the personnel file of all current and former employees  
36 who provide instruction to pupils at a school information about the  
37 employee's educational and teaching background and experience in a  
38 particular academic content subject area. A school district shall inform  
39 parents and guardians of the availability of the information and shall  
40 make the information available for inspection on request of parents and  
41 guardians of pupils enrolled at a school. This paragraph does not require  
42 any school to release personally identifiable information in relation to  
43 any teacher or employee, including the teacher's or employee's address,  
44 salary, social security number or telephone number.

1           30. Report to local law enforcement agencies any suspected crime  
2 against a person or property that is a serious offense as defined in  
3 section 13-706 or that involves a deadly weapon or dangerous instrument or  
4 serious physical injury and any conduct that poses a threat of death or  
5 serious physical injury to employees, students or anyone on the property  
6 of the school. This paragraph does not limit or preclude the reporting by  
7 a school district or an employee of a school district of suspected crimes  
8 other than those required to be reported by this paragraph. For the  
9 purposes of this paragraph, "dangerous instrument", "deadly weapon" and  
10 "serious physical injury" have the same meanings prescribed in section  
11 13-105.

12           31. In conjunction with local law enforcement agencies and  
13 emergency response agencies, develop an emergency response plan for each  
14 school in the school district in accordance with minimum standards  
15 developed jointly by the department of education and the division of  
16 emergency management within the department of emergency and military  
17 affairs.

18           32. Provide written notice to the parents or guardians of all  
19 students enrolled in the school district at least ten days before a public  
20 meeting to discuss closing a school within the school district. The  
21 notice shall include the reasons for the proposed closure and the time and  
22 place of the meeting. The governing board shall fix a time for a public  
23 meeting on the proposed closure not less than ten days before voting in a  
24 public meeting to close the school. The school district governing board  
25 shall give notice of the time and place of the meeting. At the time and  
26 place designated in the notice, the school district governing board shall  
27 hear reasons for or against closing the school. The school district  
28 governing board is exempt from this paragraph if the governing board  
29 determines that the school shall be closed because it poses a danger to  
30 the health or safety of the pupils or employees of the school. A  
31 governing board may consult with the school facilities board for technical  
32 assistance and for information on the impact of closing a school. The  
33 information provided from the school facilities board shall not require  
34 the governing board to take or not take any action.

35           33. Incorporate instruction on Native American history into  
36 appropriate existing curricula.

37           34. Prescribe and enforce policies and procedures:

38           (a) Allowing pupils who have been diagnosed with anaphylaxis by a  
39 health care provider licensed pursuant to title 32, chapter 13, 14, 17 or  
40 25 or by a registered nurse practitioner licensed and certified pursuant  
41 to title 32, chapter 15 to carry and self-administer emergency  
42 medications, including epinephrine auto-injectors, while at school and at  
43 school-sponsored activities. The pupil's name on the prescription label  
44 on the medication container or on the medication device and annual written  
45 documentation from the pupil's parent or guardian to the school that

1 authorizes possession and self-administration is sufficient proof that the  
2 pupil is entitled to the possession and self-administration of the  
3 medication. The policies shall require a pupil who uses an epinephrine  
4 auto-injector while at school and at school-sponsored activities to notify  
5 the nurse or the designated school staff person of the use of the  
6 medication as soon as practicable. A school district and its employees  
7 are immune from civil liability with respect to all decisions made and  
8 actions taken that are based on good faith implementation of the  
9 requirements of this subdivision, except in cases of wanton or wilful  
10 neglect.

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

13 35. Allow the possession and self-administration of prescription  
14 medication for breathing disorders in handheld inhaler devices by pupils  
15 who have been prescribed that medication by a health care professional  
16 licensed pursuant to title 32. The pupil's name on the prescription label  
17 on the medication container or on the handheld inhaler device and annual  
18 written documentation from the pupil's parent or guardian to the school  
19 that authorizes possession and self-administration shall be sufficient  
20 proof that the pupil is entitled to the possession and self-administration  
21 of the medication. A school district and its employees are immune from  
22 civil liability with respect to all decisions made and actions taken that  
23 are based on a good faith implementation of the requirements of this  
24 paragraph.

25 36. Prescribe and enforce policies and procedures to prohibit  
26 pupils from harassing, intimidating and bullying other pupils on school  
27 grounds, on school property, on school buses, at school bus stops, at  
28 school-sponsored events and activities and through the use of electronic  
29 technology or electronic communication on school computers, networks,  
30 forums and mailing lists that include the following components:

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

36 (b) A requirement that school district employees report in writing  
37 suspected incidents of harassment, intimidation or bullying to the  
38 appropriate school official and a description of appropriate disciplinary  
39 procedures for employees who fail to report suspected incidents that are  
40 known to the employee.

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

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

5 (e) A formal process for the documentation of reported incidents of  
6 harassment, intimidation or bullying and for the confidentiality,  
7 maintenance and disposition of this documentation. School districts shall  
8 maintain documentation of all incidents reported pursuant to this  
9 paragraph for at least six years. The school shall not use that  
10 documentation to impose disciplinary action unless the appropriate school  
11 official has investigated and determined that the reported incidents of  
12 harassment, intimidation or bullying occurred. If a school provides  
13 documentation of reported incidents to persons other than school officials  
14 or law enforcement, all individually identifiable information shall be  
15 redacted.

16 (f) A formal process for the investigation by the appropriate  
17 school officials of suspected incidents of harassment, intimidation or  
18 bullying, including procedures for notifying the alleged victim and the  
19 alleged victim's parent or guardian when a school official or employee  
20 becomes aware of the suspected incident of harassment, intimidation or  
21 bullying.

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

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

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

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

31 37. Prescribe and enforce policies and procedures regarding  
32 changing or adopting attendance boundaries that include the following  
33 components:

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

36 (b) A procedure to notify the parents or guardians of the students  
37 affected, **INCLUDING ASSURANCE THAT, IF THAT SCHOOL REMAINS OPEN AS PART OF**  
38 **THE BOUNDARY CHANGE AND CAPACITY IS AVAILABLE, STUDENTS ASSIGNED TO A NEW**  
39 **ATTENDANCE AREA MAY STAY ENROLLED IN THEIR CURRENT SCHOOL.**

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

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

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

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

7 (g) A formal process for updating attendance boundaries on the  
8 school district's website within ninety days ~~of~~ AFTER an adopted boundary  
9 change. The school district shall send a direct link to the school  
10 district's attendance boundaries website to the department of real estate.

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

17 39. Ensure that the contract for the superintendent is structured  
18 in a manner in which up to twenty percent of the total annual salary  
19 included for the superintendent in the contract is classified as  
20 performance pay. This paragraph does not require school districts to  
21 increase total compensation for superintendents. Unless the school  
22 district governing board votes to implement an alternative procedure at a  
23 public meeting called for this purpose, the performance pay portion of the  
24 superintendent's total annual compensation shall be determined as follows:

25 (a) Twenty-five percent of the performance pay shall be determined  
26 based on the percentage of academic gain determined by the department of  
27 education of pupils who are enrolled in the school district compared to  
28 the academic gain achieved by the highest ranking of the fifty largest  
29 school districts in this state. For the purposes of this subdivision, the  
30 department of education shall determine academic gain by the academic  
31 growth achieved by each pupil who has been enrolled at the same school in  
32 a school district for at least five consecutive months measured against  
33 that pupil's academic results in the 2008-2009 school year. For the  
34 purposes of this subdivision, of the fifty largest school districts in  
35 this state, the school district with pupils who demonstrate the highest  
36 statewide percentage of overall academic gain measured against academic  
37 results for the 2008-2009 school year shall be assigned a score of 100 and  
38 the school district with pupils who demonstrate the lowest statewide  
39 percentage of overall academic gain measured against academic results for  
40 the 2008-2009 school year shall be assigned a score of 0.

41 (b) Twenty-five percent of the performance pay shall be determined  
42 by the percentage of parents of pupils who are enrolled at the school  
43 district who assign a letter grade of "A" to the school on a survey of  
44 parental satisfaction with the school district. The parental satisfaction  
45 survey shall be administered and scored by an independent entity that is



1 selected by the governing board and that demonstrates sufficient expertise  
2 and experience to accurately measure the results of the survey. The  
3 parental satisfaction survey shall use standard random sampling procedures  
4 and provide anonymity and confidentiality to each parent who participates  
5 in the survey. The letter grade scale used on the parental satisfaction  
6 survey shall direct parents to assign one of the following letter grades:

- 7 (i) A letter grade of "A" if the school district is excellent.
- 8 (ii) A letter grade of "B" if the school district is above average.
- 9 (iii) A letter grade of "C" if the school district is average.
- 10 (iv) A letter grade of "D" if the school district is below average.
- 11 (v) A letter grade of "F" if the school district is a failure.

12 (c) Twenty-five percent of the performance pay shall be determined  
13 by the percentage of teachers who are employed at the school district and  
14 who assign a letter grade of "A" to the school on a survey of teacher  
15 satisfaction with the school. The teacher satisfaction survey shall be  
16 administered and scored by an independent entity that is selected by the  
17 governing board and that demonstrates sufficient expertise and experience  
18 to accurately measure the results of the survey. The teacher satisfaction  
19 survey shall use standard random sampling procedures and provide anonymity  
20 and confidentiality to each teacher who participates in the survey. The  
21 letter grade scale used on the teacher satisfaction survey shall direct  
22 teachers to assign one of the following letter grades:

- 23 (i) A letter grade of "A" if the school district is excellent.
- 24 (ii) A letter grade of "B" if the school district is above average.
- 25 (iii) A letter grade of "C" if the school district is average.
- 26 (iv) A letter grade of "D" if the school district is below average.
- 27 (v) A letter grade of "F" if the school district is a failure.

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

30 40. Maintain and store permanent public records of the school  
31 district as required by law. Notwithstanding section 39-101, the  
32 standards adopted by the Arizona state library, archives and public  
33 records for the maintenance and storage of school district public records  
34 shall allow school districts to elect to satisfy the requirements of this  
35 paragraph by maintaining and storing these records either on paper or in  
36 an electronic format, or a combination of a paper and electronic format.

37 41. Adopt in a public meeting and implement policies for principal  
38 evaluations. Before adopting principal evaluation policies, the school  
39 district governing board shall provide opportunities for public discussion  
40 on the proposed policies. The governing board shall adopt policies that:

41 (a) Are designed to improve principal performance and improve  
42 student achievement.

43 (b) Include the use of quantitative data on the academic progress  
44 for all students, which shall account for between twenty percent and  
45 thirty-three percent of the evaluation outcomes.

1 (c) Include four performance classifications, designated as highly  
2 effective, effective, developing and ineffective.

3 (d) Describe both of the following:

4 (i) The methods used to evaluate the performance of principals,  
5 including the data used to measure student performance and job  
6 effectiveness.

7 (ii) The formula used to determine evaluation outcomes.

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

15 43. Prescribe and enforce policies and procedures for the emergency  
16 administration by an employee of a school district pursuant to section  
17 36-2267 of naloxone hydrochloride or any other opioid antagonist approved  
18 by the United States food and drug administration.

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

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

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

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

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

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

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

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

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

1 H. Subsections C through G of this section apply to a county board  
2 of supervisors and a county school superintendent when operating and  
3 administering an accommodation school.

4 I. A school district governing board may delegate authority in  
5 writing to the superintendent of the school district to submit plans for  
6 new school facilities to the school facilities board for the purpose of  
7 certifying that the plans meet the minimum school facility adequacy  
8 guidelines prescribed in section 15-2011.

9 J. FOR THE PURPOSES OF SUBSECTION A, PARAGRAPH 37 OF THIS SECTION,  
10 ATTENDANCE BOUNDARIES MAY NOT BE USED TO REQUIRE STUDENTS TO ATTEND  
11 CERTAIN SCHOOLS BASED ON THE STUDENT'S PLACE OF RESIDENCE.

12 Sec. 7. Title 15, chapter 3, article 3, Arizona Revised Statutes,  
13 is amended by adding section 15-342.05, to read:

14 15-342.05. Face coverings; final authority

15 NOTWITHSTANDING ANY OTHER LAW OR ORDER, A SCHOOL DISTRICT GOVERNING  
16 BOARD OR A CHARTER SCHOOL GOVERNING BODY MAY MAKE THE FINAL DETERMINATION  
17 ON ANY POLICY THAT REQUIRES THE USE OF FACE COVERINGS BY STUDENTS AND  
18 STAFF DURING SCHOOL HOURS AND ON SCHOOL PROPERTY.

19 Sec. 8. Section 15-350, Arizona Revised Statutes, as amended by  
20 Laws 2021, chapter 2, section 4, is amended to read:

21 15-350. Investigation of immoral or unprofessional conduct;  
22 confidentiality; definition

23 A. On request of the state board of education or the department of  
24 education, any school or school district that has employed a certificated  
25 or noncertificated person during the time in which the person is alleged  
26 to have engaged in conduct constituting grounds for disciplinary action  
27 shall make available the attendance and testimony of witnesses, documents  
28 and any physical evidence within the school district's control for  
29 examination or copying. All information received and records or reports  
30 kept by the state board of education or the department of education during  
31 an investigation of immoral or unprofessional conduct are confidential and  
32 are not a public record.

33 B. Notwithstanding subsection A of this section, the ~~department~~  
34 STATE BOARD of education may provide information, records or reports  
35 relating to the investigation of a certificated or noncertificated person  
36 to any of the following:

37 1. Any school or school district that currently employs the  
38 certificated or noncertificated person.

39 2. Any school or school district to which the certificated or  
40 noncertificated person has applied for employment.

41 3. Any third-party entity that contracts with a school or school  
42 district to provide educators and to which the person has applied for  
43 employment.

44 4. Any agency as defined in section 41-1001 that has received and  
45 is investigating an application by the certificated or noncertificated

1 person for a certificate or license or that is ~~conducting an investigation~~  
2 ~~of~~ INVESTIGATING the person in order to make a certification or licensure  
3 decision.

4 5. A state education agency in another state, or the equivalent,  
5 with which a person holds a certificate or is applying for a certificate.

6 C. All information, records and reports received by any school or  
7 school district pursuant to this section shall be used for employment  
8 purposes only, are confidential and are not a public record.

9 D. An investigator who is regularly employed and paid by the  
10 ~~department~~ STATE BOARD of education has the authority to access criminal  
11 history records and criminal history record information, as defined in  
12 section 41-1750, from law enforcement agencies.

13 E. THE DEPARTMENT OF EDUCATION SHALL PROVIDE TO THE STATE BOARD OF  
14 EDUCATION ACCESS TO THE EDUCATOR INFORMATION SYSTEM MAINTAINED BY THE  
15 DEPARTMENT AND ANY RELATED SYSTEMS DEEMED NECESSARY BY THE BOARD TO  
16 INVESTIGATE AND ADJUDICATE ALLEGATIONS OF CONDUCT CONSTITUTING GROUNDS FOR  
17 DISCIPLINARY ACTION.

18 ~~F.~~ F. For the purposes of this section, "noncertificated person"  
19 has the same meaning prescribed in section 15-505.

20 Sec. 9. 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~~ EIGHT 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~~ EIGHT who is enrolled in career and technical education  
 42 courses shall not be funded in whole or in part with monies provided by a  
 43 career technical education district, except that a pupil in grade eight ~~or~~  
 44 ~~nine~~ may be funded with monies generated by the ~~five-cent~~ \$.05 qualifying  
 45 tax 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 than  
11 one hundred eighty days per year, with expanded hours of service.

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

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

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

35 9. A career technical education district or a school district that  
36 is part of a career technical education district or a charter school shall  
37 only include pupils in grades ~~ten~~ NINE through twelve AND PUPILS IN THE  
38 SCHOOL YEAR IMMEDIATELY FOLLOWING GRADUATION in the calculation of student  
39 count or average daily membership if the pupils are enrolled in courses  
40 that are approved jointly by the governing board of the career technical  
41 education district and each participating school district or charter  
42 school for satellite courses taught within the participating school  
43 district or charter school, or approved solely by the career technical  
44 education district for centrally located courses. FUNDING MAY BE PROVIDED  
45 FOR NOT MORE THAN FOUR YEARS FOR THE SAME STUDENT. Student count and

1 average daily membership from courses that are not part of an approved  
 2 program for career and technical education shall not be included in  
 3 student count and average daily membership of a career technical education  
 4 district.

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

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

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

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

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

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

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

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

1 intergovernmental agreement or other written contract shall completely and  
2 accurately specify each of the following:

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

5 2. The accountability provisions of the intergovernmental agreement  
6 or other written contract.

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

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

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

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

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

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

26 9. That the payment for services shall not exceed the cost of the  
27 services provided.

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

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

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

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

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

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

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

16 O. If a career and technical education course or program is  
 17 provided on a satellite campus, the sum of the average daily membership,  
 18 as provided in section 15-901, subsection A, paragraph 1, for that pupil  
 19 in the school district or charter school and career technical education  
 20 district shall not exceed 1.25. The school district or charter school and  
 21 the career technical education district shall determine the apportionment  
 22 of the average daily membership for that pupil between the school district  
 23 or charter school and the career technical education district. A pupil  
 24 who attends a course or program at a satellite campus and who is not  
 25 enrolled in the school district or charter school where the satellite  
 26 campus is located may generate the average daily membership pursuant to  
 27 this subsection if the pupil is enrolled in a school district that is a  
 28 member district in the same 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  
 39 WHO IS in grade NINE, ten, eleven or twelve OR IN THE SCHOOL YEAR  
 40 IMMEDIATELY FOLLOWING GRADUATION AND who is enrolled in a course that  
 41 meets for at least one hundred fifty minutes per class period at a  
 42 centralized campus shall be 0.75. STUDENTS IN AN APPROVED CAREER  
 43 TECHNICAL EDUCATION DISTRICT CENTRALIZED CAMPUS PROGRAM MAY GENERATE AN  
 44 AVERAGE DAILY MEMBERSHIP DURING ANY DAY OF THE WEEK AND AT ANY TIME  
 45 BETWEEN JULY 1 AND JUNE 30 OF EACH FISCAL YEAR. To qualify for funding

1 pursuant to this subsection, a centralized campus shall offer programs and  
2 courses to all eligible students in each member district of the career  
3 technical education district.

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

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

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

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

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

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

35 S. Notwithstanding any other law, the student count for a career  
36 technical education district shall be equivalent to the career technical  
37 education district's average daily membership.

38 T. A school district or charter school may not prohibit or  
39 discourage students who are enrolled in that school district or charter  
40 school from attending courses offered by a career technical education  
41 district, including requiring students to generate a full 1.0 average  
42 daily membership or to enroll in more courses than are needed to graduate  
43 before enrolling in and attending programs or courses offered by a career  
44 technical education district.

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

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

15 W. NOTWITHSTANDING SUBSECTION D, PARAGRAPHS 4 AND 9 AND SUBSECTIONS  
16 P AND Q OF THIS SECTION, FOR A STUDENT IN GRADE NINE, FUNDING SHALL BE  
17 PROVIDED PURSUANT TO THIS SECTION ONLY IF THE STUDENT REACHES THE FORTIETH  
18 DAY OF GRADE ELEVEN ENROLLED IN AN APPROVED CAREER TECHNICAL EDUCATION  
19 PROGRAM AND MEETS THE REQUIREMENTS PRESCRIBED IN SUBSECTION Y OF THIS  
20 SECTION. AT THAT TIME FUNDING SHALL BE PROVIDED FOR THAT STUDENT FOR  
21 GRADE NINE AND FOR ANY SUBSEQUENT YEAR IN WHICH THE STUDENT IS ELIGIBLE  
22 FOR FUNDING PURSUANT TO THIS SECTION.

23 X. ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE OFFICE OF ECONOMIC  
24 OPPORTUNITY IN COLLABORATION WITH THE DEPARTMENT OF EDUCATION SHALL  
25 COMPILE AN IN-DEMAND REGIONAL EDUCATION LIST OF THE APPROVED CAREER  
26 TECHNICAL EDUCATION PROGRAMS THAT LEAD TO A CAREER PATH IN HIGH DEMAND  
27 WITH MEDIAN-TO-HIGH-WAGE JOBS IN THAT REGION. THE OFFICE OF ECONOMIC  
28 OPPORTUNITY SHALL INCORPORATE INDUSTRY FEEDBACK AS PART OF DEVELOPING THE  
29 IN-DEMAND REGIONAL EDUCATIONAL LIST. THE OFFICE OF ECONOMIC OPPORTUNITY  
30 SHALL SUBMIT THE IN-DEMAND REGIONAL EDUCATION LIST TO THE ARIZONA CAREER  
31 AND TECHNICAL EDUCATION QUALITY COMMISSION FOR REVIEW AND APPROVAL.

32 Y. NOTWITHSTANDING SUBSECTION D, PARAGRAPHS 4 AND 9 AND SUBSECTIONS  
33 P AND Q OF THIS SECTION, FOR A STUDENT IN GRADE NINE OR IN THE SCHOOL YEAR  
34 IMMEDIATELY FOLLOWING GRADUATION, FUNDING SHALL BE PROVIDED PURSUANT TO  
35 THIS SECTION ONLY IF THE STUDENT IS ENROLLED IN A PROGRAM THAT WAS  
36 INCLUDED ON THE IN-DEMAND REGIONAL EDUCATION LIST COMPILED PURSUANT TO  
37 SUBSECTION X OF THIS SECTION FOR THAT STUDENT'S REGION FOR THE YEAR IN  
38 WHICH THE STUDENT BEGAN THE PROGRAM.

39 ~~W.~~ Z. For the purposes of this section:

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

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

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

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

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

12           Sec. 10. Section 15-393.01, Arizona Revised Statutes, is amended to  
13 read:

14           15-393.01. Career technical education districts; annual  
15 report; performance and accountability

16           A. The department of education shall include each career technical  
17 education district in the department's annual achievement profiles  
18 required by section 15-241. Subject to approval by the state board of  
19 education, the department of education shall develop specific criteria  
20 applicable to career technical education districts that may not be based  
21 solely on the criteria prescribed in the Carl D. Perkins vocational  
22 education act, as amended by the Carl D. Perkins vocational and applied  
23 technology education act amendments of 1990, as amended by the Carl D.  
24 Perkins vocational and technical education act of 1998, and shall include  
25 career technical education districts in the letter grade classification  
26 system prescribed in section 15-241. The department shall include all of  
27 the following performance indicators in the annual achievement profiles  
28 and letter grade classification and provide a copy of the information to  
29 each career technical education district governing board:

30           1. The graduation rate of all students enrolled in a career and  
31 technical education program or course.

32           2. The completion rate for each program offered by the career  
33 technical education district.

34           3. Performance on assessments required pursuant to section 15-391,  
35 paragraph 4, subdivision (b).

36           4. Postgraduation employment rates, postsecondary enrollment rates  
37 and military service rates for students who complete a career and  
38 technical education program.

39           B. A career technical education district is subject to the  
40 performance audits pursuant to section 41-1279.03, subsection A,  
41 paragraph 9. The auditor general shall consider the differences and  
42 applicable laws for a career technical education district when conducting  
43 a performance audit for a career technical education district.

44           C. On or before December 31 of each year, the career and technical  
45 education division of the department of education shall submit a career



1 technical education district annual report to the governor, the president  
2 of the senate and the speaker of the house of representatives and shall  
3 submit a copy of this report to the secretary of state. The career and  
4 technical education division of the department of education shall submit a  
5 copy of this report to the joint legislative budget committee for review.  
6 The annual report shall include the following:

7 1. The average daily membership of each career technical education  
8 district, including the average daily membership of each centralized  
9 campus, satellite campus and leased centralized campus as defined in  
10 section 15-393.

11 2. The actual student count of each career technical education  
12 district, including the student count of each centralized campus,  
13 satellite campus and leased centralized campus as defined in section  
14 15-393.

15 3. The programs and corresponding courses offered by each career  
16 technical education district, including the location of each program and  
17 course.

18 4. For each career technical education district based on program or  
19 course location:

20 (a) The student enrollment of each program and corresponding  
21 course.

22 (b) The percentage of students who enrolled in the second year of  
23 each program and corresponding course relative to the number of students  
24 in the same cohort who enrolled in the first year of each program and  
25 corresponding course.

26 (c) The percentage of students who completed each program relative  
27 to the number of students in the same cohort who began the program.

28 5. The costs associated with each program offered by the career  
29 technical education district.

30 6. A listing of any programs or courses that were discontinued by  
31 review of the career and technical education division pursuant to section  
32 15-393, subsection V.

33 7. A listing of any programs or courses that were continued by  
34 review of the career and technical education division pursuant to section  
35 15-393, subsection V.

36 8. A listing of any programs or courses that were added by the  
37 career and technical education division.

38 9. For applicable school districts, the required maintenance of  
39 effort and how monies were used to supplement and not supplant base year  
40 career and technical education courses, including expenditures related to  
41 personnel, equipment and facilities.

42 10. FOR STUDENTS WHO MEET THE REQUIREMENTS TO RECEIVE FUNDING  
43 PURSUANT TO SECTION 15-393, SUBSECTION W, STUDENTS ENROLLED IN AN  
44 INTERNSHIP COURSE AND STUDENTS ENROLLED IN THE YEAR IMMEDIATELY FOLLOWING



1 GRADUATION, A SEPARATE LISTING OF THE FOLLOWING INFORMATION FOR EACH  
2 DISTRICT:

3 (a) AVERAGE DAILY MEMBERSHIP.

4 (b) THE ACTUAL STUDENT COUNT.

5 (c) ENROLLMENT BY COURSE OR PROGRAM AND PERSISTENCE AT EACH GRADE  
6 LEVEL TOWARD COMPLETION OF THE PROGRAM.

7 (d) THE PERCENTAGE OF STUDENTS WHO COMPLETED EACH PROGRAM.

8 (e) THE NUMBER OF CERTIFICATIONS AND LICENSES EARNED BY STUDENTS  
9 DELINEATED BY THOSE WHO ATTENDED A SATELLITE PROGRAM AND THOSE WHO  
10 ATTENDED A CENTRALIZED CAMPUS.

11 ~~10.~~ 11. Any other data or information deemed necessary by the  
12 department of education.

13 D. The office of the auditor general, in consultation with the  
14 department of education, shall develop and establish uniform cost  
15 reporting guidelines, policies and procedures for career technical  
16 education district programs. Any guideline, policy or procedure shall  
17 allow for the effective comparison of cost between career technical  
18 education district programs.

19 Sec. 11. Section 15-505, Arizona Revised Statutes, as added by Laws  
20 2021, chapter 2, section 5, is amended to read:

21 15-505. Discipline; educator information system; personnel  
22 list; definitions

23 A. Pursuant to the rules and procedures adopted pursuant to section  
24 15-203, the ~~department~~ STATE BOARD of education shall investigate written  
25 complaints alleging that a noncertificated person has engaged in immoral  
26 or unprofessional conduct.

27 B. The state board of education may review a complaint and  
28 determine whether to take disciplinary action against a noncertificated  
29 person who has engaged in immoral or unprofessional conduct, including  
30 prohibiting the person's employment at a school district or charter school  
31 for up to five years except as otherwise prescribed in section 15-550.  
32 The state board shall adopt rules and procedures for disciplinary action  
33 of noncertificated persons that are substantially similar to the rules and  
34 procedures for certificated persons.

35 C. Before employing a certificated or noncertificated person,  
36 school districts and charter schools shall conduct a search of the  
37 prospective employee on the educator information system that is maintained  
38 by the department of education.

39 D. A school district or charter school may not employ either of the  
40 following in a position that requires a valid fingerprint clearance card:

41 1. A certificated person whose certificate has been suspended,  
42 surrendered or revoked, unless the state board of education has  
43 subsequently reinstated the person's certificate.

1           2. A noncertificated person who has been prohibited from employment  
2 at a school district or charter school by the state board of education  
3 pursuant to subsection B of this section.

4           E. Each school district and charter school shall annually submit to  
5 the department of education a list of certificated and noncertificated  
6 persons who are employed at the school district or charter school. The  
7 department shall issue guidance to school districts and charter schools  
8 regarding this subsection.

9           F. For the purposes of this section:

10          1. "Noncertificated person":

11          (a) Means a school district or charter school employee who both:

12          (i) Does not possess a certificate issued pursuant to rules adopted  
13 by the state board of education under section 15-203, subsection A,  
14 paragraph 14.

15          (ii) Is required or allowed to provide services directly to pupils  
16 without being supervised by a certificated employee.

17          (b) Does not include a person who does not hold a certificate and  
18 who is one of the following at a school district or charter school:

19          (i) A transportation employee as defined in section 15-513.

20          (ii) A food service employee or contractor.

21          (iii) A maintenance worker.

22          (iv) An employee or contractor of the school district or charter  
23 school that is not required to possess a valid fingerprint clearance card.

24          2. "Supervised" means being under the direction of and, except for  
25 brief periods of time during a school day or school activity, within sight  
26 of a certificated employee when providing direct services to pupils.

27          Sec. 12. Section 15-512, Arizona Revised Statutes, as amended by  
28 Laws 2021, chapter 2, section 6, is amended to read:

29          15-512. Noncertificated personnel; fingerprinting personnel;  
30                                   background investigations; affidavit; civil  
31                                   immunity; violation; classification; definition

32          A. Noncertificated personnel and personnel who are not paid  
33 employees of the school district and who are not either the parent or the  
34 guardian of a pupil who attends school in the school district but who are  
35 required or allowed to provide services directly to pupils without being  
36 supervised by a certificated employee and who are initially hired by a  
37 school district after January 1, 1990 shall be fingerprinted as a  
38 condition of employment except for personnel who are required as a  
39 condition of licensing to be fingerprinted if the license is required for  
40 employment or for personnel who were previously employed by a school  
41 district and who reestablished employment with that district within one  
42 year after the date that the employee terminated employment with the  
43 district. A school district may require noncertificated personnel and  
44 personnel who are not paid employees of the school district and who are  
45 not either the parent or the guardian of a pupil who attends school in the

1 school district but who are required or allowed to provide services  
2 directly to pupils without being supervised by a certificated employee to  
3 obtain a fingerprint clearance card as a condition of employment. Even if  
4 the school district does not require a fingerprint clearance card as a  
5 condition of employment, noncertificated personnel and personnel who are  
6 not paid employees of the school district and who are not either the  
7 parent or the guardian of a pupil who attends school in the school  
8 district but who are required or allowed to provide services directly to  
9 pupils without being supervised by a certificated employee may apply for a  
10 fingerprint clearance card. A school district may release the results of  
11 a background check or communicate whether the person has been issued or  
12 denied a fingerprint clearance card to another school district for  
13 employment purposes. The employee's fingerprints and the form prescribed  
14 in subsection D of this section shall be submitted to the school district  
15 within twenty days after the date an employee begins work. A school  
16 district may terminate an employee if the information on the form provided  
17 under subsection D of this section is inconsistent with the information  
18 received from the fingerprint check or the information received in  
19 connection with a fingerprint clearance card application. The school  
20 district shall develop procedures for fingerprinting employees. For the  
21 purposes of this subsection, "supervised" means being under the direction  
22 of and, except for brief periods of time during a school day or school  
23 activity, within sight of a certificated employee when providing direct  
24 services to pupils.

25 B. Fingerprints submitted pursuant to this section shall be used to  
26 conduct a state and federal criminal records check pursuant to section  
27 41-1750 and Public Law 92-544. The department of public safety may  
28 exchange this fingerprint data with the federal bureau of investigation.

29 C. The school district shall assume the costs of fingerprint checks  
30 and fingerprint clearance cards and may charge these costs to its  
31 fingerprinted employee, except that the school district may not charge the  
32 costs of the fingerprint check or the fingerprint clearance card to  
33 personnel of the school district who are not paid employees. The fees  
34 charged for fingerprinting shall be deposited with the county treasurer  
35 who shall credit the deposit to the fingerprint fund of the school  
36 district. The costs charged to a fingerprinted employee are limited to  
37 and the proceeds in the fund may only be applied to the actual costs,  
38 including personnel costs, incurred as a result of the fingerprint checks  
39 or the fingerprint clearance cards. The fingerprint fund is a continuing  
40 fund that is not subject to reversion.

41 D. Personnel required to be fingerprinted or obtain a fingerprint  
42 clearance card as prescribed in subsection A of this section shall certify  
43 on forms that are provided by the school and notarized whether they are  
44 awaiting trial on or have ever been convicted of or admitted in open court  
45 or pursuant to a plea agreement committing any of the following criminal

1 offenses in this state or similar offenses in another jurisdiction,  
2 including a charge or conviction that has been vacated, set aside or  
3 expunged:

- 4 1. Sexual abuse of a minor.
- 5 2. Incest.
- 6 3. First or second degree murder.
- 7 4. Kidnapping.
- 8 5. Arson.
- 9 6. Sexual assault.
- 10 7. Sexual exploitation of a minor.
- 11 8. Felony offenses involving contributing to the delinquency of a  
12 minor.
- 13 9. Commercial sexual exploitation of a minor.
- 14 10. Felony offenses involving sale, distribution or transportation  
15 of, offer to sell, transport, or distribute or conspiracy to sell,  
16 transport or distribute marijuana or dangerous or narcotic drugs.
- 17 11. Felony offenses involving the possession or use of marijuana,  
18 dangerous drugs or narcotic drugs.
- 19 12. Misdemeanor offenses involving the possession or use of  
20 marijuana or dangerous drugs.
- 21 13. Burglary in the first degree.
- 22 14. Burglary in the second or third degree.
- 23 15. Aggravated or armed robbery.
- 24 16. Robbery.
- 25 17. A dangerous crime against children as defined in section  
26 13-705.
- 27 18. Child abuse.
- 28 19. Sexual conduct with a minor.
- 29 20. Molestation of a child.
- 30 21. Manslaughter.
- 31 22. Aggravated assault.
- 32 23. Assault.
- 33 24. Exploitation of minors involving drug offenses.

34 E. A school district may refuse to hire or may review or terminate  
35 personnel who have been convicted of or admitted committing any of the  
36 criminal offenses prescribed in subsection D of this section or of a  
37 similar offense in another jurisdiction. A school district that is  
38 considering terminating an employee pursuant to this subsection shall hold  
39 a hearing to determine whether a person already employed shall be  
40 terminated. In conducting a review, the governing board shall utilize the  
41 guidelines, including the list of offenses that are not subject to review,  
42 as prescribed by the state board of education pursuant to section 15-534,  
43 subsection C. In considering whether to hire or terminate the employment  
44 of a person, the governing board shall take into account the following  
45 factors:

1           1. The nature of the crime and the potential for crimes against  
2 children.  
3           2. Offenses committed as a minor for which proceedings were held  
4 under the jurisdiction of a juvenile or an adult court.  
5           3. Offenses that have been expunged by a court of competent  
6 jurisdiction, if the person has been pardoned or if the person's sentence  
7 has been commuted.  
8           4. The employment record of the person since the commission of the  
9 crime if the crime was committed more than ten years before the governing  
10 board's consideration of whether to hire or terminate the person.  
11           5. The reliability of the evidence of an admission of a crime  
12 unless made under oath in a court of competent jurisdiction.  
13           F. Before a person is employed with the school district, the  
14 district shall make documented, good faith efforts to contact previous  
15 employers of the person to obtain information and recommendations that may  
16 be relevant to the person's fitness for employment, including conducting a  
17 search of the educator information system that is maintained by the  
18 department of education pursuant to section 15-505. A school district may  
19 not employ in a position that requires a valid fingerprint clearance card  
20 a person against whom the state board of education has taken disciplinary  
21 action as prescribed in section 15-505 or whose certificate has been  
22 suspended, surrendered or revoked, unless the state board has subsequently  
23 reinstated the person's certificate. A governing board shall adopt  
24 procedures for conducting background investigations required by this  
25 subsection, including one or more standard forms for use by school  
26 district officials to document their efforts to obtain information from  
27 previous employers. A school district may provide information received as  
28 a result of a background investigation required by this section to any  
29 other school district, to any other public school and to any public entity  
30 that agrees pursuant to a contract or intergovernmental agreement to  
31 perform background investigations for school districts or other public  
32 schools. School districts and other public schools may enter into  
33 intergovernmental agreements pursuant to section 11-952 and cooperative  
34 purchasing agreements pursuant to rules adopted in accordance with section  
35 15-213 for the purposes of performing or contracting for the performance  
36 of background investigations and for sharing the results of background  
37 investigations required by this subsection. Information obtained about an  
38 employee or applicant for employment by any school district or other  
39 public school in the performance of a background investigation, including  
40 any records indicating that a current or former employee of a school or  
41 school district was disciplined for violating policies of the school  
42 district governing board pursuant to section 15-153, may be retained by  
43 that school district or the other public school or by any public entity  
44 that agrees pursuant to contract to perform background investigations for  
45 school districts or other public schools and may be provided to any school

1 district or other public school that is performing a background  
2 investigation required by this subsection.

3 G. A school district may fingerprint or require any other employee  
4 of the district to obtain a fingerprint clearance card, whether paid or  
5 not, or any other applicant for employment with the school district not  
6 otherwise required by this section to be fingerprinted or obtain a  
7 fingerprint clearance card on the condition that the school district may  
8 not charge the costs of the fingerprint check or fingerprint clearance  
9 card to the fingerprinted applicant or nonpaid employee.

10 H. A contractor, subcontractor or vendor or any employee of a  
11 contractor, subcontractor or vendor who is contracted to provide services  
12 on a regular basis at an individual school shall obtain a valid  
13 fingerprint clearance card pursuant to title 41, chapter 12, article 3.1.  
14 A school district governing board shall adopt policies to exempt a person  
15 from the requirements of this subsection if the person's normal job duties  
16 are not likely to result in independent access to or unsupervised contact  
17 with pupils. A school district, its governing board members, its school  
18 council members and its employees are exempt from civil liability for the  
19 consequences of adoption and implementation of policies and procedures  
20 pursuant to this subsection unless the school district, its governing  
21 board members, its school council members or its employees are guilty of  
22 gross negligence or intentional misconduct.

23 I. Subsection A of this section does not apply to a person who  
24 provides instruction or other education services to a pupil, with the  
25 written consent of the parent or guardian of the pupil, under a work  
26 release program, advance placement course or other education program that  
27 occurs off school property.

28 J. Public entities that agree pursuant to contract to perform  
29 background investigations, public schools, the department of education,  
30 THE STATE BOARD OF EDUCATION and previous employers who provide  
31 information pursuant to this section are immune from civil liability  
32 unless the information provided is false and is acted on by the school  
33 district to the harm of the employee and the public entity, the public  
34 school, the previous employer or the department of education knows the  
35 information is false or acts with reckless disregard of the information's  
36 truth or falsity. A school district that relies on information obtained  
37 pursuant to this section in making employment decisions is immune from  
38 civil liability for use of the information unless the information obtained  
39 is false and the school district knows the information is false or acts  
40 with reckless disregard of the information's truth or falsity.

41 K. The superintendent of a school district or chief administrator  
42 of a charter school or the person's designee who is responsible for  
43 implementing the governing board's policy regarding background  
44 investigations required by subsection F of this section and who fails to

1 carry out that responsibility is guilty of unprofessional conduct and is  
2 subject to disciplinary action by the state board.

3 L. A school district may hire noncertificated personnel before  
4 receiving the results of the fingerprint check or a fingerprint clearance  
5 card but may terminate employment if the information on the form provided  
6 in subsection D of this section is inconsistent with the information  
7 received from the fingerprint check or the fingerprint clearance card. In  
8 addition to any other conditions or requirements deemed necessary by the  
9 superintendent of public instruction to protect the health and safety of  
10 pupils, a school district may hire noncertificated personnel who are  
11 required or allowed unsupervised contact with pupils before the results of  
12 a fingerprint check are received or a fingerprint clearance card is issued  
13 if the school district does all of the following:

14 1. Documents in the applicant's file the necessity for hiring and  
15 placing the applicant before a fingerprint check could be completed or a  
16 fingerprint clearance card could be issued.

17 2. Ensures that the department of public safety completes a  
18 statewide criminal history information check on the applicant every one  
19 hundred twenty days until the date that the fingerprint check is completed  
20 or the fingerprint clearance card is issued or denied.

21 3. Obtains references from the applicant's current employer and two  
22 most recent previous employers except for applicants who have been  
23 employed for at least five years by the applicant's most recent employer.

24 4. Provides general supervision of the applicant until the date  
25 that the fingerprint check is completed or the fingerprint clearance card  
26 is issued or denied.

27 5. Reports to the superintendent of public instruction on June 30  
28 and December 31 each year the number of applicants hired before the  
29 completion of a fingerprint check or the issuance of a fingerprint  
30 clearance card. In addition, the school district shall report the number  
31 of applicants for whom fingerprint checks were not received or fingerprint  
32 clearance cards were not issued after one hundred twenty days and after  
33 one hundred seventy-five days of hire.

34 M. Notwithstanding any other law, this section does not apply to  
35 pupils who attend school in a school district and who are also employed by  
36 a school district.

37 N. A person who makes a false statement, representation or  
38 certification in any application for employment with the school district  
39 is guilty of a class 3 misdemeanor.

40 O. For the purposes of this section, "background investigation"  
41 means any communication with an employee's or applicant's former employer  
42 that concerns the education, training, experience, qualifications and job  
43 performance of the employee or applicant and that is used for the purpose  
44 of evaluating the employee or applicant for employment. Background

1 investigation does not include the results of any state or federal  
2 criminal history records check.

3 Sec. 13. Section 15-514, Arizona Revised Statutes, as amended by  
4 Laws 2021, chapter 2, section 7, is amended to read:

5 15-514. Immoral or unprofessional conduct; duty to report;  
6 immunity; definition

7 A. Any certificated or noncertificated person or governing board  
8 member who reasonably suspects or receives a reasonable allegation that a  
9 person certificated by the state board of education or a noncertificated  
10 person has engaged in conduct involving minors that would be subject to  
11 the reporting requirements of section 13-3620 shall report or cause  
12 reports to be made to the ~~department~~ STATE BOARD of education in writing  
13 as soon as is reasonably practicable but not later than three business  
14 days after the person first suspects or receives an allegation of the  
15 conduct.

16 B. The superintendent of a school district or the chief  
17 administrator of a charter school who reasonably suspects or receives a  
18 reasonable allegation that an act of immoral or unprofessional conduct  
19 that would constitute grounds for dismissal or criminal charges by a  
20 certificated or noncertificated person has occurred shall report the  
21 conduct to the ~~department~~ STATE BOARD of education.

22 C. A person who in good faith reports or provides information  
23 pursuant to this section regarding the immoral or unprofessional conduct  
24 of a certificated or noncertificated person is not subject to an action  
25 for civil damages as a result.

26 D. A governing board or school or school district employee who has  
27 control over personnel decisions shall not take unlawful reprisal against  
28 an employee because the employee reports in good faith information as  
29 required by this section. For the purposes of this subsection, "unlawful  
30 reprisal" means an action that is taken by a governing board as a direct  
31 result of a lawful report pursuant to this section and, with respect to  
32 the employee, results in one or more of the following:

- 33 1. Disciplinary action.
- 34 2. Transfer or reassignment.
- 35 3. Suspension, demotion or dismissal.
- 36 4. An unfavorable performance evaluation.
- 37 5. Other significant changes in duties or responsibilities that are  
38 inconsistent with the employee's salary or employment classification.

39 E. Failure to report information as required by this section by a  
40 certificated or noncertificated person constitutes grounds for  
41 disciplinary action by the state board of education.

42 F. A governing board or school district employee who has control  
43 over personnel decisions and who reasonably suspects or receives a  
44 reasonable allegation that a person certificated by the state board of  
45 education or a noncertificated person has engaged in conduct involving



1 minors that would be subject to the reporting requirements of section  
2 13-3620 and this article shall not accept the resignation of the  
3 certificate holder or noncertificated person until these suspicions or  
4 allegations have been reported to the state board of education.

5 G. For the purposes of this section, "noncertificated person" has  
6 the same meaning prescribed in section 15-505.

7 Sec. 14. Section 15-746, Arizona Revised Statutes, is amended to  
8 read:

9 15-746. School report cards

10 A. Each school shall distribute an annual report card that contains  
11 at least the following information:

12 1. A description of the school's regular, magnet and special  
13 instructional programs.

14 2. A description of the SCHOOL'S current academic goals ~~of the~~  
15 ~~school~~.

16 3. A summary of EACH OF THE FOLLOWING:

17 (a) The results achieved by pupils enrolled at the school during  
18 the prior three school years as measured by the statewide assessment and  
19 the nationally standardized norm-referenced achievement test as designated  
20 by the state board and as reported in the annual report prescribed by  
21 section 15-743. , -

22 (b) ~~a summary of the~~ Pupil progress on an ongoing and annual basis,  
23 showing the trends in gain or loss in pupil achievement over time in  
24 reading, language arts and mathematics for all years in which pupils are  
25 enrolled in the school district for an entire school year and for which  
26 this information is available.

27 (c) ~~and a summary of the~~ Pupil progress for pupils who are not  
28 enrolled in a district for an entire school year.

29 4. The attendance rate of pupils enrolled at the school as  
30 reflected in the school's average daily membership as defined in section  
31 15-901.

32 5. The total number of incidents that occurred on the school  
33 grounds, at school bus stops, on school buses and at school-sponsored  
34 events and that required the contact of a local, county, tribal, state or  
35 federal law enforcement officer pursuant to section 13-3411, subsection F,  
36 section 13-3620, section 15-341, subsection A, paragraph 30 or section  
37 15-515. The total number of incidents reported shall only include reports  
38 that law enforcement officers report to the school THAT are supported by  
39 probable cause. For the purposes of this paragraph, a certified peace  
40 officer who serves as a school resource officer is a law enforcement  
41 officer. A school may provide clarifying information if the school has a  
42 school resource officer on campus.

43 6. The percentage of pupils who have either graduated to the next  
44 grade level or graduated from high school.

- 1           7. A description of the social services available at the school
- 2 site.
- 3           8. The school calendar, including the length of the school day and
- 4 hours of operations.
- 5           9. The total number of pupils enrolled at the school during the
- 6 previous school year.
- 7           10. The transportation services available.
- 8           11. A description of the responsibilities of parents of children
- 9 enrolled at the school.
- 10          12. A description of the responsibilities of the school to the
- 11 parents of the children enrolled at the school, including dates the report
- 12 cards are delivered to the home.
- 13          13. A description of the composition and duties of the school
- 14 council as prescribed in section 15-351 if such a school council exists.
- 15          14. For the most recent year available, the average current
- 16 expenditure per pupil for administrative functions compared to the
- 17 predicted average current expenditure per pupil for administrative
- 18 functions according to an analysis of administrative cost data by the
- 19 joint legislative budget committee staff.
- 20          15. If the school provides instruction to pupils in kindergarten
- 21 programs and grades one through three, the ratio of pupils to teachers in
- 22 each classroom where instruction is provided in kindergarten programs and
- 23 grades one through three.
- 24          16. The average class size per grade level for all grade levels,
- 25 kindergarten programs and grades one through eight. For the purposes of
- 26 this paragraph, "average class size" means the weighted average of each
- 27 class.
- 28          B. The department of education shall develop a standardized report
- 29 card format that meets the requirements of subsection A of this section.
- 30 The department shall modify the standardized report card as necessary on
- 31 an annual basis. The department shall distribute to each school in this
- 32 state a copy of the standardized report card that includes the required
- 33 test scores for each school. Additional copies of the standardized report
- 34 card shall be available on request.
- 35          C. After each school has completed the report card distributed to
- 36 it by the department of education, the school, in addition to distributing
- 37 the report card as prescribed in subsection A of this section, shall send
- 38 a copy of the report card to the department. The department shall prepare
- 39 an annual report that contains the report card from each school in this
- 40 state.
- 41          D. The school shall distribute report cards to parents of pupils
- 42 enrolled at the school, ~~to~~ NOT later than the last day of school of each
- 43 fiscal year, and shall present a summary of the contents of the report
- 44 cards at an annual public meeting held at the school. The school shall

1 give notice at least two weeks before the public meeting that clearly  
2 states the purposes, time and place of the meeting.

3 E. Beginning in fiscal year ~~2020-2021~~ 2021-2022, the school report  
4 card prescribed by this section shall include ~~the following school level~~  
5 ~~data for charter schools and schools operated by school districts.~~ A LINK  
6 TO ACCESS THE INFORMATION REQUIRED BY SECTION 15-747.

- 7 ~~1. The detailed total revenues generated by weighted student count.~~
- 8 ~~2. The total allocated federal, state and local revenue.~~
- 9 ~~3. The allocation of classroom site fund monies.~~
- 10 ~~4. The amounts allocated for teacher pay and benefits, classroom~~  
11 ~~supplies, student support and other expenditures.~~
- 12 ~~5. A comparison of the school's funding information to other~~  
13 ~~schools in the local education agency.~~

14 Sec. 15. Title 15, chapter 7, article 3, Arizona Revised Statutes,  
15 is amended by adding section 15-747, to read:

16 15-747. School financial transparency; portal; required  
17 information; third-party contractor

18 A. BEGINNING IN FISCAL YEAR 2021-2022, THE DEPARTMENT OF  
19 ADMINISTRATION SHALL DEVELOP A TRANSPARENT AND EASILY ACCESSIBLE SCHOOL  
20 FINANCIAL TRANSPARENCY PORTAL THAT INCLUDES THE FOLLOWING SCHOOL LEVEL  
21 DATA FOR CHARTER SCHOOLS, INDIVIDUAL SCHOOLS OPERATED BY A SCHOOL DISTRICT  
22 AND SCHOOL DISTRICTS:

- 23 1. THE DETAILED TOTAL REVENUES GENERATED BY WEIGHTED STUDENT COUNT.
- 24 2. THE TOTAL ALLOCATED FEDERAL, STATE AND LOCAL REVENUES.
- 25 3. THE ALLOCATION OF CLASSROOM SITE FUND MONIES
- 26 4. THE AMOUNTS ALLOCATED FOR TEACHER PAY AND BENEFITS, CLASSROOM  
27 SUPPLIES, STUDENT SUPPORT AND OTHER EXPENDITURES.
- 28 5. A COMPARISON OF THE FUNDING INFORMATION FOR EACH SCHOOL IN  
29 RELATION TO THE FUNDING INFORMATION FOR OTHER SCHOOLS IN THE SAME LOCAL  
30 EDUCATION AGENCY.
- 31 6. ANY OTHER INFORMATION THAT IS NECESSARY FOR A TRANSPARENT  
32 COMPARISON BETWEEN SCHOOLS WITH RESPECT TO THEIR REVENUES, EXPENDITURES,  
33 STUDENT DEMOGRAPHICS OR ACADEMIC ACHIEVEMENT.

34 B. THE DEPARTMENT OF EDUCATION, THE STATE BOARD FOR CHARTER SCHOOLS  
35 AND THE AUDITOR GENERAL SHALL PROVIDE AND ASSIST WITH ANY NECESSARY DATA  
36 OR FINANCIAL INFORMATION THE DEPARTMENT OF ADMINISTRATION OR THE  
37 CONTRACTOR SELECTED PURSUANT TO SUBSECTION C OF THIS SECTION REQUESTS TO  
38 COMPLY WITH AND IMPLEMENT SUBSECTION A OF THIS SECTION.

39 C. THE DEPARTMENT OF ADMINISTRATION SHALL CONTRACT WITH A THIRD  
40 PARTY TO DEVELOP THE PORTAL PRESCRIBED IN SUBSECTION A OF THIS SECTION.  
41 THE THIRD PARTY SELECTED BY THE DEPARTMENT MUST MEET ALL OF THE FOLLOWING:

- 42 1. HAVE EXPERIENCE IN BUILDING EDUCATION FINANCE PLATFORMS TO SHOW  
43 SCHOOL FINANCIAL INFORMATION IN A TRANSPARENT AND EASILY UNDERSTANDABLE  
44 FORMAT.
- 45 2. BE INCORPORATED FOR AT LEAST FIVE YEARS.

- 1           3. HAVE AN EXCLUSIVE FOCUS ON K-12 EDUCATION FINANCE TECHNOLOGY.
- 2           4. HAVE AT LEAST FIVE YEARS OF EXPERIENCE BUILDING CLOUD-HOSTED
- 3 EDUCATION FINANCE SOFTWARE.
- 4           5. HAVE EXPERIENCE INTEGRATING WITH THE UNIFORM SYSTEM OF FINANCIAL
- 5 RECORDS.

6           Sec. 16. Section 15-774, Arizona Revised Statutes, is amended to  
7 read:

8           15-774. Extraordinary special education needs fund; claim  
9   application; criteria; revisions; policies and  
10   procedures; annual report

11           A. The extraordinary special education needs fund is established  
12 consisting of legislative appropriations, gifts, grants and donations.  
13 Monies in the fund are ~~subject to legislative appropriation~~ CONTINUOUSLY  
14 APPROPRIATED and are exempt from the provisions of section 35-190 relating  
15 to lapsing of appropriations. The ~~state board~~ DEPARTMENT of education  
16 shall administer the fund. THE DEPARTMENT MAY RETAIN UP TO TWO PERCENT OF  
17 THE MONIES IN THE FUND FOR THE PURPOSES OF ADMINISTERING THE FUND.

18           B. THE DEPARTMENT OF EDUCATION SHALL AWARD MONIES FROM THE FUND TO  
19 SCHOOL DISTRICTS AND CHARTER SCHOOLS WITH ELIGIBLE CLAIMS. A SCHOOL  
20 DISTRICT OR CHARTER SCHOOL IS ELIGIBLE TO RECEIVE MONIES FROM THE FUND IF  
21 THE SCHOOL DISTRICT OR CHARTER SCHOOL DEMONSTRATES TO THE DEPARTMENT THAT  
22 A STUDENT RECEIVING SPECIAL EDUCATION SERVICES HAS INCURRED COSTS IN THE  
23 CURRENT YEAR OF AT LEAST THE STATEWIDE PER PUPIL FUNDING AVERAGE  
24 MULTIPLIED BY THREE.

25           ~~B.~~ C. A school district or charter school may apply to the ~~state~~  
26 ~~board~~ DEPARTMENT of education for an extraordinary special education needs  
27 ~~grant~~ CLAIM from the fund. The ~~state board~~ DEPARTMENT of education shall  
28 prescribe the format of the ~~applications.~~ ~~The applications~~ APPLICATION,  
29 WHICH shall ~~include~~ DO ALL OF the following:

30           1. ~~Demonstration of~~ DEMONSTRATE extraordinary needs, including  
31 ~~a description~~ DESCRIBING and ~~documentation of pupil~~ DOCUMENTING STUDENT  
32 services required and ~~evidence~~ SHOWING that the district or charter school  
33 is not able to absorb the costs of these services.

34           ~~2. Evidence that monies from the fund will not supplant federal,~~  
35 ~~local or other state efforts.~~

36           2. DEMONSTRATE TOTAL COSTS INCURRED IN THE CURRENT YEAR BY THE  
37 STUDENT FOR WHOM THE SCHOOL DISTRICT OR CHARTER SCHOOL IS APPLYING. A  
38 SCHOOL DISTRICT OR CHARTER SCHOOL MAY SUBMIT A CLAIM FOR UP TO THE FULL  
39 FISCAL YEAR IF THE EXPENSE INCURRED AT THE TIME OF FILING WILL CONTINUE TO  
40 BE INCURRED IN SUBSEQUENT QUARTERS UNTIL THE END OF THE SAME FISCAL YEAR.  
41 TOTAL COSTS SUBMITTED SHALL BE ITEMIZED AND ATTRIBUTABLE TO THE STUDENT  
42 FOR WHOM THE CLAIM IS BEING SUBMITTED. A SCHOOL DISTRICT OR CHARTER  
43 SCHOOL MAY SUBMIT A CLAIM FOR EXPENSES INCURRED AS A RESULT OF AN  
44 INDEPENDENT EDUCATIONAL EVALUATION.

1           3. Evidence that before ~~making an application~~ APPLYING for monies  
2 from the fund the school district or charter school ~~has~~ made sufficient  
3 efforts to seek but has not received funding to cover the COSTS OF  
4 extraordinary ~~costs~~ NEEDS applied for pursuant to paragraph 1 of this  
5 subsection from all other sources, including federal and other state  
6 sources of funding.

7           ~~C. Extraordinary special education needs grants shall be used in  
8 the current year. All unspent grant monies shall be returned to the  
9 department of education at the end of the fiscal year for deposit,  
10 pursuant to sections 35-146 and 35-147, in the extraordinary special  
11 education needs fund.~~

12           D. THE DEPARTMENT OF EDUCATION SHALL EVALUATE CLAIM REQUESTS ON A  
13 QUARTERLY BASIS. IF THERE ARE INSUFFICIENT MONIES IN THE FUND TO FUND ALL  
14 ELIGIBLE CLAIMS WITHIN A GIVEN QUARTER, THE DEPARTMENT SHALL PRIORITIZE  
15 FUNDING BASED ON THE DIFFERENCE IN THE CLAIM AMOUNT SUBMITTED BY THE  
16 SCHOOL DISTRICT OR CHARTER SCHOOL AND THE TOTAL FUNDING THE SCHOOL  
17 DISTRICT OR CHARTER SCHOOL HAS RECEIVED FOR THAT STUDENT. IF A SCHOOL  
18 DISTRICT OR CHARTER SCHOOL SUBMITS A CLAIM WITH INSUFFICIENT INFORMATION,  
19 THE DEPARTMENT MAY NOTIFY THE SCHOOL DISTRICT OR CHARTER SCHOOL TO REVISE  
20 ITS CLAIM WITHIN TWO WEEKS.

21           E. IF A SCHOOL DISTRICT OR CHARTER SCHOOL INCURS AN ADDITIONAL  
22 EXPENSE FOR A STUDENT WHO RECEIVED FUNDING FOR A CLAIM FROM THE FUND IN  
23 THE SAME FISCAL YEAR, THE SCHOOL DISTRICT OR CHARTER SCHOOL MAY REVISE THE  
24 CLAIM AND MAY RECEIVE FUNDING AT THE END OF THE QUARTER IN WHICH THE CLAIM  
25 IS SUBMITTED, SUBJECT TO AVAILABLE MONIES IN THE FUND. THE DEPARTMENT  
26 SHALL PRIORITIZE REVISIONS IN THE SAME MANNER AS OTHER CLAIMS PURSUANT TO  
27 SUBSECTION D OF THIS SECTION.

28           F. THE DEPARTMENT OF EDUCATION SHALL ANNUALLY ADOPT POLICIES AND  
29 PROCEDURES FOR THE FUND AND POST THE POLICIES AND PROCEDURES ON THE  
30 DEPARTMENT'S WEBSITE. THE POLICIES AND PROCEDURES MUST INCLUDE THE  
31 AVERAGE STATEWIDE PER PUPIL FUNDING AMOUNT FOR THAT FISCAL YEAR THAT WILL  
32 BE USED IN THE CALCULATION PRESCRIBED IN SUBSECTION B OF THIS SECTION.

33           G. ON OR BEFORE DECEMBER 15 OF EACH YEAR, THE DEPARTMENT OF  
34 EDUCATION SHALL SUBMIT A REPORT THAT OUTLINES ALL OF THE FOLLOWING TO THE  
35 GOVERNOR, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF  
36 REPRESENTATIVES, THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S  
37 OFFICE OF STRATEGIC PLANNING AND BUDGETING AND PROVIDE A COPY OF THIS  
38 REPORT TO THE SECRETARY OF STATE:

- 39           1. THE NUMBER OF EXTRAORDINARY SPECIAL EDUCATION NEEDS CLAIMS THAT  
40 WERE FUNDED IN THE PREVIOUS YEAR.
- 41           2. HOW SCHOOL DISTRICTS AND CHARTER SCHOOLS USED CLAIM MONIES.
- 42           3. THE TOTAL NUMBER OF CLAIMS RECEIVED IN THE PREVIOUS YEAR.

1           Sec. 17. Section 15-816, Arizona Revised Statutes, is amended to  
2 read:

3           15-816. Definitions

4           In this article, unless the context otherwise requires:

5           1. "Nonresident pupil" means a pupil who resides in this state and  
6 who is enrolled in or is seeking enrollment in a school district other  
7 than the school district in which the pupil resides.

8           2. "Open enrollment" means a policy THAT IS adopted and implemented  
9 by a school district governing board to allow resident transfer pupils to  
10 enroll in any school within the school district, to allow resident pupils  
11 to enroll in any school located within other school districts in this  
12 state and to allow nonresident pupils to enroll in any school within the  
13 district pursuant to section 15-816.01.

14           3. "RESIDENT PUPIL" MEANS A PUPIL WHOSE RESIDENCE IS WITHIN THE  
15 ATTENDANCE AREA OF A SCHOOL.

16           ~~3.~~ 4. "Resident school" means a school THAT IS within the  
17 designated attendance area in which a pupil resides.

18           ~~4.~~ 5. "Resident transfer pupil" means a resident pupil who is  
19 enrolled in or seeking enrollment in a school that is within the school  
20 district but outside the attendance area of the pupil's residence.

21           Sec. 18. Section 15-816.01, Arizona Revised Statutes, is amended to  
22 read:

23           15-816.01. Open enrollment policies; preference; selection  
24 process; transportation; reporting requirements;  
25 public awareness effort

26           A. School district governing boards shall establish policies and  
27 shall implement an open enrollment policy without charging  
28 tuition. Tuition may be charged to nonresident pupils only if the tuition  
29 is authorized under section 15-764, subsection C, section 15-797,  
30 subsection C, section 15-823, subsection A, section 15-824, subsection A  
31 or section 15-825 or if two school districts have entered into a voluntary  
32 agreement for the payment of tuition for certain pupils. These policies  
33 shall include ~~admission criteria, application procedures and~~  
34 ~~transportation provisions~~ THE INFORMATION REQUIRED BY SUBSECTION I OF THIS  
35 SECTION, BASIC INFORMATION THAT IS NEEDED TO REQUEST ENROLLMENT AND THAT  
36 IS CONSISTENT WITH GUIDANCE AND STATE AND FEDERAL LAW REGARDING PUPIL  
37 PRIVACY AND CIVIL RIGHTS, AND INFORMATION REGARDING THE PROVISION OF  
38 TRANSPORTATION OR RESOURCES FOR TRANSPORTATION. THE POLICIES MUST BE  
39 EASILY ACCESSIBLE FROM THE HOME PAGE ON EACH SCHOOL'S WEBSITE AND BE  
40 AVAILABLE IN ENGLISH AND IN SPANISH OR IN ANY OTHER LANGUAGE USED BY A  
41 MAJORITY OF THE POPULATIONS SERVED BY THE SCHOOL OR SCHOOL DISTRICT. A  
42 SCHOOL DISTRICT SHALL UPDATE ON EACH SCHOOL'S WEBSITE THE SCHOOL'S  
43 CAPACITY AND WHETHER THE SCHOOL IS CURRENTLY ACCEPTING OPEN ENROLLMENT  
44 STUDENTS, BY GRADE LEVEL, AT LEAST ONCE EVERY TWELVE WEEKS UNLESS THERE  
45 ARE NO CHANGES TO REPORT FOR THE INDIVIDUAL SCHOOL. IF A SCHOOL HAS ANY

1 OTHER SEPARATE CAPACITY BY SPECIALIZED PROGRAM, THE INFORMATION REQUIRED  
2 PURSUANT TO THIS SUBSECTION SHALL ALSO BE POSTED BY SPECIALIZED  
3 PROGRAM. SCHOOLS SHALL ACCEPT PUPILS THROUGHOUT THE SCHOOL YEAR AS  
4 CAPACITY ALLOWS. PUPILS WHO ARE DENIED ACCESS DUE TO CAPACITY SHALL BE  
5 INFORMED THAT THEY ARE ON A WAIT LIST AND OF THE DETAILS REGARDING THE  
6 PROCESS PRESCRIBED IN SUBSECTION E OF THIS SECTION. PUPILS SHALL BE  
7 SELECTED AS SEATS BECOME AVAILABLE.

8 B. A SCHOOL DISTRICT SHALL ENROLL AT ANY TIME ANY RESIDENT PUPIL  
9 WHO APPLIES FOR ENROLLMENT TO THE SCHOOL DISTRICT PURSUANT TO THIS  
10 SECTION. A SCHOOL DISTRICT SHALL GIVE ENROLLMENT PREFERENCE TO AND  
11 RESERVE CAPACITY FOR ALL OF THE FOLLOWING:

- 12 1. RESIDENT PUPILS.
- 13 2. PUPILS RETURNING TO THE SCHOOL FROM THE PRIOR YEAR.
- 14 3. SIBLINGS OF PUPILS ALREADY ENROLLED.

15 C. A school district may give enrollment preference to children  
16 who:

- 17 1. Are in foster care.
- 18 2. MEET THE DEFINITION OF UNACCOMPANIED YOUTH PRESCRIBED IN THE  
19 MCKINNEY-VENTO HOMELESS ASSISTANCE ACT (P.L. 100-77; 101 STAT. 482; 42  
20 UNITED STATES CODE SECTION 11434a).
- 21 3. ATTEND A SCHOOL THAT IS CLOSING.

22 D. A school district may give enrollment preference to and reserve  
23 capacity for ALL OF THE FOLLOWING:

- 24 1. Pupils who are children of persons who are employed by or at a  
25 school in the school district. ~~A copy of the district policies for open  
26 enrollment shall be posted on the district's website and shall be  
27 available to the public on request.~~

- 28 2. RESIDENT TRANSFER PUPILS AND THEIR SIBLINGS.
- 29 3. PUPILS WHO MEET ADDITIONAL CRITERIA ESTABLISHED AND PUBLISHED BY  
30 THE SCHOOL DISTRICT GOVERNING BOARD PURSUANT TO SUBSECTION A OF THIS  
31 SECTION.

32 E. IF REMAINING CAPACITY AT A SCHOOL, AS DETERMINED BY THE SCHOOL  
33 DISTRICT GOVERNING BOARD, IS INSUFFICIENT TO ENROLL ALL PUPILS WHO SUBMIT  
34 A TIMELY REQUEST, THE SCHOOL OR SCHOOL DISTRICT SHALL SELECT PUPILS  
35 THROUGH AN EQUITABLE SELECTION PROCESS SUCH AS A LOTTERY, EXCEPT THAT  
36 PREFERENCE SHALL BE GIVEN TO THE SIBLINGS OF A PUPIL SELECTED THROUGH AN  
37 EQUITABLE SELECTION PROCESS SUCH AS A LOTTERY.

38 F. EXCEPT AS PROVIDED IN SUBSECTIONS A THROUGH E OF THIS SECTION, A  
39 SCHOOL THAT IS OPERATED BY A SCHOOL DISTRICT MAY NOT LIMIT ADMISSION BASED  
40 ON ANY OF THE FOLLOWING:

- 41 1. ETHNICITY OR RACE.
- 42 2. NATIONAL ORIGIN.
- 43 3. SEX.
- 44 4. INCOME LEVEL.
- 45 5. DISABILITY.

1           6. PROFICIENCY IN THE ENGLISH LANGUAGE.  
2           7. ATHLETIC ABILITY.  
3           ~~B.~~ G. The governing board of the district educating the pupil may  
4 provide transportation limited to ~~no~~ NOT more than ~~twenty~~ THIRTY miles  
5 each way to and from the school of attendance or to and from a pickup  
6 point on a regular transportation route or for the total miles traveled  
7 each day to an adjacent district for eligible nonresident pupils who meet  
8 the economic eligibility requirements established under the national  
9 school lunch and child nutrition acts (42 United States Code sections 1751  
10 through ~~1785~~ 1793) for free or ~~reduced-price~~ REDUCED-PRICE lunches.  
11           ~~C.~~ H. The governing board of the district educating the pupil  
12 shall provide transportation limited to ~~no~~ NOT more than ~~twenty~~ THIRTY  
13 miles each way to and from the school of attendance or to and from a  
14 pickup point on a regular transportation route or for the total miles  
15 traveled each day to an adjacent district for nonresident pupils with  
16 disabilities whose individualized education program specifies that  
17 transportation is necessary ~~for fulfillment of~~ TO FULFILL the program.  
18           I. THE STATE BOARD OF EDUCATION SHALL ADOPT A MODEL FORMAT THAT  
19 SCHOOL DISTRICTS MAY USE FOR DESCRIBING OPEN ENROLLMENT OPTIONS TO ENSURE  
20 CLARITY AND CONSISTENCY FOR PARENTS IN UNDERSTANDING THEIR ENROLLMENT  
21 OPTIONS AS DESCRIBED IN THIS SECTION AND ENROLLMENT CAPACITY AT EACH  
22 SCHOOL, INCLUDING THE ABILITY TO CHOOSE ANY SCHOOL WITHIN THE SCHOOL  
23 DISTRICT OF RESIDENCE OR ANY OTHER SCHOOL DISTRICT IN THIS STATE. THE  
24 STATE BOARD OF EDUCATION SHALL ADOPT RULES, POLICIES AND GUIDANCE  
25 CONSISTENT WITH STATE AND FEDERAL LAW FOR SCHOOL DISTRICTS TO USE WHILE  
26 ENROLLING STUDENTS PURSUANT TO THIS ARTICLE. PURSUANT TO THE SUPERVISORY  
27 DUTIES OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION, THE DEPARTMENT OF  
28 EDUCATION SHALL INVESTIGATE AND ENFORCE ANY COMPLAINTS THAT THE DEPARTMENT  
29 RECEIVES OR SUBSTANTIATED CLAIMS OF UNLAWFUL OR INAPPROPRIATE ENROLLMENT  
30 PRACTICES BY SCHOOL DISTRICTS PURSUANT TO STATE AND FEDERAL LAW AND SHALL  
31 REFER ANY COMPLAINTS RECEIVED REGARDING CHARTER SCHOOLS TO THE STATE BOARD  
32 FOR CHARTER SCHOOLS TO INVESTIGATE AND ENFORCE. THE DEPARTMENT OF  
33 EDUCATION SHALL REGULARLY UPDATE THE STATE BOARD OF EDUCATION ON ITS  
34 INVESTIGATIONS PURSUANT TO THIS SUBSECTION.  
35           J. THE DEPARTMENT OF EDUCATION SHALL PROVIDE AN ANNUAL REPORT THAT  
36 INFORMS THE PUBLIC AND POLICYMAKERS OF THE OPEN ENROLLMENT PARTICIPATION  
37 RATE BY SCHOOL DISTRICT, SCHOOL AND COUNTY, INCLUDING THE NUMBER OF  
38 PUPILS, BY STUDENT SUBGROUP DESIGNATION, IN EACH SCHOOL AND SCHOOL  
39 DISTRICT THAT ARE OPEN ENROLLED AS RESIDENT PUPILS, RESIDENT TRANSFER  
40 PUPILS OR NONRESIDENT PUPILS FOR EACH SCHOOL DISTRICT AND THE SCHOOL  
41 DISTRICTS AND ZIP CODES FROM WHICH STUDENTS ARE ENROLLING. BY FISCAL YEAR  
42 2022-2023, THIS PARTICIPATION REPORT SHALL ALSO INCLUDE THE NUMBER OF  
43 PUPILS ENROLLED IN CHARTER SCHOOLS AND THE SCHOOL DISTRICTS FROM WHICH  
44 THOSE PUPILS ARE ENROLLING.



1 K. SUBJECT TO THE AVAILABILITY OF APPROPRIATED MONIES, EACH JANUARY  
2 THE STATE BOARD OF EDUCATION SHALL DESIGN A PUBLIC AWARENESS EFFORT TO  
3 DISTRIBUTE MATERIALS THAT DO ALL OF THE FOLLOWING:

4 1. COMMUNICATE TO THE PUBLIC THE ABILITY TO CHOOSE ANY PUBLIC  
5 SCHOOL IN THIS STATE.

6 2. DIRECT THE PUBLIC TO RESOURCES TO LEARN ABOUT SCHOOL CHOICE  
7 OPTIONS IN THIS STATE.

8 3. INSTRUCT THE PUBLIC HOW TO REQUEST ENROLLMENT FOR PUPILS.

9 L. THE STATE BOARD OF EDUCATION MAY INCLUDE OTHER OPTIONS IN ITS  
10 INFORMATIONAL MATERIALS AND MESSAGING DEVELOPED UNDER SUBSECTION K OF THIS  
11 SECTION.

12 M. IN DESIGNING THE PUBLIC AWARENESS EFFORT AND DISTRIBUTING  
13 MATERIALS UNDER SUBSECTION K OF THIS SECTION, THE STATE BOARD OF EDUCATION  
14 MAY COLLABORATE WITH BOTH:

15 1. PUBLIC AND PRIVATE PARTNERS TO ASSIST THE STATE BOARD IN  
16 ACHIEVING THE OBJECTIVES PRESCRIBED IN SUBSECTION K OF THIS SECTION.

17 2. THE DEPARTMENT OF EDUCATION IN PROVIDING PARENTS AND THE PUBLIC  
18 WITH INFORMATIONAL RESOURCES.

19 Sec. 19. Section 15-901, Arizona Revised Statutes, is amended to  
20 read:

21 15-901. Definitions

22 A. In this title, unless the context otherwise requires:

23 1. "Average daily membership" means the total enrollment of  
24 fractional students and full-time students, minus withdrawals, of each  
25 school day through the first one hundred days or two hundred days in  
26 session, as applicable, for the current year. Withdrawals include  
27 students who are formally withdrawn from schools and students who are  
28 absent for ten consecutive school days, except for excused absences  
29 identified by the department of education. For the purposes of this  
30 section, school districts and charter schools shall report student absence  
31 data to the department of education at least once every sixty days in  
32 session. For computation purposes, the effective date of withdrawal shall  
33 be retroactive to the last day of actual attendance of the student or  
34 excused absence.

35 (a) "Fractional student" means:

36 (i) For common schools, a preschool child who is enrolled in a  
37 program for preschool children with disabilities of at least three hundred  
38 sixty minutes each week that meets at least two hundred sixteen hours over  
39 the minimum number of days or a kindergarten student who is at least five  
40 years of age before January 1 of the school year and enrolled in a school  
41 kindergarten program that meets at least three hundred fifty-six hours for  
42 a one hundred eighty-day school year, or the instructional hours  
43 prescribed in this section. In computing the average daily membership,  
44 preschool children with disabilities and kindergarten students shall be  
45 counted as one-half of a full-time student. For common schools, a

1 part-time student is a student enrolled for less than the total time for a  
2 full-time student as defined in this section. A part-time common school  
3 student shall be counted as one-fourth, one-half or three-fourths of a  
4 full-time student if the student is enrolled in an instructional program  
5 that is at least one-fourth, one-half or three-fourths of the time a  
6 full-time student is enrolled as defined in subdivision (b) of this  
7 paragraph. The hours in which a student is scheduled to attend a common  
8 school during the regular school day shall be included in the calculation  
9 of the average daily membership for that student.

10 (ii) For high schools, a part-time student who is enrolled in less  
11 than four subjects that count toward graduation as defined by the state  
12 board of education, each of which, if taught each school day for the  
13 minimum number of days required in a school year, would meet a minimum of  
14 one hundred twenty-three hours a year, or the equivalent, in a recognized  
15 high school. The average daily membership of a part-time high school  
16 student shall be 0.75 if the student is enrolled in an instructional  
17 program of three subjects that meet at least five hundred forty hours for  
18 a one hundred eighty-day school year, or the instructional hours  
19 prescribed in this section. The average daily membership of a part-time  
20 high school student shall be 0.5 if the student is enrolled in an  
21 instructional program of two subjects that meet at least three hundred  
22 sixty hours for a one hundred eighty-day school year, or the instructional  
23 hours prescribed in this section. The average daily membership of a  
24 part-time high school student shall be 0.25 if the student is enrolled in  
25 an instructional program of one subject that meets at least one hundred  
26 eighty hours for a one hundred eighty-day school year, or the  
27 instructional hours prescribed in this section. The hours in which a  
28 student is scheduled to attend a high school during the regular school day  
29 shall be included in the calculation of the average daily membership for  
30 that student.

31 (b) "Full-time student" means:

32 (i) For common schools, a student who is at least six years of age  
33 before January 1 of a school year, who has not graduated from the highest  
34 grade taught in the school district and who is regularly enrolled in a  
35 course of study required by the state board of education. First, second  
36 and third grade students or ungraded group B children with disabilities  
37 who are at least five, but under six, years of age by September 1 must be  
38 enrolled in an instructional program that meets for a total of at least  
39 seven hundred twelve hours for a one hundred eighty-day school year, or  
40 the instructional hours prescribed in this section. Fourth, fifth, sixth,  
41 seventh and eighth grade students must be enrolled in an instructional  
42 program that meets for a total of at least eight hundred ninety hours for  
43 a one hundred eighty-day school year, or the instructional hours  
44 prescribed in this section, including the equivalent number of  
45 instructional hours for schools that operate on a one hundred

1 forty-four-day school year. The hours in which a student is scheduled to  
2 attend a common school during the regular school day shall be included in  
3 the calculation of the average daily membership for that student.

4 (ii) For high schools, a student who has not graduated from the  
5 highest grade taught in the school district and who is enrolled in at  
6 least an instructional program of four or more subjects that count toward  
7 graduation as defined by the state board of education, each of which, if  
8 taught each school day for the minimum number of days required in a school  
9 year, would meet a minimum of one hundred twenty-three hours a year, or  
10 the equivalent, that meets for a total of at least seven hundred twenty  
11 hours for a one hundred eighty-day school year, or the instructional hours  
12 prescribed in this section in a recognized high school. A full-time  
13 student shall not be counted more than once for computation of average  
14 daily membership. The average daily membership of a full-time high school  
15 student shall be 1.0 if the student is enrolled in at least four subjects  
16 that meet at least seven hundred twenty hours for a one hundred eighty-day  
17 school year, or the equivalent instructional hours prescribed in this  
18 section. The hours in which a student is scheduled to attend a high  
19 school during the regular school day shall be included in the calculation  
20 of the average daily membership for that student.

21 (iii) If a child who has not reached five years of age before  
22 September 1 of the current school year is admitted to kindergarten and  
23 repeats kindergarten in the following school year, a school district or  
24 charter school is not eligible to receive basic state aid on behalf of  
25 that child during the child's second year of kindergarten. If a child who  
26 has not reached five years of age before September 1 of the current school  
27 year is admitted to kindergarten but does not remain enrolled, a school  
28 district or charter school may receive a portion of basic state aid on  
29 behalf of that child in the subsequent year. A school district or charter  
30 school may charge tuition for any child who is ineligible for basic state  
31 aid pursuant to this item.

32 (iv) Except as otherwise provided by law, for a full-time high  
33 school student who is concurrently enrolled in two school districts or two  
34 charter schools, the average daily membership shall not exceed 1.0.

35 (v) Except as otherwise provided by law, for any student who is  
36 concurrently enrolled in a school district and a charter school, the  
37 average daily membership shall be apportioned between the school district  
38 and the charter school and shall not exceed 1.0. The apportionment shall  
39 be based on the percentage of total time that the student is enrolled in  
40 or in attendance at the school district and the charter school.

41 (vi) Except as otherwise provided by law, for any student who is  
42 concurrently enrolled, pursuant to section 15-808, in a school district  
43 and Arizona online instruction or a charter school and Arizona online  
44 instruction, the average daily membership shall be apportioned between the  
45 school district and Arizona online instruction or the charter school and

1 Arizona online instruction and shall not exceed 1.0. The apportionment  
2 shall be based on the percentage of total time that the student is  
3 enrolled in or in attendance at the school district and Arizona online  
4 instruction or the charter school and Arizona online instruction.

5 (vii) For homebound or hospitalized, a student receiving at least  
6 four hours of instruction per week.

7 (c) "Regular school day" means the regularly scheduled class  
8 periods intended for instructional purposes. Instructional purposes may  
9 include core subjects, elective subjects, lunch, study halls, music  
10 instruction, and other classes that advance the academic instruction of  
11 pupils, except that instructional purposes shall not include athletic  
12 practices or extracurricular clubs and activities.

13 2. "Budget year" means the fiscal year for which the school  
14 district is budgeting and that immediately follows the current year.

15 3. "Common school district" means a political subdivision of this  
16 state offering instruction to students in programs for preschool children  
17 with disabilities and kindergarten programs and either:

18 (a) Grades one through eight.

19 (b) Grades one through nine pursuant to section 15-447.01.

20 4. "Current year" means the fiscal year in which a school district  
21 is operating.

22 5. "Daily attendance" means:

23 (a) For common schools, days in which a pupil:

24 (i) Of a kindergarten program or ungraded, but not group B children  
25 with disabilities, who is at least five, but under six, years of age by  
26 September 1 attends at least three-quarters of the instructional time  
27 scheduled for the day. If the total instruction time scheduled for the  
28 year is at least three hundred fifty-six hours but is less than seven  
29 hundred twelve hours, such attendance shall be counted as one-half day of  
30 attendance. If the instructional time scheduled for the year is at least  
31 six hundred ninety-two hours, "daily attendance" means days in which a  
32 pupil attends at least one-half of the instructional time scheduled for  
33 the day. Such attendance shall be counted as one-half day of attendance.

34 (ii) Of the first, second or third grades attends more than  
35 three-quarters of the instructional time scheduled for the day.

36 (iii) Of the fourth, fifth or sixth grades attends more than  
37 three-quarters of the instructional time scheduled for the day, except as  
38 provided in section 15-797.

39 (iv) Of the seventh or eighth grades attends more than  
40 three-quarters of the instructional time scheduled for the day, except as  
41 provided in section 15-797.

42 (b) For common schools, the attendance of a pupil at three-quarters  
43 or less of the instructional time scheduled for the day shall be counted  
44 as follows, except as provided in section 15-797 and except that

1 attendance for a fractional student shall not exceed the pupil's  
2 fractional membership:

3 (i) If attendance for all pupils in the school is based on quarter  
4 days, the attendance of a pupil shall be counted as one-fourth of a day's  
5 attendance for each one-fourth of full-time instructional time attended.

6 (ii) If attendance for all pupils in the school is based on half  
7 days, the attendance of at least three-quarters of the instructional time  
8 scheduled for the day shall be counted as a full day's attendance and  
9 attendance at a minimum of one-half but less than three-quarters of the  
10 instructional time scheduled for the day equals one-half day of  
11 attendance.

12 (c) For common schools, the attendance of a preschool child with  
13 disabilities shall be counted as one-fourth day's attendance for each  
14 thirty-six minutes of attendance, except as provided in paragraph 1,  
15 subdivision (a), item (i) of this subsection for children with  
16 disabilities up to a maximum of three hundred sixty minutes each week.

17 (d) For high schools, the attendance of a pupil shall not be  
18 counted as a full day unless the pupil is actually and physically in  
19 attendance and enrolled in and carrying four subjects, each of which, if  
20 taught each school day for the minimum number of days required in a school  
21 year, would meet a minimum of one hundred twenty-three hours a year, or  
22 the equivalent, that count toward graduation in a recognized high school  
23 except as provided in section 15-797 and subdivision (e) of this  
24 paragraph. Attendance of a pupil carrying less than the load prescribed  
25 shall be prorated.

26 (e) For high schools, the attendance of a pupil may be counted as  
27 one-fourth of a day's attendance for each sixty minutes of instructional  
28 time in a subject that counts toward graduation, except that attendance  
29 for a pupil shall not exceed the pupil's full or fractional membership.

30 (f) For homebound or hospitalized, a full day of attendance may be  
31 counted for each day during a week in which the student receives at least  
32 four hours of instruction.

33 (g) For school districts that maintain school for an approved  
34 year-round school year operation, attendance shall be based on a  
35 computation, as prescribed by the superintendent of public instruction, of  
36 the one hundred eighty days' equivalency or two hundred days' equivalency,  
37 as applicable, of instructional time as approved by the superintendent of  
38 public instruction during which each pupil is enrolled.

39 6. "Daily route mileage" means the sum of:

40 (a) The total number of miles driven daily by all buses of a school  
41 district while transporting eligible students from their residence to the  
42 school of attendance and from the school of attendance to their residence  
43 on scheduled routes approved by the superintendent of public instruction.

44 (b) The total number of miles driven daily on routes approved by  
45 the superintendent of public instruction for which a private party, a

1 political subdivision or a common or a contract carrier is reimbursed for  
2 bringing an eligible student from the place of the student's residence to  
3 a school transportation pickup point or to the school of attendance and  
4 from the school transportation scheduled return point or from the school  
5 of attendance to the student's residence. Daily route mileage includes  
6 the total number of miles necessary to drive to transport eligible  
7 students from and to their residence as provided in this paragraph.

8 7. "District support level" means the base support level plus the  
9 transportation support level.

10 8. "Eligible students" means:

11 (a) Students who are transported by or for a school district and  
12 who qualify as full-time students or fractional students, except students  
13 for whom transportation is paid by another school district or a county  
14 school superintendent, and:

15 (i) For common school students, whose place of actual residence  
16 within the school district is more than one mile from the school facility  
17 of attendance or students who are admitted pursuant to section 15-816.01  
18 and who meet the economic eligibility requirements established under the  
19 national school lunch and child nutrition acts (42 United States Code  
20 sections 1751 through 1793) for free or reduced-price lunches and whose  
21 actual place of residence outside the school district boundaries is more  
22 than one mile from the school facility of attendance.

23 (ii) For high school students, whose place of actual residence  
24 within the school district is more than one and one-half miles from the  
25 school facility of attendance or students who are admitted pursuant to  
26 section 15-816.01 and who meet the economic eligibility requirements  
27 established under the national school lunch and child nutrition acts  
28 (42 United States Code sections 1751 through 1793) for free or  
29 reduced-price lunches and whose actual place of residence outside the  
30 school district boundaries is more than one and one-half miles from the  
31 school facility of attendance.

32 (b) Kindergarten students, for purposes of computing the number of  
33 eligible students under subdivision (a), item (i) of this paragraph, shall  
34 be counted as full-time students, notwithstanding any other provision of  
35 law.

36 (c) Children with disabilities, as defined by section 15-761, who  
37 are transported by or for the school district or who are admitted pursuant  
38 to chapter 8, article 1.1 of this title and who qualify as full-time  
39 students or fractional students regardless of location or residence within  
40 the school district or children with disabilities whose transportation is  
41 required by the pupil's individualized education program.

42 (d) Students whose residence is outside the school district and who  
43 are transported within the school district on the same basis as students  
44 who reside in the school district.

1           9. "Enrolled" or "enrollment" means that a pupil is currently  
2 registered in the school district.

3           10. "GDP price deflator" means the average of the four implicit  
4 price deflators for the gross domestic product reported by the United  
5 States department of commerce for the four quarters of the calendar year.

6           11. "High school district" means a political subdivision of this  
7 state offering instruction to students for grades nine through twelve or  
8 that portion of the budget of a common school district that is allocated  
9 to teaching high school subjects with permission of the state board of  
10 education.

11           12. "Revenue control limit" means the base revenue control limit  
12 plus the transportation revenue control limit.

13           13. "Student count" means average daily membership as prescribed in  
14 this subsection for the fiscal year before the current year, except that  
15 for the purpose of budget preparation student count means average daily  
16 membership as prescribed in this subsection for the current year.

17           14. "Submit electronically" means submitted in a format and in a  
18 manner prescribed by the department of education.

19           15. "Total bus mileage" means the total number of miles driven by  
20 all buses of a school district during the school year.

21           16. "Total students transported" means all eligible students  
22 transported from their place of residence to a school transportation  
23 pickup point or to the school of attendance and from the school of  
24 attendance or from the school transportation scheduled return point to  
25 their place of residence.

26           17. "Unified school district" means a political subdivision of this  
27 state offering instruction to students in programs for preschool children  
28 with disabilities and kindergarten programs and grades one through twelve.

29           B. In this title, unless the context otherwise requires:

30           1. "Base" means the revenue level per student count specified by  
31 the legislature.

32           2. "Base level" means the following amounts plus the percentage  
33 increases to the base level as provided in sections 15-902.04 and 15-952,  
34 except that if a school district or charter school is eligible for an  
35 increase in the base level as provided in two or more of these sections,  
36 the base level amount shall be calculated by compounding rather than  
37 adding the sum of one plus the percentage of the increase from those  
38 different sections:

39           ~~(a) For fiscal year 2018-2019, \$3,960.07.~~

40           ~~(b)~~ (a) For fiscal year 2019-2020, \$4,150.43.

41           ~~(c)~~ (b) For fiscal year 2020-2021, \$4,305.73.

42           (c) FOR FISCAL YEAR 2021-2022, \$4,390.65.

43           3. "Base revenue control limit" means the base revenue control  
44 limit computed as provided in section 15-944.

1           4. "Base support level" means the base support level as provided in  
2 section 15-943.

3           5. "Certified teacher" means a person who is certified as a teacher  
4 pursuant to the rules adopted by the state board of education, who renders  
5 direct and personal services to schoolchildren in the form of instruction  
6 related to the school district's educational course of study and who is  
7 paid from the maintenance and operation section of the budget.

8           6. "DD" means programs for children with developmental delays who  
9 are at least three years of age but under ten years of age. A preschool  
10 child who is categorized under this paragraph is not eligible to receive  
11 funding pursuant to section 15-943, paragraph 2, subdivision (b).

12           7. "ED, MIID, SLD, SLI and OHI" means programs for children with  
13 emotional disabilities, mild intellectual disabilities, a specific  
14 learning disability, a speech/language impairment and other health  
15 impairments. A preschool child who is categorized as SLI under this  
16 paragraph is not eligible to receive funding pursuant to section 15-943,  
17 paragraph 2, subdivision (b).

18           8. "ED-P" means programs for children with emotional disabilities  
19 who are enrolled in private special education programs as prescribed in  
20 section 15-765, subsection D, paragraph 1 or in an intensive school  
21 district program as provided in section 15-765, subsection D, paragraph 2.

22           9. "ELL" means English learners who do not speak English or whose  
23 native language is not English, who are not currently able to perform  
24 ordinary classroom work in English and who are enrolled in an English  
25 language education program pursuant to sections 15-751, 15-752 and 15-753.

26           10. "Full-time equivalent certified teacher" or "FTE certified  
27 teacher" means for a certified teacher the following:

28           (a) If employed full time as defined in section 15-501, 1.00.

29           (b) If employed less than full time, multiply 1.00 by the  
30 percentage of a full school day, or its equivalent, or a full class load,  
31 or its equivalent, for which the teacher is employed as determined by the  
32 governing board.

33           11. "G" MEANS EDUCATIONAL PROGRAMS FOR GIFTED PUPILS WHO SCORE AT  
34 OR ABOVE THE NINETY-SEVENTH PERCENTILE, BASED ON NATIONAL NORMS, ON A TEST  
35 ADOPTED BY THE STATE BOARD OF EDUCATION.

36           ~~11.~~ 12. "Group A" means educational programs for career  
37 exploration, a specific learning disability, an emotional disability, a  
38 mild intellectual disability, remedial education, a speech/language  
39 impairment, developmental delay, homebound, ~~PUPILS~~, bilingual, ~~PUPILS~~  
40 AND PUPILS WITH other health impairments ~~and gifted pupils~~.

41           ~~12.~~ 13. "Group B" means educational improvements for pupils in  
42 kindergarten programs and grades one through three, educational programs  
43 for autism, a hearing impairment, a moderate intellectual disability,  
44 multiple disabilities, multiple disabilities with severe sensory  
45 impairment, orthopedic impairments, preschool severe delay, a severe



1 intellectual disability and emotional disabilities for school age pupils  
2 enrolled in private special education programs or in school district  
3 programs for children with severe disabilities or visual impairment and  
4 English learners enrolled in a program to promote English language  
5 proficiency pursuant to section 15-752.

6 ~~13.~~ 14. "HI" means programs for pupils with hearing impairment.

7 ~~14.~~ 15. "Homebound" or "hospitalized" means a pupil who is capable  
8 of profiting from academic instruction but is unable to attend school due  
9 to illness, disease, accident or other health conditions, who has been  
10 examined by a competent medical doctor and who is certified by that doctor  
11 as being unable to attend regular classes for a period of not less than  
12 three school months or a pupil who is capable of profiting from academic  
13 instruction but is unable to attend school regularly due to chronic or  
14 acute health problems, who has been examined by a competent medical doctor  
15 and who is certified by that doctor as being unable to attend regular  
16 classes for intermittent periods of time totaling three school months  
17 during a school year. The medical certification shall state the general  
18 medical condition, such as illness, disease or chronic health condition,  
19 that is the reason that the pupil is unable to attend school. Homebound  
20 or hospitalized includes a student who is unable to attend school for a  
21 period of less than three months due to a pregnancy if a competent medical  
22 doctor, after an examination, certifies that the student is unable to  
23 attend regular classes due to risk to the pregnancy or to the student's  
24 health.

25 ~~15.~~ 16. "K-3" means kindergarten programs and grades one through  
26 three.

27 ~~16.~~ 17. "K-3 reading" means reading programs for pupils in  
28 kindergarten programs and grades one, two and three.

29 ~~17.~~ 18. "MD-R, A-R and SID-R" means resource programs for pupils  
30 with multiple disabilities, autism and severe intellectual disability.

31 ~~18.~~ 19. "MD-SC, A-SC and SID-SC" means self-contained programs for  
32 pupils with multiple disabilities, autism and severe intellectual  
33 disability.

34 ~~19.~~ 20. "MD-SSI" means a program for pupils with multiple  
35 disabilities with severe sensory impairment.

36 ~~20.~~ 21. "MOID" means programs for pupils with moderate  
37 intellectual disability.

38 ~~21.~~ 22. "OI-R" means a resource program for pupils with orthopedic  
39 impairments.

40 ~~22.~~ 23. "OI-SC" means a self-contained program for pupils with  
41 orthopedic impairments.

42 ~~23.~~ 24. "PSD" means preschool programs for children with  
43 disabilities as provided in section 15-771.

44 ~~24.~~ 25. "P-SD" means programs for children who meet the definition  
45 of preschool severe delay as provided in section 15-771.

1           ~~25.~~ 26. "Qualifying tax rate" means the qualifying tax rate  
2 specified in section 15-971 applied to the assessed valuation used for  
3 primary property taxes.

4           ~~26.~~ 27. "Small isolated school district" means a school district  
5 that meets all of the following:

6           (a) Has a student count of fewer than six hundred in kindergarten  
7 programs and grades one through eight or grades nine through twelve.

8           (b) Contains no school that is fewer than thirty miles by the most  
9 reasonable route from another school, or, if road conditions and terrain  
10 make the driving slow or hazardous, fifteen miles from another school that  
11 teaches one or more of the same grades and is operated by another school  
12 district in this state.

13           (c) Is designated as a small isolated school district by the  
14 superintendent of public instruction.

15           ~~27.~~ 28. "Small school district" means a school district that meets  
16 all of the following:

17           (a) Has a student count of fewer than six hundred in kindergarten  
18 programs and grades one through eight or grades nine through twelve.

19           (b) Contains at least one school that is fewer than thirty miles by  
20 the most reasonable route from another school that teaches one or more of  
21 the same grades and is operated by another school district in this state.

22           (c) Is designated as a small school district by the superintendent  
23 of public instruction.

24           ~~28.~~ 29. "Transportation revenue control limit" means the  
25 transportation revenue control limit computed as prescribed in section  
26 15-946.

27           ~~29.~~ 30. "Transportation support level" means the support level for  
28 pupil transportation operating expenses as provided in section 15-945.

29           ~~30.~~ 31. "VI" means programs for pupils with visual impairments.  
30 Sec. 20. Section 15-901.08, Arizona Revised Statutes, as added by  
31 Laws 2021, chapter 299, section 4, is amended to read:

32           15-901.08. School year; school month; instructional time  
33                                 models; requirements; funding; definition

34           A. Except as may be otherwise authorized by the superintendent of  
35 public instruction to accommodate a year-round school operation or as  
36 otherwise prescribed under an instructional time model adopted pursuant to  
37 this section, the school year begins July 1 and ends June 30, and a school  
38 month is twenty school days or four weeks of five days each.

39           B. Notwithstanding any other law, for the purposes of meeting the  
40 instructional time and instructional hours requirements prescribed in  
41 sections 15-808 and 15-901, a school district governing board, after at  
42 least two public hearings in the school district, or a charter school  
43 governing body for one or more schools may adopt any instructional time  
44 models as prescribed in this section to meet the minimum annual

1 instructional time and instructional hours requirements prescribed in  
2 sections 15-808 and 15-901 for all of the following purposes:

- 3 1. Determining average daily membership.
- 4 2. Determining daily attendance.
- 5 3. Determining student count.
- 6 4. Any other purpose relating to instructional time or  
7 instructional hours prescribed in section 15-808 or 15-901.

8 C. Notwithstanding any other law, all of the following apply to an  
9 instructional time model adopted by a school district governing board or  
10 charter school governing body for one or more schools pursuant to this  
11 section:

12 1. Students shall receive the minimum instructional time or  
13 instructional hours required under section 15-808 or 15-901, as  
14 applicable, for the full school year in any day, week and course length  
15 increments adopted by the school district governing board or charter  
16 school governing body.

17 2. A school ~~district or charter school~~ may deliver the annual  
18 required instructional time or instructional hours to students through any  
19 combination of the following:

- 20 (a) Direct instruction.
- 21 (b) Project-based learning.
- 22 (c) Independent learning.
- 23 (d) Mastery-based learning, which may be delivered in a blended  
24 classroom serving multiple grade levels or providing blended grade level  
25 content.

26 3. A school ~~district or charter school~~ may define instructional  
27 time and instructional hours to include any combination of the following:

- 28 (a) In-person instruction.
- 29 (b) Remote instruction, subject to all of the following:

30 (i) During school year 2021-2022, ~~each A school district and~~  
31 ~~charter school~~ may provide up to fifty percent of its total instructional  
32 time in a remote setting without any impact ~~on~~ **TO** the ~~school district's or~~  
33 ~~charter~~ school's funding. Beginning in school year 2022-2023 and each  
34 school year thereafter, ~~each A school district and charter school~~ may  
35 provide up to forty percent of its total instructional time in a remote  
36 setting without any impact ~~on~~ **TO** the ~~school district's or charter~~ school's  
37 funding.

38 (ii) If a school ~~district or charter school~~ provides instructional  
39 time in a remote setting beyond the threshold prescribed in item (i) of  
40 this subdivision in any school year, the department of education shall  
41 calculate funding as prescribed in subsection D of this section.

42 (iii) The department of education shall annually provide a list of  
43 ~~school districts~~ **SCHOOLS** that provide more than the allowed instructional  
44 time in a remote setting to the state board of education. The state board

1 of education shall determine whether the school ~~district~~ must apply to  
2 become an online school under section 15-808.

3 (iv) The department of education shall annually provide a list of  
4 charter schools that provide more than the allowed instructional time in a  
5 remote setting to the state board for charter schools. The state board  
6 for charter schools shall determine whether the charter school must apply  
7 to become an online school under section 15-808.

8 4. A school ~~district or charter school~~ may reallocate any minimum  
9 instructional time or instructional hours per course required under  
10 section 15-808 or 15-901 or any other statute to other courses on a  
11 per-student basis so that students are able to spend more of their  
12 required instructional time or instructional hours on courses of greater  
13 depth or courses that require additional learning time to catch up to  
14 grade level or to stay on pace.

15 5. A school ~~district or charter school~~ may stagger learning times  
16 and schedules for students and may offer courses and other instructional  
17 time options on the weekend or in the evenings so that all students are  
18 not expected to attend or complete their school day or instructional time  
19 at the same time.

20 6. A school ~~district or charter school~~ shall align its attendance  
21 policies to reflect the instructional time and instructional hours  
22 policies prescribed under the adopted instructional time model.

23 D. If a school ~~district or charter school~~ provides remote  
24 instructional time beyond the threshold prescribed in subsection C,  
25 paragraph 3, subdivision (b), item (i) of this section in any school year,  
26 the department of education shall calculate funding as follows:

27 1. Calculate the total percentage of instructional time provided by  
28 the school ~~district or charter school~~ in a remote setting.

29 2. Subtract the allowable threshold prescribed in subsection C,  
30 paragraph 3, subdivision (b), item (i) of this section from the amount  
31 calculated pursuant to paragraph 1 of this subsection.

32 3. Fund the percentage of the base support level equal to the  
33 percentage calculated in paragraph 2 of this subsection at ninety-five  
34 percent of the base support level that would otherwise be calculated for  
35 the school ~~district or charter school~~.

36 E. For the purposes of this section, "mastery-based learning" means  
37 a system in which students advance to higher levels of learning when they  
38 demonstrate mastery of concepts and skills regardless of time, place or  
39 pace.

40 Sec. 21. Section 15-911, Arizona Revised Statutes, is amended to  
41 read:

42 15-911. Aggregate expenditure limitation; aggregate  
43 expenditures of local revenues; adjustments

44 A. ON OR BEFORE JUNE 1 OF EACH YEAR, the legislature shall ~~on or~~  
45 ~~before June 1 of each year~~ transmit to the state board of education the

1 aggregate expenditure limitation for all school districts for the  
2 following fiscal year ~~which~~ THAT the economic estimates commission  
3 determines as provided in section 41-563, subsection C.

4 B. On or before November 1 of each year, the state board of  
5 education shall determine and report to the president of the senate, the  
6 speaker of the house of representatives, ~~and~~ the chairman of the joint  
7 legislative budget committee AND THE GOVERNOR'S OFFICE OF STRATEGIC  
8 PLANNING AND BUDGETING the aggregate expenditures of local revenues as  
9 defined in article IX, section 21, subsection (4), Constitution of  
10 Arizona, for all school districts for the current year.

11 C. If the aggregate expenditures of local revenues ~~which~~ THAT the  
12 state board determines as provided in subsection B of this section ~~are in~~  
13 ~~excess of~~ EXCEED the expenditure limitation determined as provided in  
14 section 41-563, subsection C:

15 1. On or before November 1 the state board shall notify each school  
16 district that may be affected by subsections D and E of this section and  
17 inform it of the amount by which it may have to reduce its expenditures of  
18 local revenues.

19 2. On or before March 1 the legislature, on approval of two-thirds  
20 of the membership of each house of the legislature, may authorize the  
21 expenditures of local revenues in excess of the expenditure limitation for  
22 the current fiscal year.

23 D. The state board of education shall:

24 1. Determine the amount of the expenditures of local revenues ~~in~~  
25 ~~excess of~~ THAT EXCEED the expenditure limitation.

26 2. Determine the amount of expenditures of local revenues for each  
27 school district and the total amount for all of the school districts.

28 3. Divide the amount determined in paragraph 1 of this subsection  
29 by the total amount determined in paragraph 2 of this subsection.

30 4. Multiply the quotient determined in paragraph 3 of this  
31 subsection by the amount determined in paragraph 2 of this subsection for  
32 each school district.

33 E. If the legislature fails to authorize the expenditures of local  
34 revenues ~~in excess of~~ THAT EXCEED the expenditure limitation as provided  
35 in subsection C, paragraph 2 of this section, on or before March 5 the  
36 state board of education shall inform each school district of the amount  
37 it is to reduce its expenditures of local revenues, and each school  
38 district shall reduce its expenditures of local revenues by the amount  
39 determined in subsection D, paragraph 4 of this section. ON OR BEFORE  
40 APRIL 1, the governing board of each school district ~~shall on or before~~  
41 ~~April 1~~, after it gives notice and holds a public meeting in a similar  
42 manner as provided in section 15-905, subsections C and D, SHALL adopt a  
43 revised budget for the current year ~~which shall~~ THAT DOES not exceed the  
44 previously adopted budget for the current year, ~~less~~ MINUS the amount  
45 ~~which~~ the state board of education specifies for reduction in expenditures

1 of local revenues. Not later than April 4, the budget as revised shall be  
2 submitted electronically to the superintendent of public instruction.

3 Sec. 22. Title 15, chapter 9, article 2, Arizona Revised Statutes,  
4 is amended by adding section 15-924, to read:

5 15-924. In lieu of transportation grants

6 A. NOTWITHSTANDING ANY OTHER LAW, BEGINNING IN THE 2021-2022 SCHOOL  
7 YEAR, A SCHOOL DISTRICT MAY USE A PORTION OF ITS TRANSPORTATION FUNDING  
8 ALLOCATED PURSUANT TO SECTIONS 15-945 AND 15-946 TO PROVIDE IN LIEU OF  
9 TRANSPORTATION GRANTS TO PARENTS OF STUDENTS WHO ATTEND THE SCHOOL  
10 DISTRICT PURSUANT TO A PLAN SUBMITTED TO THE DEPARTMENT OF EDUCATION.  
11 SCHOOL DISTRICTS MAY ISSUE GRANTS TO SUPPORT INDIVIDUAL PARENTS OR  
12 NEIGHBORHOOD CARPOOLS IN TRANSPORTING STUDENTS TO SCHOOL. A SCHOOL  
13 DISTRICT'S TRANSPORTATION FUNDING ALLOCATION MAY NOT BE REDUCED OR  
14 OTHERWISE DIMINISHED DUE TO THE SCHOOL DISTRICT AWARDING GRANTS PURSUANT  
15 TO THIS SECTION.

16 B. NOTWITHSTANDING ANY OTHER LAW, BEGINNING IN THE 2021-2022 SCHOOL  
17 YEAR, A CHARTER SCHOOL MAY USE A PORTION OF ITS CHARTER ADDITIONAL  
18 ASSISTANCE FUNDING ALLOCATED PURSUANT TO SECTION 15-185 TO PROVIDE IN LIEU  
19 OF TRANSPORTATION GRANTS TO PARENTS OF STUDENTS WHO ATTEND THE CHARTER  
20 SCHOOL PURSUANT TO A PLAN SUBMITTED TO THE DEPARTMENT OF EDUCATION.  
21 CHARTER SCHOOLS MAY ISSUE GRANTS TO SUPPORT INDIVIDUAL PARENTS OR  
22 NEIGHBORHOOD CARPOOLS IN TRANSPORTING STUDENTS TO SCHOOL. PARTICIPATING  
23 CHARTER SCHOOLS SHALL REPORT TO THE DEPARTMENT REGARDING THE MONIES  
24 AWARDED TO PARENTS AS REQUIRED BY THE DEPARTMENT.

25 C. THE DEPARTMENT OF EDUCATION SHALL ADOPT POLICIES AND PROCEDURES  
26 TO ACCOUNT FOR EXPENDITURES UNDER THIS SECTION AND TO REQUIRE PROOF OF  
27 ATTENDANCE FOR STUDENTS WHOSE TRANSPORTATION IS SUPPORTED THROUGH GRANTS  
28 UNDER THIS SECTION.

29 Sec. 23. Section 15-943, Arizona Revised Statutes, is amended to  
30 read:

31 15-943. Base support level

32 The base support level for each school district shall be computed as  
33 follows:

34 1. The following support level weights shall be used in  
35 paragraph 2, subdivision (a) of this section for the following school  
36 districts:

37 (a) For school districts whose student count in kindergarten  
38 programs and grades one through eight is classified in column 1 of this  
39 subdivision, the support level weight for kindergarten programs and grades  
40 one through eight is the corresponding support level weight prescribed in  
41 column 2 or 3 of this subdivision, whichever is appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	Support Level Weight For Small Isolated School Districts	Support Level Weight For Small School Districts
<u>Student Count</u>		
1-99	1.559	1.399
100-499	1.358 + [0.0005 x (500 - student count)]	1.278 + [0.0003 x (500 - student count)]
500-599	1.158 + [0.002 x (600 - student count)]	1.158 + [0.0012 x (600 - student count)]

(b) For school districts whose student count in grades nine through twelve is classified in column 1 of this subdivision, the support level weight for grades nine through twelve is the corresponding support level weight prescribed in column 2 or 3 of this subdivision, whichever is appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	Support Level Weight For Small Isolated School Districts	Support Level Weight For Small School Districts
<u>Student Count</u>		
1-99	1.669	1.559
100-499	1.468 + [0.0005 x (500 - student count)]	1.398 + [0.0004 x (500 - student count)]
500-599	1.268 + [0.002 x (600 - student count)]	1.268 + [0.0013 x (600 - student count)]

2. Subject to paragraph 1 of this section, determine the weighted student count as follows:

(a)

<u>Grade Base</u>	<u>Group A</u>	<u>Support Level Weight</u>	<u>Student Count</u>	<u>Weighted Student Count</u>
PSD 1.000 + 0.450 =	1.450	x	_____	= _____
K-8 1.000 + 0.158 =	1.158	x	_____	= _____
9-12 1.163 + 0.105 =	1.268	x	_____	= _____
	Subtotal		A	_____

(b)

<u>Funding Category</u>	<u>Support Level Weight</u>	<u>Student Count</u>	<u>Weighted Student Count</u>
HI	4.771	x	_____ = _____
K-3	0.060	x	_____ = _____
K-3 reading	0.040	x	_____ = _____
ELL	0.115	x	_____ = _____
MD-R, A-R and SID-R	6.024	x	_____ = _____

1	MD-SC, A-SC and					
2	SID-SC	<del>5.833</del>	x	_____	=	_____
3		5.988				
4	MD-SSI	7.947	x	_____	=	_____
5	OI-R	3.158	x	_____	=	_____
6	OI-SC	6.773	x	_____	=	_____
7	P-SD	3.595	x	_____	=	_____
8	DD, ED, MIID, SLD,					
9	SLI and OHI	<del>0.003</del>	x	_____	=	_____
10		0.093				
11	ED-P	4.822	x	_____	=	_____
12	MOID	4.421	x	_____	=	_____
13	VI	4.806	x	_____	=	_____
14	G	0.007	X	_____	=	_____
15				Subtotal	B	_____

16 (c) Total of subtotals A and B: \_\_\_\_\_

17 3. Multiply the total determined in paragraph 2 of this section by  
 18 the base level.

19 4. Multiply the teacher experience index of the district or 1.00,  
 20 whichever is greater, by the product obtained in paragraph 3 of this  
 21 section.

22 5. For the purposes of this section, the student count is the  
 23 average daily membership as prescribed in section 15-901 for the current  
 24 year, except that for the purposes of computing the base support level  
 25 used in determining school district rollover allocations and school  
 26 district budget override amounts, the student count is the average daily  
 27 membership as prescribed in section 15-901 for the prior year.

28 Sec. 24. Section 15-945, Arizona Revised Statutes, is amended to  
 29 read:

30 15-945. Transportation support level

31 A. The support level for to and from school for each school  
 32 district for the current year shall be computed as follows:

33 1. Determine the approved daily route mileage of the school  
 34 district for the fiscal year prior to the current year.

35 2. Multiply the figure obtained in paragraph 1 of this subsection  
 36 by one hundred eighty, or for a school district that elects to provide two  
 37 hundred days of instruction pursuant to section 15-902.04, multiply the  
 38 figure obtained in paragraph 1 of this subsection by two hundred.

39 3. Determine the number of eligible students transported in the  
 40 fiscal year prior to the current year.

41 4. Divide the amount determined in paragraph 1 of this subsection  
 42 by the amount determined in paragraph 3 of this subsection to determine  
 43 the approved daily route mileage per eligible student transported.



1           5. Determine the classification in column 1 of this paragraph for  
 2 the quotient determined in paragraph 4 of this subsection. Multiply the  
 3 product obtained in paragraph 2 of this subsection by the corresponding  
 4 state support level for each route mile as provided in column 2 of this  
 5 paragraph.

<u>Column 1</u>	<u>Column 2</u>
Approved Daily Route Mileage per Eligible Student Transported	State Support Level per Route Mile for Fiscal Year <del>2020-2021</del> 2021-2022
10 0.5 or less	<del>2.74</del> 2.77
11 More than 0.5 through 1.0	<del>2.24</del> 2.27
12 More than 1.0	<del>2.74</del> 2.77

13           6. Add the amount spent during the prior fiscal year for bus tokens  
 14 and bus passes for students who qualify as eligible students as defined in  
 15 section 15-901.

16           B. The support level for academic education, career and technical  
 17 education, vocational education and athletic trips for each school  
 18 district for the current year is computed as follows:

19           1. Determine the classification in column 1 of paragraph 2 of this  
 20 subsection for the quotient determined in subsection A, paragraph 4 of  
 21 this section.

22           2. Multiply the product obtained in subsection A, paragraph 5 of  
 23 this section by the corresponding state support level for academic  
 24 education, career and technical education, vocational education and  
 25 athletic trips as provided in column 2, 3 or 4 of this paragraph,  
 26 whichever is appropriate for the type of district.

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>
Approved Daily Route Mileage per Eligible Student Transported	District Type <u>02 or 03</u>	District Type <u>04</u>	District Type <u>05</u>
31 0.5 or less	0.15	0.10	0.25
32 More than 0.5 through 1.0	0.15	0.10	0.25
33 More than 1.0	0.18	0.12	0.30

34 For the purposes of this paragraph, "district type 02" means a unified  
 35 school district or an accommodation school that offers instruction in  
 36 grades nine through twelve, "district type 03" means a common school  
 37 district not within a high school district, "district type 04" means a  
 38 common school district within a high school district or an accommodation  
 39 school that does not offer instruction in grades nine through twelve and  
 40 "district type 05" means a high school district.

41           C. The support level for extended school year services for pupils  
 42 with disabilities is computed as follows:

43           1. Determine the sum of the following:

44           (a) The total number of miles driven by all buses of a school  
 45 district while transporting eligible pupils with disabilities on scheduled

1 routes from their residence to the school of attendance and from the  
2 school of attendance to their residence on routes for extended school year  
3 services in accordance with section 15-881.

4 (b) The total number of miles driven on routes approved by the  
5 superintendent of public instruction for which a private party, a  
6 political subdivision or a common or a contract carrier is reimbursed for  
7 bringing an eligible pupil with a disability from the place of the pupil's  
8 residence to a school transportation pickup point or to the school  
9 facility of attendance and from the school transportation scheduled return  
10 point or from the school facility to the pupil's residence for extended  
11 school year services in accordance with section 15-881.

12 2. Multiply the sum determined in paragraph 1 of this subsection by  
13 the state support level for the district determined as provided in  
14 subsection A, paragraph 5 of this section.

15 D. The transportation support level for each school district for  
16 the current year is the sum of the support level for to and from school as  
17 determined in subsection A of this section, the support level for academic  
18 education, career and technical education, vocational education and  
19 athletic trips as determined in subsection B of this section and the  
20 support level for extended school year services for pupils with  
21 disabilities as determined in subsection C of this section.

22 E. The state support level for each approved route mile, as  
23 provided in subsection A, paragraph 5 of this section, shall be adjusted  
24 by the growth rate prescribed by law, subject to appropriation.

25 F. School districts must provide the odometer reading for each bus  
26 as of the end of the current year and the total bus mileage during the  
27 current year.

28 Sec. 25. Section 15-973, Arizona Revised Statutes, is amended to  
29 read:

30 15-973. Apportionment of funds; expenditure limitation

31 A. The state board of education shall apportion state aid from  
32 appropriations made for that purpose to the several counties on the basis  
33 of state aid entitlement for the school districts in each county. An  
34 allowance shall not be made for nonresident alien children or for wards of  
35 the United States for whom tuition is paid, but attendance of a student in  
36 a school of a county adjoining the county of the student's residence  
37 outside the state under a certificate of educational convenience as  
38 provided by section 15-825 shall be deemed to be enrollment in the school  
39 of the county or school district of the student's residence.

40 B. Apportionments shall be made as follows:

41 1. BY THE CLOSE OF BUSINESS ON THE FIFTEENTH DAY OF BUSINESS OF  
42 JULY, ONE-TWELFTH OF THE TOTAL AMOUNT TO BE APPORTIONED DURING THE FISCAL  
43 YEAR.

1           ~~1.~~ 2. By the close of business on the ~~first~~ FIFTEENTH day of  
2 business of August, one-twelfth of the total amount to be apportioned  
3 during the fiscal year.

4           ~~2.~~ 3. By the close of business on the ~~first~~ FIFTEENTH day of  
5 business of September, one-twelfth of the total amount to be apportioned  
6 during the fiscal year.

7           ~~3.~~ 4. By the close of business on the ~~first~~ FIFTEENTH day of  
8 business of October, one-twelfth of the total amount to be apportioned  
9 during the fiscal year.

10          ~~4.~~ 5. By the close of business on the ~~first~~ FIFTEENTH day of  
11 business of November, one-twelfth of the total amount to be apportioned  
12 during the fiscal year.

13          ~~5.~~ 6. By the close of business on the ~~first~~ FIFTEENTH day of  
14 business of December, one-twelfth of the total amount to be apportioned  
15 during the fiscal year.

16          ~~6.~~ 7. By the close of business on the ~~first~~ FIFTEENTH day of  
17 business of January, one-twelfth of the total amount to be apportioned  
18 during the fiscal year.

19          ~~7.~~ 8. By the close of business on the ~~first~~ FIFTEENTH day of  
20 business of February, one-twelfth of the total amount to be apportioned  
21 during the fiscal year.

22          ~~8.~~ 9. By the close of business on the ~~first~~ FIFTEENTH day of  
23 business of March, one-twelfth of the total amount to be apportioned  
24 during the fiscal year.

25          ~~9.~~ 10. By the close of business on the ~~first~~ FIFTEENTH day of  
26 business of April, one-twelfth of the total amount to be apportioned  
27 during the fiscal year.

28          ~~10.~~ 11. By the close of business on the ~~first~~ FIFTEENTH day of  
29 business of May, one-twelfth of the total amount to be apportioned during  
30 the fiscal year.

31          ~~11.~~ 12. By the close of business on the ~~first~~ FIFTEENTH day of  
32 business of June, one-twelfth of the total amount to be apportioned during  
33 the fiscal year.

34          ~~12. By the close of business on the last day of business of~~  
35 ~~June, one-twelfth of the total amount to be apportioned during the fiscal~~  
36 ~~year.~~

37 The superintendent of public instruction shall furnish to the county  
38 treasurer and the county school superintendent an abstract of the  
39 apportionment and shall certify the apportionment to the department of  
40 administration, which shall draw its warrant in favor of the county  
41 treasurer of each county for the amount apportioned. On receipt of the  
42 warrant, the county treasurer shall notify the county school  
43 superintendent of the amount, together with any other monies standing to  
44 the credit of that school district, in the county school fund.

1 C. Notwithstanding subsection B of this section, if sufficient  
2 appropriated monies are available and on a showing by a school district  
3 that additional state monies are necessary for current expenses, an  
4 apportionment or part of an apportionment of state aid may be paid to the  
5 school district ~~prior to~~ BEFORE the date set for that apportionment by  
6 subsection B of this section. A school district may not receive more than  
7 three-fourths of its total apportionment before May 1 of the fiscal year.  
8 Early payments pursuant to this subsection must be approved by the state  
9 treasurer, the director of the department of administration and the  
10 superintendent of public instruction.

11 D. The superintendent of public instruction shall not make  
12 application to the federal government to utilize title VIII of the  
13 elementary and secondary education act of 1965 monies in determining the  
14 apportionment prescribed in this section.

15 E. If a school district that is eligible to receive monies pursuant  
16 to this article is unable to meet a scheduled payment on any lawfully  
17 incurred long-term obligation for debt service as provided in section  
18 15-1022, the county treasurer shall use any amount distributed pursuant to  
19 this section to make the payment. The county treasurer shall keep a  
20 record of all the instances in which a payment is made pursuant to this  
21 subsection. Any monies subsequently collected by the district to make the  
22 scheduled payment shall be used to replace the amount diverted pursuant to  
23 this subsection. When determining the total amount to be funded by a levy  
24 of secondary taxes on property within the school district for the  
25 following fiscal year, the county board of supervisors shall add to the  
26 amounts budgeted to be expended during the following fiscal year an amount  
27 equal to the total of all payments pursuant to this subsection during the  
28 current fiscal year that were not repaid during the current year.

29 F. The total amount of state monies that may be spent in any fiscal  
30 year by the state board of education for apportionment of state aid for  
31 education shall not exceed the amount appropriated or authorized by  
32 section 35-173 for that purpose. This section does not impose a duty on  
33 an officer, agent or employee of this state to discharge a responsibility  
34 or create any right in a person or group if the discharge or right would  
35 require an expenditure of state monies in excess of the expenditure  
36 authorized by legislative appropriation for that specific purpose.

37 G. THE DEPARTMENT OF EDUCATION MAY REQUIRE LOCAL EDUCATION AGENCIES  
38 TO SUBMIT THE STUDENT LEVEL DATA NECESSARY TO DETERMINE THE APPORTIONMENT  
39 OF STATE AID PURSUANT TO THIS SECTION ON OR BEFORE JULY 1 AND ON OR BEFORE  
40 THE FIRST DAY OF EACH MONTH THEREAFTER.

1           Sec. 26. Section 15-1043, Arizona Revised Statutes, is amended to  
2 read:

3           15-1043. Student level data; allowable disclosure; policies

4           A. Any disclosure of educational records compiled by the department  
5 of education pursuant to this article shall comply with the family  
6 educational rights and privacy act (20 United States Code section 1232g).

7           B. Student level data may not be updated unless the change is  
8 authorized by the school district, career technical education district or  
9 charter school.

10          C. The department of education shall adopt policies and procedures  
11 to BOTH:

12          1. Allow access of student level data for currently enrolled  
13 students to ALL OF THE FOLLOWING:

14           (a) School districts. ~~,~~

15           (b) Career technical education districts. ~~and~~

16           (c) Charter schools.

17          2. ALLOW ACCESS OF STUDENT LEVEL DATA TO ALL OF THE FOLLOWING:

18           (a) COUNTY SCHOOL SUPERINTENDENTS FOR STUDENTS CURRENTLY ENROLLED  
19 IN A SCHOOL DISTRICT LOCATED IN THE SUPERINTENDENT'S COUNTY OF  
20 JURISDICTION.

21           (b) THE STATE BOARD OF EDUCATION FOR STUDENTS CURRENTLY ENROLLED IN  
22 A SCHOOL DISTRICT OR CHARTER SCHOOL IN THIS STATE.

23           (c) THE STATE BOARD FOR CHARTER SCHOOLS FOR STUDENTS CURRENTLY  
24 ENROLLED IN A CHARTER SCHOOL SPONSORED BY THE STATE BOARD FOR CHARTER  
25 SCHOOLS.

26          D. THE DEPARTMENT OF EDUCATION SHALL DEVELOP, PUBLISH AND MAKE  
27 PUBLICLY AVAILABLE POLICIES AND PROCEDURES TO COMPLY WITH THE FAMILY  
28 EDUCATIONAL RIGHTS AND PRIVACY ACT OF 19 (20 UNITED STATES CODE SECTION  
29 1232g) AND OTHER RELEVANT PRIVACY LAWS AND POLICIES, INCLUDING POLICIES  
30 THAT MANAGE ACCESS TO PERSONALLY IDENTIFIABLE INFORMATION, TO BE  
31 IMPLEMENTED BY THE DEPARTMENT OF EDUCATION, COUNTY SCHOOL SUPERINTENDENTS,  
32 THE STATE BOARD OF EDUCATION AND THE STATE BOARD FOR CHARTER SCHOOLS  
33 PURSUANT TO THIS SECTION AND AS PRESCRIBED BY INTERAGENCY DATA-SHARING  
34 AGREEMENTS. THE POLICIES AND PROCEDURES MUST COMPLY WITH ALL OF THE  
35 FOLLOWING:

36          1. CONTAIN A DETAILED DATA SECURITY PLAN THAT INCLUDES ALL OF THE  
37 FOLLOWING:

38           (a) GUIDELINES FOR AUTHORIZING ACCESS TO THE SYSTEMS HOUSING  
39 STUDENT LEVEL DATA AND TO INDIVIDUAL STUDENT DATA, INCLUDING GUIDELINES  
40 FOR AUTHENTICATING AUTHORIZED ACCESS.

41           (b) PRIVACY COMPLIANCE STANDARDS.

42           (c) PRIVACY AND SECURITY AUDITS.

43           (d) SECURITY BREACH PLANNING, NOTICE AND PROCEDURES.

44           (e) DATA RETENTION AND DISPOSITION POLICIES, WHICH MUST INCLUDE  
45 SPECIFIC CRITERIA FOR IDENTIFYING WHEN AND HOW THE DATA WILL BE DESTROYED.

1 (f) GUIDANCE FOR SCHOOL DISTRICTS, CHARTER SCHOOLS AND STAFF  
2 REGARDING DATA USE.

3 (g) CONSEQUENCES FOR SECURITY BREACHES.

4 (h) STAFF TRAINING REGARDING THE GUIDELINES.

5 2. ENSURE THAT WRITTEN AGREEMENTS INVOLVING THE DISCLOSURE OF  
6 STUDENT LEVEL DATA TO THE DEPARTMENT OF EDUCATION, COUNTY SCHOOL  
7 SUPERINTENDENTS, THE STATE BOARD OF EDUCATION AND THE STATE BOARD FOR  
8 CHARTER SCHOOLS COMPLY WITH ALL OF THE FOLLOWING:

9 (a) MEET THE MINIMUM CONDITIONS PRESCRIBED BY THE FAMILY  
10 EDUCATIONAL RIGHTS AND PRIVACY ACT FOR EXCEPTIONS TO WRITTEN PARENTAL  
11 CONSENT AS OUTLINED IN 20 UNITED STATES CODE SECTION 1232g(b) AND (h)  
12 THROUGH (j) AND 34 CODE OF FEDERAL REGULATIONS SECTION 99.31.

13 (b) SPECIFY THE PURPOSE, SCOPE AND DURATION OF THE DISCLOSURE AND  
14 THE INFORMATION TO BE DISCLOSED.

15 (c) REQUIRE THE ORGANIZATION TO USE PERSONALLY IDENTIFIABLE  
16 INFORMATION FROM EDUCATIONAL RECORDS ONLY TO MEET THE PURPOSE OR PURPOSES  
17 OF THE DISCLOSURE AS STATED IN THE WRITTEN AGREEMENT.

18 (d) REQUIRE THE ORGANIZATION TO CONDUCT THE DISCLOSURE IN A MANNER  
19 THAT DOES NOT ALLOW ACCESS TO THE PERSONALLY IDENTIFIABLE INFORMATION OF  
20 PARENTS AND STUDENTS BY ANYONE OTHER THAN REPRESENTATIVES OF THE  
21 ORGANIZATION WITH LEGITIMATE INTERESTS.

22 (e) REQUIRE THE ORGANIZATION TO DESTROY ALL PERSONALLY IDENTIFIABLE  
23 INFORMATION WHEN THE INFORMATION IS NO LONGER NEEDED FOR THE PURPOSES FOR  
24 WHICH THE DISCLOSURE WAS CONDUCTED AND TO SPECIFY THE TIME PERIOD IN WHICH  
25 THE INFORMATION MUST BE DESTROYED.

26 3. ENSURE THAT ANY WORK PRODUCTS FROM THE USE OF STUDENT LEVEL DATA  
27 BY THE DEPARTMENT OF EDUCATION, COUNTY SCHOOL SUPERINTENDENTS, THE STATE  
28 BOARD OF EDUCATION OR THE STATE BOARD FOR CHARTER SCHOOLS ARE NOT IN  
29 CONFLICT WITH ANY STATE AND FEDERAL REPORTING THAT MEETS STATE AND FEDERAL  
30 LAW.

31 4. PROVIDE ACCESS TO STUDENT LEVEL DATA THROUGH AN ONLINE PLATFORM  
32 WITHIN THE PARAMETERS OF FEDERAL LAW AND PURSUANT TO THE WRITTEN  
33 AGREEMENTS WITH THE CONSENT OF THE REQUIRED PARTIES.

34 E. THIS SECTION DOES NOT APPLY TO A HOMESCHOOL STUDENT WITH AN  
35 AFFIDAVIT ON FILE PURSUANT TO SECTION 15-802.

36 Sec. 27. Title 15, chapter 10, Arizona Revised Statutes, is amended  
37 by adding article 13, to read:

38 ARTICLE 13. INDUSTRY-RECOGNIZED CERTIFICATION  
39 AND LICENSURE REIMBURSEMENT FUND

40 15-1265. Industry-recognized certification and licensure  
41 reimbursement fund; exemption; qualifications

42 A. THE INDUSTRY-RECOGNIZED CERTIFICATION AND LICENSURE  
43 REIMBURSEMENT FUND IS ESTABLISHED AND CONSISTS OF LEGISLATIVE  
44 APPROPRIATIONS, GIFTS, GRANTS AND OTHER DONATIONS. THE DEPARTMENT OF  
45 EDUCATION SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY

1 APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING  
2 TO LAPSING OF APPROPRIATIONS.

3 B. THE DEPARTMENT SHALL USE MONIES IN THE FUND TO ELIMINATE OR  
4 REDUCE EXAM COSTS TO OBTAIN INDUSTRY-RECOGNIZED CERTIFICATES AND LICENSES  
5 FOR LOW-INCOME STUDENTS. TO QUALIFY FOR REIMBURSEMENT, A STUDENT SHALL:

6 1. SUCCESSFULLY PASS A CERTIFICATE OR LICENSE EXAM RELATED TO A  
7 CAREER AND TECHNICAL EDUCATION PROGRAM.

8 2. MEET ELIGIBILITY REQUIREMENTS ESTABLISHED UNDER THE NATIONAL  
9 SCHOOL LUNCH AND CHILD NUTRITION ACTS (42 UNITED STATES CODE SECTIONS 1751  
10 THROUGH 1793) FOR FREE OR REDUCED-PRICE LUNCHES.

11 3. APPLY TO THE DEPARTMENT TO RECEIVE REIMBURSEMENT FOR THE COST OF  
12 THE EXAM.

13 C. IF THE AVAILABLE FUND MONIES ARE NOT SUFFICIENT TO COVER THE  
14 COSTS OF ALL QUALIFIED APPLICANTS, THE DEPARTMENT SHALL REDUCE THE REWARD  
15 AMOUNT FOR EACH STUDENT IN PROPORTION TO THE EXAM COST.

16 Sec. 28. Title 15, chapter 10.1, article 1, Arizona Revised  
17 Statutes, is amended by adding section 15-1286, to read:

18 15-1286. State treasurer; annual reports; distributions from  
19 funds

20 A. ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE STATE TREASURER SHALL  
21 REPORT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE  
22 OF STRATEGIC PLANNING AND BUDGETING ON DISTRIBUTIONS MADE FROM THE STUDENT  
23 SUPPORT AND SAFETY FUND ESTABLISHED BY SECTION 15-1281 TO THE STATE  
24 TREASURER, AUDITOR GENERAL, DEPARTMENT OF EDUCATION, DEPARTMENT OF REVENUE  
25 AND STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-1281, SUBSECTION B.  
26 THE REPORT SHALL INCLUDE ACTUAL DISTRIBUTIONS MADE TO EACH ENTITY IN THE  
27 PRIOR FISCAL YEAR AND ESTIMATED DISTRIBUTIONS FOR THE CURRENT FISCAL YEAR.

28 B. ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE STATE TREASURER SHALL  
29 REPORT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE  
30 OF STRATEGIC PLANNING AND BUDGETING ON DISTRIBUTIONS MADE FROM THE CAREER  
31 TRAINING AND WORKFORCE FUND ESTABLISHED BY SECTION 15-1282 TO THE STATE  
32 TREASURER AND THE DEPARTMENT OF EDUCATION PURSUANT TO SECTION 15-1282,  
33 SUBSECTION B. THE REPORT SHALL INCLUDE ACTUAL DISTRIBUTIONS MADE TO EACH  
34 ENTITY IN THE PRIOR FISCAL YEAR AND ESTIMATED DISTRIBUTIONS FOR THE  
35 CURRENT FISCAL YEAR.

36 Sec. 29. Section 15-1304, Arizona Revised Statutes, is amended to  
37 read:

38 15-1304. Land reserved for use and benefit of school; schools  
39 for the deaf and the blind fund; cooperative  
40 services fund; definition

41 A. The grant of one hundred thousand acres of land for schools for  
42 the deaf and the blind made by the enabling act approved June 20, 1910, or  
43 the proceeds of such lands as are sold or otherwise disposed of, is  
44 forever reserved for the use and benefit of the school for the deaf and  
45 the blind.

1 B. ~~No~~ Land exchanges or sales or commercial leases in excess of ten  
2 years of land of the grant by the United States for the use and benefit of  
3 the school for the deaf and the blind shall NOT be disposed of except by  
4 majority approval of the voting members of the board of directors of the  
5 school.

6 C. The superintendent of the school shall annually report to the  
7 board on the use of monies that are the proceeds of or income from the  
8 proceeds of land of the grant by the United States for the use and benefit  
9 of the school.

10 D. The schools for the deaf and the blind fund is established  
11 consisting of monies from expendable earnings of the grant in subsection A  
12 of this section, monies from the department of education for special  
13 educational vouchers for deaf and blind students pursuant to section  
14 15-1202, except for monies dedicated to regional school cooperatives,  
15 which ~~are continuously appropriated~~ SHALL INSTEAD BE DEPOSITED IN THE  
16 COOPERATIVE SERVICES FUND PURSUANT TO SUBSECTION E OF THIS SECTION, and  
17 overage and nonresident student monies collected pursuant to section  
18 15-1345. Monies in the fund are subject to legislative appropriation and  
19 are exempt from the provisions of section 35-190 relating to lapsing of  
20 appropriations.

21 E. THE COOPERATIVE SERVICES FUND IS ESTABLISHED CONSISTING OF  
22 MONIES FROM THE DEPARTMENT OF EDUCATION FOR SPECIAL EDUCATION  
23 INSTITUTIONAL VOUCHERS FOR DEAF AND BLIND STUDENTS PURSUANT TO SECTION  
24 15-1202 WHO ARE ENROLLED IN REGIONAL SCHOOL COOPERATIVES, MEMBERSHIP FEES  
25 PAID BY SCHOOL DISTRICTS AND CHARTER SCHOOLS PARTICIPATING IN REGIONAL  
26 SCHOOL COOPERATIVES AND FEE-FOR-SERVICE PAYMENTS MADE BY SCHOOL DISTRICTS  
27 AND CHARTER SCHOOLS ON BEHALF OF STUDENTS ENROLLED IN REGIONAL SCHOOL  
28 COOPERATIVES FOR WHOM THE SCHOOLS DO NOT RECEIVE A SPECIAL EDUCATION  
29 INSTITUTIONAL VOUCHER PURSUANT TO SECTION 15-1202. THE ARIZONA STATE  
30 SCHOOLS FOR THE DEAF AND THE BLIND SHALL ADMINISTER THE FUND. MONIES IN  
31 THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND ARE EXEMPT FROM THE  
32 PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

33 F. FOR THE PURPOSES OF THIS SECTION, "REGIONAL SCHOOL COOPERATIVES"  
34 MEANS REGIONAL PROGRAMS AND SERVICES OFFERED BY THE SCHOOLS IN CONJUNCTION  
35 WITH OTHER SCHOOL DISTRICTS AND CHARTER SCHOOLS FOR STUDENTS WITH A  
36 HEARING IMPAIRMENT, SENSORY IMPAIRMENT OR VISUAL IMPAIRMENT WHO ATTEND A  
37 SCHOOL OPERATED BY A SCHOOL DISTRICT OR A CHARTER SCHOOL IN THIS STATE.

38 Sec. 30. Section 15-2032, Arizona Revised Statutes, is amended to  
39 read:

40 15-2032. School facilities board; building renewal grant  
41 fund; definitions

42 A. The building renewal grant fund is established consisting of  
43 monies appropriated to the fund by the legislature. The school facilities  
44 board shall administer the fund and distribute monies to school districts  
45 for the purpose of maintaining the adequacy of existing school facilities.



1 Monies in the fund are exempt from the provisions of section 35-190  
2 relating to lapsing of appropriations.

3 B. The school facilities board shall distribute monies from the  
4 fund based on grant requests from school districts to fund primary  
5 building renewal projects. Project requests shall be prioritized by the  
6 school facilities board, with priority given to school districts that have  
7 provided routine preventive maintenance on the facility. The school  
8 facilities board shall approve only projects that will be completed within  
9 twelve months, unless similar projects on average take longer to complete.  
10 THE SCHOOL FACILITIES BOARD MAY SPEND MONIES FROM THE FUND FOR ASSESSMENTS  
11 TO DETERMINE WHETHER A GRANT FROM THE FUND IS WARRANTED UNDER THIS  
12 SECTION.

13 C. School districts that receive monies from the fund shall use  
14 these monies on projects for buildings or any part of a building in the  
15 school facilities board's database for any of the following:

16 1. Major renovations and repairs to a building that is used for  
17 student instruction or other academic purposes.

18 2. Upgrading systems and areas that will maintain or extend the  
19 useful life of the building.

20 3. Infrastructure costs.

21 D. Monies received from the fund shall not be used for any of the  
22 following purposes:

23 1. New construction.

24 2. Remodeling interior space for aesthetic or preferential reasons.

25 3. Exterior beautification.

26 4. Demolition.

27 5. Routine preventive maintenance.

28 6. Any project in a building, or part of a building, that is being  
29 leased to another entity.

30 E. Accommodation schools are not eligible for monies from the  
31 building renewal grant fund.

32 F. If the school facilities board or a court of competent  
33 jurisdiction determines that a school district received monies from the  
34 building renewal grant fund that must be reimbursed to the school  
35 facilities board due to legal action associated with improper construction  
36 by a hired contractor, the school district shall reimburse the school  
37 facilities board an agreed-on amount for deposit into the building renewal  
38 grant fund.

39 G. The school facilities board shall categorize each project that  
40 is eligible for monies from the building renewal grant fund as either  
41 critical or noncritical. The board shall adopt policies and procedures to  
42 prioritize critical projects and to designate critical projects as  
43 projects that immediately impact student safety or building closures or  
44 that result in operational disruptions. Critical projects have priority  
45 over any previously approved noncritical projects.

1 H. If the school facilities board determines that sufficient monies  
2 are not available for a noncritical project that the board has approved,  
3 the board shall notify the school district that submitted the project  
4 request that monies will be distributed from the building renewal grant  
5 fund for the project only if the legislature appropriates sufficient  
6 monies. If sufficient monies are not available in the fiscal year in  
7 which the project is awarded for a noncritical project, the noncritical  
8 project does not receive priority in the next fiscal year.

9 I. Building renewal grants pursuant to this section shall be used  
10 only for projects that serve an academic purpose.

11 J. For the purposes of this section:

12 1. "Primary building renewal projects" means projects that are  
13 necessary for buildings owned by school districts that are required to  
14 meet the minimum adequacy standards for student capacity and that fall  
15 below the minimum school facility adequacy guidelines, as adopted by the  
16 school facilities board pursuant to section 15-2011, for school districts  
17 that have provided routine preventive maintenance to the school facility.

18 2. "Routine preventive maintenance" means services that are  
19 performed on a regular schedule at intervals ranging from four times a  
20 year to once every three years, or on the schedule of services recommended  
21 by the manufacturer of the specific building system or equipment, and that  
22 are intended to extend the useful life of a building system and reduce the  
23 need for major repairs.

24 3. "Student capacity" has the same meaning prescribed in section  
25 15-2011.

26 Sec. 31. Section 15-2041, Arizona Revised Statutes, is amended to  
27 read:

28 15-2041. New school facilities fund; capital plan; report

29 A. The new school facilities fund is established consisting of  
30 monies appropriated by the legislature and monies credited to the fund  
31 pursuant to section 37-221. The school facilities board shall administer  
32 the fund and distribute monies, as a continuing appropriation, to school  
33 districts for the purpose of constructing new school facilities and for  
34 contracted expenses pursuant to section 15-2002, subsection B, paragraphs  
35 2, 3 and 4. On June 30 of each fiscal year, any unobligated contract  
36 monies in the new school facilities fund shall be transferred to the  
37 capital reserve fund established by section 15-2003.

38 B. The school facilities board shall prescribe a uniform format for  
39 use by the school district governing board in developing and annually  
40 updating a capital plan that consists of each of the following:

41 1. Enrollment projections for the next five years for elementary  
42 schools and eight years for middle and high schools, including a  
43 description of the methods used to make the projections.

1           2. A description of new schools or additions to existing schools  
2 needed to meet the building adequacy standards prescribed in section  
3 15-2011. The description shall include:

4           (a) The grade levels and the total number of pupils that the school  
5 or addition is intended to serve.

6           (b) The year in which it is necessary for the school or addition to  
7 begin operations.

8           (c) A timeline that shows the planning and construction process for  
9 the school or addition.

10          3. Long-term projections of the need for land for new schools.

11          4. Any other necessary information required by the school  
12 facilities board to evaluate a school district's capital plan.

13          5. If a school district pays tuition for all or a portion of the  
14 school district's high school pupils to another school district, the  
15 capital plan shall indicate the number of pupils for which the district  
16 pays tuition to another district. If a school district accepts pupils  
17 from another school district pursuant to section 15-824, subsection A, the  
18 school district shall indicate the projections for this population  
19 separately. This paragraph does not apply to a small isolated school  
20 district as defined in section 15-901.

21          C. If the capital plan indicates a need for a new school or an  
22 addition to an existing school within the next four years or a need for  
23 land within the next ten years, the school district shall submit its plan  
24 to the school facilities board on or before September 1 and shall request  
25 monies from the new school facilities fund for the new construction or  
26 land. The school facilities board may require a school district to sell  
27 land that was previously purchased entirely with monies provided by the  
28 school facilities board if the school facilities board determines that the  
29 property is no longer needed within the ten-year period specified in this  
30 subsection for a new school or no longer needed within that ten-year  
31 period for an addition to an existing school. Monies provided for land  
32 are in addition to any monies provided pursuant to subsection D of this  
33 section.

34          D. The school facilities board shall distribute monies from the new  
35 school facilities fund for additional square footage as follows:

36           1. The school facilities board shall review and evaluate the  
37 enrollment projections. On or before December 15 of each year, following  
38 the submission of the enrollment projections, the school facilities board  
39 shall either approve the projections as submitted or revise the  
40 projections. In approving or revising the enrollment projections, the  
41 school facilities board shall use the average daily membership data  
42 available during the current school year. On request from the school  
43 facilities board, the department of education shall make available the  
44 most recent average daily membership data for use in revising the  
45 enrollment projections. In determining new construction requirements, the

1 school facilities board shall determine the net new growth of pupils that  
 2 will require additional square footage that exceeds the building adequacy  
 3 standards prescribed in section 15-2011. If the projected growth and the  
 4 existing number of pupils exceed three hundred fifty pupils who are served  
 5 in a school district other than the pupil's resident school district, the  
 6 school facilities board, the receiving school district and the resident  
 7 school district shall develop a capital facilities plan on how to best  
 8 serve those pupils. A small isolated school district as defined in  
 9 section 15-901 is not required to develop a capital facilities plan  
 10 pursuant to this paragraph.

11 2. If the average daily membership projections indicate that  
 12 additional space will not be needed within the next two school years in  
 13 order to meet the building adequacy standards prescribed in section  
 14 15-2011, the request shall be held for consideration by the school  
 15 facilities board for possible future funding and the school district shall  
 16 annually submit an updated plan until the additional space is needed.

17 3. If the average daily membership projections indicate that  
 18 additional space will be needed within the next two school years in order  
 19 to meet the building adequacy standards prescribed in section 15-2011, the  
 20 school facilities board shall provide an amount as follows:

21 (a) Determine the number of pupils requiring additional square  
 22 footage to meet building adequacy standards. This amount for elementary  
 23 schools shall not be less than the number of new pupils for whom space  
 24 will be needed in the next year and shall not exceed the number of new  
 25 pupils for whom space will be needed in the next five years. This amount  
 26 for middle and high schools shall not be less than the number of new  
 27 pupils for whom space will be needed in the next four years and shall not  
 28 exceed the number of new pupils for whom space will be needed in the next  
 29 eight years.

30 (b) Multiply the number of pupils determined in subdivision (a) of  
 31 this paragraph by the square footage per pupil. The square footage per  
 32 pupil is ninety square feet per pupil for preschool children with  
 33 disabilities, kindergarten programs and grades one through six, one  
 34 hundred square feet for grades seven and eight, one hundred thirty-four  
 35 square feet for a school district that provides instruction in grades nine  
 36 through twelve for fewer than one thousand eight hundred pupils and one  
 37 hundred twenty-five square feet for a school district that provides  
 38 instruction in grades nine through twelve for at least one thousand eight  
 39 hundred pupils. The total number of pupils in grades nine through twelve  
 40 in the district shall determine the square footage factor to use for net  
 41 new pupils. The school facilities board may modify the square footage  
 42 requirements prescribed in this subdivision for particular schools based  
 43 on any of the following factors:

44 (i) The number of pupils served or projected to be served by the  
 45 school district.

1 (ii) Geographic factors.

2 (iii) Grade configurations other than those prescribed in this  
3 subdivision.

4 (iv) Compliance with minimum school facility adequacy requirements  
5 established pursuant to section 15-2011.

6 (c) Multiply the product obtained in subdivision (b) of this  
7 paragraph by the cost per square foot. The cost per square foot is ~~\$90~~  
8 \$270.24 for preschool children with disabilities, kindergarten programs  
9 and grades one through six, ~~\$95~~ \$285.30 for grades seven and eight and  
10 ~~\$110~~ \$330.30 for grades nine through twelve. The cost per square foot  
11 shall be adjusted annually for construction market considerations based on  
12 an index identified or developed by the joint legislative budget committee  
13 as necessary but not less than once each year. EACH ANNUAL CONSTRUCTION  
14 MARKET ADJUSTMENT APPLIES TO ALL PROJECTS APPROVED BY THE SCHOOL  
15 FACILITIES BOARD UNDER THIS SUBSECTION DURING THAT YEAR. The school  
16 facilities board shall multiply the cost per square foot by 1.05 for any  
17 school district located in a rural area. The school facilities board may  
18 only modify the base cost per square foot prescribed in this subdivision  
19 for particular schools based on geographic conditions or site conditions.  
20 For the purposes of this subdivision, "rural area" means an area outside a  
21 thirty-five-mile radius of a boundary of a municipality with a population  
22 of more than fifty thousand persons.

23 (d) Once the school district governing board obtains approval from  
24 the school facilities board for new facility construction monies,  
25 additional portable or modular square footage created for the express  
26 purpose of providing temporary space for pupils until the completion of  
27 the new facility and any additional space funded by the school district  
28 shall not be included by the school facilities board for the purpose of  
29 new construction funding calculations. On completion of the new facility  
30 construction project, any additional space funded by the school district  
31 shall be included as prescribed by this chapter and, if the portable or  
32 modular facilities continue in use, the portable or modular facilities  
33 shall be included as prescribed by this chapter, unless the school  
34 facilities board approves their continued use for the purpose of providing  
35 temporary space for pupils until the completion of the next new facility  
36 that has been approved for funding from the new school facilities fund.

37 4. For projects approved after December 31, 2001, and  
38 notwithstanding paragraph 3 of this subsection, a unified school district  
39 that does not have a high school is not eligible to receive high school  
40 space as prescribed by section 15-2011 and this section unless the unified  
41 district qualifies for geographic factors prescribed by paragraph 3,  
42 subdivision (b), item (ii) of this subsection.

43 5. If a career technical education district leases a building from  
44 a school district, that building shall be included in the school

1 district's square footage calculation for the purposes of new construction  
2 pursuant to this section.

3 6. If a school district leases a building to another entity, that  
4 building shall be included in the school district's square footage  
5 calculation for purposes of new construction pursuant to this section.

6 7. A school district shall qualify for monies from the new school  
7 facilities fund for additional square footage in a fiscal year only if the  
8 school facilities board has approved or revised its enrollment projection  
9 under paragraph 1 of this subsection on or before December 15 of the prior  
10 fiscal year.

11 E. Monies for architectural and engineering fees, project  
12 management services and preconstruction services shall be distributed on  
13 the completion of the analysis by the school facilities board of the  
14 school district's request. After receiving monies pursuant to this  
15 subsection, the school district shall submit a design development plan for  
16 the school or addition to the school facilities board before any monies  
17 for construction are distributed. If the school district's request meets  
18 the building adequacy standards, the school facilities board may review  
19 and comment on the district's plan with respect to the efficiency and  
20 effectiveness of the plan in meeting state square footage and facility  
21 standards before distributing the remainder of the monies. If the school  
22 facilities board modifies the cost per square foot as prescribed in  
23 subsection D, paragraph 3, subdivision (c) of this section, the school  
24 facilities board may deduct the cost of project management services and  
25 preconstruction services from the required cost per square foot. The  
26 school facilities board may decline to fund the project if the square  
27 footage is no longer required due to revised enrollment projections. The  
28 school facilities board may decline a portion of the funding if a portion  
29 of the square footage is no longer needed due to revised enrollment  
30 projections.

31 F. The school facilities board shall distribute the monies needed  
32 for land for new schools so that land may be purchased at a price that is  
33 less than or equal to fair market value and in advance of the construction  
34 of the new school. If necessary, the school facilities board may  
35 distribute monies for land to be leased for new schools if the duration of  
36 the lease exceeds the life expectancy of the school facility by at least  
37 fifty percent. A school district shall not use land purchased or  
38 partially purchased with monies provided by the school facilities board  
39 for a purpose other than a site for a school facility without obtaining  
40 prior written approval from the school facilities board. A school  
41 district shall not lease, sell or take any action that would diminish the  
42 value of land purchased or partially purchased with monies provided by the  
43 school facilities board without obtaining prior written approval from the  
44 school facilities board. The proceeds derived through the sale of any  
45 land purchased or partially purchased, or the sale of buildings funded or

1 partially funded, with monies provided by the school facilities board  
 2 shall be returned to the state fund from which it was appropriated and to  
 3 any other participating entity on a proportional basis. Except as  
 4 provided in section 15-342, paragraph 33, if a school district acquires  
 5 real property by donation at an appropriate school site approved by the  
 6 school facilities board, the school facilities board shall distribute an  
 7 amount equal to twenty percent of the fair market value of the donated  
 8 real property that can be used for academic purposes. The school district  
 9 shall place the monies in the unrestricted capital outlay fund and  
 10 increase the unrestricted capital budget limit by the amount of monies  
 11 placed in the fund. Monies distributed under this subsection shall be  
 12 distributed from the new school facilities fund. A school district that  
 13 receives monies from the new school facilities fund for a donation of land  
 14 pursuant to section 15-342, paragraph 33 shall not receive monies from the  
 15 school facilities board for the donation of real property pursuant to this  
 16 subsection. A school district shall not pay a consultant a percentage of  
 17 the value of any of the following:

18 1. Donations of real property, services or cash from any of the  
 19 following:

20 (a) Entities that have offered to provide construction services to  
 21 the school district.

22 (b) Entities that have been contracted to provide construction  
 23 services to the school district.

24 (c) Entities that build residential units in that school district.

25 (d) Entities that develop land for residential use in that school  
 26 district.

27 2. Monies received from the school facilities board on behalf of  
 28 the school district.

29 3. Monies paid by the school facilities board on behalf of the  
 30 school district.

31 G. In addition to distributions to school districts based on pupil  
 32 growth projections, a school district may submit an application to the  
 33 school facilities board for monies from the new school facilities fund if  
 34 one or more school buildings have outlived their useful life. If the  
 35 school facilities board determines that the school district needs to build  
 36 a new school building for these reasons, the school facilities board shall  
 37 remove the square footage computations that represent the building from  
 38 the computation of the school district's total square footage for purposes  
 39 of this section. If the square footage recomputation reflects that the  
 40 school district no longer meets building adequacy standards, the school  
 41 district qualifies for a distribution of monies from the new school  
 42 construction formula in an amount determined pursuant to subsection D of  
 43 this section. The school facilities board may only modify the base cost  
 44 per square foot prescribed in this subsection under extraordinary  
 45 circumstances for geographic factors or site conditions.

1 H. School districts that receive monies from the new school  
 2 facilities fund shall establish a district new school facilities fund and  
 3 shall use the monies in the district new school facilities fund only for  
 4 the purposes prescribed in this section. By October 15 of each year, each  
 5 school district shall report to the school facilities board the projects  
 6 funded at each school in the previous fiscal year with monies from the  
 7 district new school facilities fund and shall provide an accounting of the  
 8 monies remaining in the new school facilities fund at the end of the  
 9 previous fiscal year.

10 I. If a school district has surplus monies received from the new  
 11 school facilities fund, the school district may use the surplus monies  
 12 only for capital purposes for the project for up to one year after  
 13 completion of the project. If the school district possesses surplus  
 14 monies from the new school construction project that have not been  
 15 expended within one year of the completion of the project, the school  
 16 district shall return the surplus monies to the school facilities board  
 17 for deposit in the new school facilities fund.

18 J. The board's consideration of any application filed after  
 19 December 31 of the year in which the property becomes territory in the  
 20 vicinity of a military airport or ancillary military facility as defined  
 21 in section 28-8461 for monies to fund the construction of new school  
 22 facilities proposed to be located in territory in the vicinity of a  
 23 military airport or ancillary military facility shall include, if after  
 24 notice is transmitted to the military airport pursuant to section 15-2002  
 25 and before the public hearing the military airport provides comments and  
 26 an analysis concerning compatibility of the proposed school facilities  
 27 with the high noise or accident potential generated by military airport or  
 28 ancillary military facility operations that may have an adverse effect on  
 29 public health and safety, consideration and an analysis of the comments  
 30 and an analysis provided by the military airport before making a final  
 31 determination.

32 K. If a school district uses its own project manager for new school  
 33 construction, the members of the school district governing board and the  
 34 project manager shall sign an affidavit stating that the members and the  
 35 project manager understand and will follow the minimum adequacy  
 36 requirements prescribed in section 15-2011.

37 L. The school facilities board shall establish a separate account  
 38 in the new school facilities fund designated as the litigation account to  
 39 pay attorney fees, expert witness fees and other costs associated with  
 40 litigation in which the school facilities board pursues the recovery of  
 41 damages for deficiencies correction that resulted from alleged  
 42 construction defects or design defects that the school facilities board  
 43 believes caused or contributed to a failure of the school building to  
 44 conform to the building adequacy requirements prescribed in section  
 45 15-2011. Attorney fees paid pursuant to this subsection shall not exceed



1 the market rate for similar types of litigation. On or before December 1  
2 of each year, the school facilities board shall report to the joint  
3 committee on capital review the costs associated with current and  
4 potential litigation that may be paid from the litigation account.

5 M. Until the state board of education and the auditor general adopt  
6 rules pursuant to section 15-213, subsection J, the school facilities  
7 board may allow school districts to contract for construction services and  
8 materials through the qualified select bidders list method of project  
9 delivery for new school facilities pursuant to this section.

10 N. The school facilities board shall submit electronically a report  
11 on project management services and preconstruction services to the  
12 governor, the president of the senate and the speaker of the house of  
13 representatives by December 31 of each year. The report shall compare  
14 projects that use project management and preconstruction services with  
15 those that do not. The report shall address cost, schedule and other  
16 measurable components of a construction project. School districts,  
17 construction-manager-at-risk firms and project management firms that  
18 participate in a school facilities board funded project shall provide the  
19 information required by the school facilities board in relation to this  
20 report.

21 O. If a school district constructs new square footage according to  
22 section 15-342, paragraph 33, the school facilities board shall review the  
23 design plans and location of any new school facility submitted by school  
24 districts and another party to determine whether the design plans comply  
25 with the adequacy standards prescribed in section 15-2011 and the square  
26 footage per pupil requirements pursuant to subsection D, paragraph 3,  
27 subdivision (b) of this section. When the school district qualifies for a  
28 distribution of monies from the new school facilities fund according to  
29 this section, the school facilities board shall distribute monies to the  
30 school district from the new school facilities fund for the square footage  
31 constructed under section 15-342, paragraph 33 at the same cost per square  
32 foot established by this section that was in effect at the time of the  
33 beginning of the construction of the school facility. Before the school  
34 facilities board distributes any monies pursuant to this subsection, the  
35 school district shall demonstrate to the school facilities board that the  
36 facilities to be funded pursuant to this section meet the minimum adequacy  
37 standards prescribed in section 15-2011. The agreement entered into  
38 pursuant to section 15-342, paragraph 33 shall set forth the procedures  
39 for the allocation of these funds to the parties that participated in the  
40 agreement.

41 P. Accommodation schools are not eligible for monies from the new  
42 school facilities fund.

43 Q. If the school facilities board approves a school district for  
44 funding from the new school facilities fund and the full legislative  
45 appropriation is not available to the school district in the fiscal year

1 following the approval by the school facilities board, the school district  
2 may use any legally available monies to pay for the land or the new  
3 construction project approved by the school facilities board and may  
4 reimburse the fund from which the monies were used in subsequent years  
5 with legislative appropriations when those appropriations are made  
6 available by this state.

7 Sec. 32. Section 41-1276, Arizona Revised Statutes, is amended to  
8 read:

9 41-1276. Truth in taxation levy for equalization assistance  
10 to school districts

11 A. On or before February 15 of each year, the joint legislative  
12 budget committee shall compute and transmit the truth in taxation rates  
13 for equalization assistance for school districts for the following fiscal  
14 year to:

15 1. The chairmen of the house of representatives ways and means  
16 committee and the senate finance committee, or their successor committees.

17 2. The chairmen of the appropriations committees of the senate and  
18 the house of representatives, or their successor committees.

19 B. The truth in taxation rates consist of the qualifying tax rate  
20 for a high school district or a common school district within a high  
21 school district that does not offer instruction in high school subjects  
22 pursuant to section 15-971, subsection B, paragraph 1, a qualifying tax  
23 rate for a unified district, a common school district not within a high  
24 school district or a common school district within a high school district  
25 that offers instruction in high school subjects pursuant to section  
26 15-971, subsection B, paragraph 2 and a state equalization assistance  
27 property tax rate pursuant to section 15-994 that will offset the change  
28 in net assessed valuation of property that was subject to tax in the prior  
29 year.

30 C. The joint legislative budget committee shall compute the truth  
31 in taxation rates as follows:

32 1. Determine the statewide net assessed value for the preceding tax  
33 year as provided in section 42-17151, subsection A, paragraph 3.

34 2. Determine the statewide net assessed value for the current tax  
35 year, excluding the net assessed value of property that was not subject to  
36 tax in the preceding year.

37 3. Divide the amount determined in paragraph 1 of this subsection  
38 by the amount determined in paragraph 2 of this subsection.

39 4. Adjust the qualifying tax rates and the state equalization  
40 assistance property tax rate for the current fiscal year by the percentage  
41 determined in paragraph 3 of this subsection in order to offset the change  
42 in net assessed value.

43 D. Except as provided in subsections E and G of this section, the  
44 qualifying tax rate for a high school district or a common school district  
45 within a high school district that does not offer instruction in high

1 school subjects, the qualifying tax rate for a unified school district, a  
2 common school district not within a high school district or a common  
3 school district within a high school district that offers instruction in  
4 high school subjects and the state equalization assistance property tax  
5 rate for the following fiscal year shall be the rate determined by the  
6 joint legislative budget committee pursuant to subsection C of this  
7 section. The committee shall transmit the rates to the superintendent of  
8 public instruction and the county boards of supervisors by March 15 each  
9 year.

10 E. If the legislature proposes either qualifying tax rates or a  
11 state equalization assistance property tax rate that exceeds the truth in  
12 taxation rate:

13 1. The house of representatives ways and means committee and the  
14 senate finance committee, or their successor committees, shall hold a  
15 joint hearing on or before February 28 and publish a notice of a truth in  
16 taxation hearing subject to the following requirements:

17 (a) The notice shall be published twice in a newspaper of general  
18 circulation in this state that is published at the state capital. The  
19 first publication shall be at least fourteen but not more than twenty days  
20 before the date of the hearing. The second publication shall be at least  
21 seven but not more than ten days before the date of the hearing.

22 (b) The notice shall be published in a location other than the  
23 classified or legal advertising section of the newspaper.

24 (c) The notice shall be at least one-fourth page in size and shall  
25 be surrounded by a solid black border at least one-eighth inch in width.

26 (d) The notice shall be in the following form, with the "truth in  
27 taxation hearing - notice of tax increase" headline in at least  
28 eighteen-point type:

Truth in Taxation Hearing  
Notice of Tax Increase

31 In compliance with section 41-1276, Arizona Revised  
32 Statutes, the state legislature is notifying property  
33 taxpayers in Arizona of the legislature's intention to raise  
34 the property tax levy over last year's level.

35 The proposed tax increase will cause the taxes on a  
36 \$100,000 home to be \$(total proposed taxes including the tax  
37 increase). Without the proposed tax increase, the total taxes  
38 that would be owed on a \$100,000 home would have been  
39 \$\_\_\_\_\_.

40 All interested citizens are invited to attend a public  
41 hearing on the tax increase that is scheduled to be held  
42 (date and time) at (location).

43 (e) For purposes of computing the tax increase on a \$100,000 home  
44 as required by the notice, the joint meeting of the house of  
45 representatives ways and means committee and the senate finance committee,

1 or their successor committees, shall consider the difference between the  
2 truth in taxation rate and the proposed increased rate.

3 2. The joint meeting of the house of representatives ways and means  
4 committee and the senate finance committee, or their successor committees,  
5 shall consider any motion to recommend the proposed tax rates to the full  
6 legislature by roll call vote.

7 F. In addition to publishing the truth in taxation notice under  
8 subsection E, paragraph 1 of this section, the joint meeting of the house  
9 of representatives ways and means committee and the senate finance  
10 committee, or their successor committees, shall issue a press release  
11 containing the truth in taxation notice.

12 G. Notwithstanding any other law, the legislature shall not adopt a  
13 state budget that provides for either qualifying tax rates pursuant to  
14 section 15-971 or a state equalization assistance property tax rate  
15 pursuant to section 15-994 that exceeds the truth in taxation rates  
16 computed pursuant to subsection A of this section unless the rates are  
17 adopted by a concurrent resolution approved by an affirmative roll call  
18 vote of two-thirds of the members of each house of the legislature before  
19 the legislature enacts the general appropriations bill. If the resolution  
20 is not approved by two-thirds of the members of each house of the  
21 legislature, the rates for the following fiscal year shall be the truth in  
22 taxation rates determined pursuant to subsection C of this section and  
23 shall be transmitted to the superintendent of public instruction and the  
24 county boards of supervisors.

25 H. Notwithstanding subsection C of this section and if approved by  
26 the qualified electors voting at a statewide general election, the  
27 legislature shall not set a qualifying tax rate that exceeds \$2.1265 for a  
28 common or high school district or \$4.253 for a unified school district.  
29 The legislature shall not set a county equalization assistance for  
30 education rate that exceeds \$0.5123.

31 I. Pursuant to subsection C of this section, the qualifying tax  
32 rate in tax year ~~2020~~ 2021 for a high school district or a common school  
33 district within a high school district that does not offer instruction in  
34 high school subjects as provided in section 15-447 is ~~\$1.8371~~ \$1.7694 and  
35 for a unified school district, a common school district not within a high  
36 school district or a common school district within a high school district  
37 that offers instruction in high school subjects as provided in section  
38 15-447 is ~~\$3.6742~~ \$3.5388. The state equalization assistance property tax  
39 rate in tax year ~~2020~~ 2021 is ~~\$0.4426~~ \$0.4263.

40 Sec. 33. Section 41-1750, Arizona Revised Statutes, is amended to  
41 read:

42 41-1750. Central state repository; department of public  
43 safety; duties; funds; accounts; definitions

44 A. The department is responsible for the effective operation of the  
45 central state repository in order to collect, store and disseminate

- 1 complete and accurate Arizona criminal history records and related  
2 criminal justice information. The department shall:
- 3 1. Procure from all criminal justice agencies in this state  
4 accurate and complete personal identification data, fingerprints, charges,  
5 process control numbers and dispositions and such other information as may  
6 be pertinent to all persons who have been charged with, arrested for,  
7 convicted of or summoned to court as a criminal defendant for a felony  
8 offense or an offense involving domestic violence as defined in section  
9 13-3601 or a violation of title 13, chapter 14 or title 28, chapter 4.
  - 10 2. Collect information concerning the number and nature of offenses  
11 known to have been committed in this state and of the legal steps taken in  
12 connection with these offenses, such other information that is useful in  
13 the study of crime and in the administration of criminal justice and all  
14 other information deemed necessary to operate the statewide uniform crime  
15 reporting program and to cooperate with the federal government uniform  
16 crime reporting program.
  - 17 3. Collect information concerning criminal offenses that manifest  
18 evidence of prejudice based on race, color, religion, national origin,  
19 sexual orientation, gender or disability.
  - 20 4. Cooperate with the central state repositories in other states  
21 and with the appropriate agency of the federal government in the exchange  
22 of information pertinent to violators of the law.
  - 23 5. Ensure the rapid exchange of information concerning the  
24 commission of crime and the detection of violators of the law among the  
25 criminal justice agencies of other states and of the federal government.
  - 26 6. Furnish assistance to peace officers throughout this state in  
27 crime scene investigation for the detection of latent fingerprints and in  
28 the comparison of latent fingerprints.
  - 29 7. Conduct periodic operational audits of the central state  
30 repository and of a representative sample of other agencies that  
31 contribute records to or receive criminal justice information from the  
32 central state repository or through the Arizona criminal justice  
33 information system.
  - 34 8. Establish and enforce the necessary physical and system  
35 safeguards to ensure that the criminal justice information maintained and  
36 disseminated by the central state repository or through the Arizona  
37 criminal justice information system is appropriately protected from  
38 unauthorized inquiry, modification, destruction or dissemination as  
39 required by this section.
  - 40 9. Aid and encourage coordination and cooperation among criminal  
41 justice agencies through the statewide and interstate exchange of criminal  
42 justice information.
  - 43 10. Provide training and proficiency testing on the use of criminal  
44 justice information to agencies receiving information from the central

1 state repository or through the Arizona criminal justice information  
2 system.

3 11. Operate and maintain the Arizona automated fingerprint  
4 identification system established by section 41-2411.

5 12. Provide criminal history record information to the  
6 fingerprinting division for the purpose of screening applicants for  
7 fingerprint clearance cards.

8 B. The director may establish guidelines for the submission and  
9 retention of criminal justice information as deemed useful for the study  
10 or prevention of crime and for the administration of criminal justice.

11 C. The chief officers of criminal justice agencies of this state or  
12 its political subdivisions shall provide to the central state repository  
13 fingerprints and information concerning personal identification data,  
14 descriptions, crimes for which persons are arrested, process control  
15 numbers and dispositions and such other information as may be pertinent to  
16 all persons who have been charged with, arrested for, convicted of or  
17 summoned to court as criminal defendants for felony offenses or offenses  
18 involving domestic violence as defined in section 13-3601 or violations of  
19 title 13, chapter 14 or title 28, chapter 4 that have occurred in this  
20 state.

21 D. The chief officers of law enforcement agencies of this state or  
22 its political subdivisions shall provide to the department such  
23 information as necessary to operate the statewide uniform crime reporting  
24 program and to cooperate with the federal government uniform crime  
25 reporting program.

26 E. The chief officers of criminal justice agencies of this state or  
27 its political subdivisions shall comply with the training and proficiency  
28 testing guidelines as required by the department to comply with the  
29 federal national crime information center mandates.

30 F. The chief officers of criminal justice agencies of this state or  
31 its political subdivisions also shall provide to the department  
32 information concerning crimes that manifest evidence of prejudice based on  
33 race, color, religion, national origin, sexual orientation, gender or  
34 disability.

35 G. The director shall authorize the exchange of criminal justice  
36 information between the central state repository, or through the Arizona  
37 criminal justice information system, whether directly or through any  
38 intermediary, only as follows:

39 1. With criminal justice agencies of the federal government, Indian  
40 tribes, this state or its political subdivisions and other states, on  
41 request by the chief officers of such agencies or their designated  
42 representatives, specifically for the purposes of the administration of  
43 criminal justice and for evaluating the fitness of current and prospective  
44 criminal justice employees. The department may conduct periodic state and  
45 federal criminal history records checks for the purpose of updating the

1 status of current criminal justice employees or volunteers and may notify  
2 the criminal justice agency of the results of the records check. The  
3 department is authorized to submit fingerprints to the federal bureau of  
4 investigation to be retained for the purpose of being searched by future  
5 submissions to the federal bureau of investigation including latent  
6 fingerprint searches.

7 2. With any noncriminal justice agency pursuant to a statute,  
8 ordinance or executive order that specifically authorizes the noncriminal  
9 justice agency to receive criminal history record information for the  
10 purpose of evaluating the fitness of current or prospective licensees,  
11 employees, contract employees or volunteers, on submission of the  
12 subject's fingerprints and the prescribed fee. Each statute, ordinance,  
13 or executive order that authorizes noncriminal justice agencies to receive  
14 criminal history record information for these purposes shall identify the  
15 specific categories of licensees, employees, contract employees or  
16 volunteers, and shall require that fingerprints of the specified  
17 individuals be submitted in conjunction with such requests for criminal  
18 history record information. The department may conduct periodic state and  
19 federal criminal history records checks for the purpose of updating the  
20 status of current licensees, employees, contract employees or volunteers  
21 and may notify the noncriminal justice agency of the results of the  
22 records check. The department is authorized to submit fingerprints to the  
23 federal bureau of investigation to be retained for the purpose of being  
24 searched by future submissions to the federal bureau of investigation  
25 including latent fingerprint searches.

26 3. With the board of fingerprinting for the purpose of conducting  
27 good cause exceptions pursuant to section 41-619.55 and central registry  
28 exceptions pursuant to section 41-619.57.

29 4. With any individual for any lawful purpose on submission of the  
30 subject of record's fingerprints and the prescribed fee.

31 5. With the governor, if the governor elects to become actively  
32 involved in the investigation of criminal activity or the administration  
33 of criminal justice in accordance with the governor's constitutional duty  
34 to ensure that the laws are faithfully executed or as needed to carry out  
35 the other responsibilities of the governor's office.

36 6. With regional computer centers that maintain authorized  
37 computer-to-computer interfaces with the department, that are criminal  
38 justice agencies or under the management control of a criminal justice  
39 agency and that are established by a statute, ordinance or executive order  
40 to provide automated data processing services to criminal justice agencies  
41 specifically for the purposes of the administration of criminal justice or  
42 evaluating the fitness of regional computer center employees who have  
43 access to the Arizona criminal justice information system and the national  
44 crime information center system.

1           7. With an individual who asserts a belief that criminal history  
2 record information relating to the individual is maintained by an agency  
3 or in an information system in this state that is subject to this section.  
4 On submission of fingerprints, the individual may review this information  
5 for the purpose of determining its accuracy and completeness by making  
6 application to the agency operating the system. Rules adopted under this  
7 section shall include provisions for administrative review and necessary  
8 correction of any inaccurate or incomplete information. The review and  
9 challenge process authorized by this paragraph is limited to criminal  
10 history record information.

11           8. With individuals and agencies pursuant to a specific agreement  
12 with a criminal justice agency to provide services required for the  
13 administration of criminal justice pursuant to that agreement if the  
14 agreement specifically authorizes access to data, limits the use of data  
15 to purposes for which given and ensures the security and confidentiality  
16 of the data consistent with this section.

17           9. With individuals and agencies for the express purpose of  
18 research, evaluative or statistical activities pursuant to an agreement  
19 with a criminal justice agency if the agreement specifically authorizes  
20 access to data, limits the use of data to research, evaluative or  
21 statistical purposes and ensures the confidentiality and security of the  
22 data consistent with this section.

23           10. With the auditor general for audit purposes.

24           11. With central state repositories of other states for noncriminal  
25 justice purposes for dissemination in accordance with the laws of those  
26 states.

27           12. On submission of the fingerprint card, with the department of  
28 child safety and a tribal social services agency to provide criminal  
29 history record information on prospective adoptive parents for the purpose  
30 of conducting the preadoption certification investigation under title 8,  
31 chapter 1, article 1 if the department of economic security is conducting  
32 the investigation, or with an agency or a person appointed by the court,  
33 if the agency or person is conducting the investigation. Information  
34 received under this paragraph shall only be used for the purposes of the  
35 preadoption certification investigation.

36           13. With the department of child safety, a tribal social services  
37 agency and the superior court for the purpose of evaluating the fitness of  
38 custodians or prospective custodians of juveniles, including parents,  
39 relatives and prospective guardians. Information received under this  
40 paragraph shall only be used for the purposes of that evaluation. The  
41 information shall be provided on submission of either:

42           (a) The fingerprint card.

43           (b) The name, date of birth and social security number of the  
44 person.



1           14. On submission of a fingerprint card, provide criminal history  
2 record information to the superior court for the purpose of evaluating the  
3 fitness of investigators appointed under section 14-5303 or 14-5407,  
4 guardians appointed under section 14-5206 or 14-5304 or conservators  
5 appointed under section 14-5401.

6           15. With the supreme court to provide criminal history record  
7 information on prospective fiduciaries pursuant to section 14-5651.

8           16. With the department of juvenile corrections to provide criminal  
9 history record information pursuant to section 41-2814.

10          17. On submission of the fingerprint card, provide criminal history  
11 record information to the Arizona peace officer standards and training  
12 board or a board certified law enforcement academy to evaluate the fitness  
13 of prospective cadets.

14          18. With the internet sex offender website database established  
15 pursuant to section 13-3827.

16          19. With licensees of the United States nuclear regulatory  
17 commission for the purpose of determining whether an individual should be  
18 granted unescorted access to the protected area of a commercial nuclear  
19 generating station on submission of the subject of record's fingerprints  
20 and the prescribed fee.

21          20. With the ~~department~~ STATE BOARD of education for the purpose of  
22 evaluating the fitness of a certificated ~~teacher or administrator or~~  
23 EDUCATOR, an applicant for a teaching or ~~an~~ administrative certificate  
24 ~~provided that~~ OR A NONCERTIFICATED PERSON AS DEFINED IN SECTION 15-505 IF  
25 the ~~department~~ STATE BOARD of education or its employees or agents have  
26 reasonable suspicion that the ~~certificated~~ EDUCATOR OR person engaged in  
27 conduct that would be a criminal violation of the laws of this state or  
28 was involved in immoral or unprofessional conduct or that the applicant  
29 engaged in conduct that would warrant disciplinary action if the applicant  
30 were certificated at the time of the alleged conduct. The information  
31 shall be provided on the submission of either:

32           (a) The fingerprint card.

33           (b) The name, date of birth and social security number of the  
34 person.

35          21. With each school district and charter school in this state.  
36 The ~~state board~~ DEPARTMENT of education and the state board for charter  
37 schools shall provide the department of public safety with a current list  
38 of email addresses for each school district and charter school in this  
39 state and shall periodically provide the department of public safety with  
40 updated email addresses. If the department of public safety is notified  
41 that a person who is required to have a fingerprint clearance card to be  
42 employed by or to engage in volunteer activities at a school district or  
43 charter school has been arrested for or convicted of an offense listed in  
44 section 41-1758.03, subsection B or has been arrested for or convicted of  
45 an offense that amounts to unprofessional conduct under section 15-550,

1 the department of public safety shall notify each school district and  
2 charter school in this state that the person's fingerprint clearance card  
3 has been suspended or revoked.

4 22. With a tribal social services agency and the department of  
5 child safety as provided by law, which currently is the Adam Walsh child  
6 protection and safety act of 2006 (42 United States Code section 16961),  
7 for the purposes of investigating or responding to reports of child abuse,  
8 neglect or exploitation. Information received pursuant to this paragraph  
9 from the national crime information center, the interstate identification  
10 index and the Arizona criminal justice information system network shall  
11 only be used for the purposes of investigating or responding as prescribed  
12 in this paragraph. The information shall be provided on submission to the  
13 department of public safety of either:

14 (a) The fingerprints of the person being investigated.

15 (b) The name, date of birth and social security number of the  
16 person.

17 23. With a nonprofit organization that interacts with children or  
18 vulnerable adults for the lawful purpose of evaluating the fitness of all  
19 current and prospective employees, contractors and volunteers of the  
20 organization. The criminal history record information shall be provided  
21 on submission of the applicant fingerprint card and the prescribed fee.

22 24. With the superior court for the purpose of determining an  
23 individual's eligibility for substance abuse and treatment courts in a  
24 family or juvenile case.

25 25. With the governor to provide criminal history record  
26 information on prospective gubernatorial nominees, appointees and  
27 employees as provided by law.

28 H. The director shall adopt rules necessary to execute this  
29 section.

30 I. The director, in the manner prescribed by law, shall remove and  
31 destroy records that the director determines are no longer of value in the  
32 detection or prevention of crime.

33 J. The director shall establish a fee in an amount necessary to  
34 cover the cost of federal noncriminal justice fingerprint processing for  
35 criminal history record information checks that are authorized by law for  
36 noncriminal justice employment, licensing or other lawful purposes. An  
37 additional fee may be charged by the department for state noncriminal  
38 justice fingerprint processing. Fees submitted to the department for  
39 state noncriminal justice fingerprint processing are not refundable.

40 K. The director shall establish a fee in an amount necessary to  
41 cover the cost of processing copies of department reports, eight by ten  
42 inch black and white photographs or eight by ten inch color photographs of  
43 traffic accident scenes.

44 L. Except as provided in subsection 0 of this section, each agency  
45 authorized by this section may charge a fee, in addition to any other fees

1 prescribed by law, in an amount necessary to cover the cost of state and  
2 federal noncriminal justice fingerprint processing for criminal history  
3 record information checks that are authorized by law for noncriminal  
4 justice employment, licensing or other lawful purposes.

5 M. A fingerprint account within the records processing fund is  
6 established for the purpose of separately accounting for the collection  
7 and payment of fees for noncriminal justice fingerprint processing by the  
8 department. Monies collected for this purpose shall be credited to the  
9 account, and payments by the department to the United States for federal  
10 noncriminal justice fingerprint processing shall be charged against the  
11 account. Monies in the account not required for payment to the United  
12 States shall be used by the department in support of the department's  
13 noncriminal justice fingerprint processing duties. At the end of each  
14 fiscal year, any balance in the account not required for payment to the  
15 United States or to support the department's noncriminal justice  
16 fingerprint processing duties reverts to the state general fund.

17 N. A records processing fund is established for the purpose of  
18 separately accounting for the collection and payment of fees for  
19 department reports and photographs of traffic accident scenes processed by  
20 the department. Monies collected for this purpose shall be credited to  
21 the fund and shall be used by the department in support of functions  
22 related to providing copies of department reports and photographs. At the  
23 end of each fiscal year, any balance in the fund not required for support  
24 of the functions related to providing copies of department reports and  
25 photographs reverts to the state general fund.

26 O. The department of child safety may pay from appropriated monies  
27 the cost of federal fingerprint processing or federal criminal history  
28 record information checks that are authorized by law for employees and  
29 volunteers of the department, guardians pursuant to section 8-453,  
30 subsection A, paragraph 6, the licensing of foster parents or the  
31 certification of adoptive parents.

32 P. The director shall adopt rules that provide for:

- 33 1. The collection and disposition of fees pursuant to this section.
- 34 2. The refusal of service to those agencies that are delinquent in  
35 paying these fees.

36 Q. The director shall ensure that the following limitations are  
37 observed regarding dissemination of criminal justice information obtained  
38 from the central state repository or through the Arizona criminal justice  
39 information system:

- 40 1. Any criminal justice agency that obtains criminal justice  
41 information from the central state repository or through the Arizona  
42 criminal justice information system assumes responsibility for the  
43 security of the information and shall not secondarily disseminate this  
44 information to any individual or agency not authorized to receive this

1 information directly from the central state repository or originating  
2 agency.

3 2. Dissemination to an authorized agency or individual may be  
4 accomplished by a criminal justice agency only if the dissemination is for  
5 criminal justice purposes in connection with the prescribed duties of the  
6 agency and not in violation of this section.

7 3. Criminal history record information disseminated to noncriminal  
8 justice agencies or to individuals shall be used only for the purposes for  
9 which it was given. Secondary dissemination is prohibited unless  
10 otherwise authorized by law.

11 4. The existence or nonexistence of criminal history record  
12 information shall not be confirmed to any individual or agency not  
13 authorized to receive the information itself.

14 5. Criminal history record information to be released for  
15 noncriminal justice purposes to agencies of other states shall only be  
16 released to the central state repositories of those states for  
17 dissemination in accordance with the laws of those states.

18 6. Criminal history record information shall be released to  
19 noncriminal justice agencies of the federal government pursuant to the  
20 terms of the federal security clearance information act (P.L. 99-169).

21 R. This section and the rules adopted under this section apply to  
22 all agencies and individuals collecting, storing or disseminating criminal  
23 justice information processed by manual or automated operations if the  
24 collection, storage or dissemination is funded in whole or in part with  
25 monies made available by the law enforcement assistance administration  
26 after July 1, 1973, pursuant to title I of the crime control act of 1973,  
27 and to all agencies that interact with or receive criminal justice  
28 information from or through the central state repository and through the  
29 Arizona criminal justice information system.

30 S. This section does not apply to criminal history record  
31 information contained in:

32 1. Posters, arrest warrants, announcements or lists for identifying  
33 or apprehending fugitives or wanted persons.

34 2. Original records of entry such as police blotters maintained by  
35 criminal justice agencies, compiled chronologically and required by law or  
36 long-standing custom to be made public if these records are organized on a  
37 chronological basis.

38 3. Transcripts or records of judicial proceedings if released by a  
39 court or legislative or administrative proceedings.

40 4. Announcements of executive clemency or pardon.

41 5. Computer databases, other than the Arizona criminal justice  
42 information system, that are specifically designed for community  
43 notification of an offender's presence in the community pursuant to  
44 section 13-3825 or for public informational purposes authorized by section  
45 13-3827.

1 T. Nothing in this section prevents a criminal justice agency from  
2 disclosing to the public criminal history record information that is  
3 reasonably contemporaneous to the event for which an individual is  
4 currently within the criminal justice system, including information noted  
5 on traffic accident reports concerning citations, blood alcohol tests or  
6 arrests made in connection with the traffic accident being investigated.

7 U. In order to ensure that complete and accurate criminal history  
8 record information is maintained and disseminated by the central state  
9 repository:

10 1. The booking agency shall take legible ten-print fingerprints of  
11 all persons who are arrested for offenses listed in subsection C of this  
12 section. The booking agency shall obtain a process control number and  
13 provide to the person fingerprinted a document that indicates proof of the  
14 fingerprinting and that informs the person that the document must be  
15 presented to the court.

16 2. Except as provided in paragraph 3 of this subsection, if a  
17 person is summoned to court as a result of an indictment or complaint for  
18 an offense listed in subsection C of this section, the court shall order  
19 the person to appear before the county sheriff and provide legible  
20 ten-print fingerprints. The county sheriff shall obtain a process control  
21 number and provide a document to the person fingerprinted that indicates  
22 proof of the fingerprinting and that informs the person that the document  
23 must be presented to the court. For the purposes of this paragraph,  
24 "summoned" includes a written promise to appear by the defendant on a  
25 uniform traffic ticket and complaint.

26 3. If a person is arrested for a misdemeanor offense listed in  
27 subsection C of this section by a city or town law enforcement agency, the  
28 person shall appear before the law enforcement agency that arrested the  
29 defendant and provide legible ten-print fingerprints. The law enforcement  
30 agency shall obtain a process control number and provide a document to the  
31 person fingerprinted that indicates proof of the fingerprinting and that  
32 informs the person that the document must be presented to the court.

33 4. The mandatory fingerprint compliance form shall contain the  
34 following information:

35 (a) Whether ten-print fingerprints have been obtained from the  
36 person.

37 (b) Whether a process control number was obtained.

38 (c) The offense or offenses for which the process control number  
39 was obtained.

40 (d) Any report number of the arresting authority.

41 (e) Instructions on reporting for ten-print fingerprinting,  
42 including available times and locations for reporting for ten-print  
43 fingerprinting.

44 (f) Instructions that direct the person to provide the form to the  
45 court at the person's next court appearance.

1           5. Within ten days after a person is fingerprinted, the arresting  
2 authority or agency that took the fingerprints shall forward the  
3 fingerprints to the department in the manner or form required by the  
4 department.

5           6. On the issuance of a summons for a defendant who is charged with  
6 an offense listed in subsection C of this section, the summons shall  
7 direct the defendant to provide ten-print fingerprints to the appropriate  
8 law enforcement agency.

9           7. At the initial appearance or on the arraignment of a summoned  
10 defendant who is charged with an offense listed in subsection C of this  
11 section, if the person does not present a completed mandatory fingerprint  
12 compliance form to the court or if the court has not received the process  
13 control number, the court shall order that within twenty calendar days the  
14 defendant be ten-print fingerprinted at a designated time and place by the  
15 appropriate law enforcement agency.

16           8. If the defendant fails to present a completed mandatory  
17 fingerprint compliance form or if the court has not received the process  
18 control number, the court, on its own motion, may remand the defendant  
19 into custody for ten-print fingerprinting. If otherwise eligible for  
20 release, the defendant shall be released from custody after being  
21 ten-print fingerprinted.

22           9. In every criminal case in which the defendant is incarcerated or  
23 fingerprinted as a result of the charge, an originating law enforcement  
24 agency or prosecutor, within forty days of the disposition, shall advise  
25 the central state repository of all dispositions concerning the  
26 termination of criminal proceedings against an individual arrested for an  
27 offense specified in subsection C of this section. This information shall  
28 be submitted on a form or in a manner required by the department.

29           10. Dispositions resulting from formal proceedings in a court  
30 having jurisdiction in a criminal action against an individual who is  
31 arrested for an offense specified in subsection C of this section or  
32 section 8-341, subsection W, paragraph 3 shall be reported to the central  
33 state repository within forty days of the date of the disposition. This  
34 information shall be submitted on a form or in a manner specified by rules  
35 approved by the supreme court.

36           11. The state department of corrections or the department of  
37 juvenile corrections, within forty days, shall advise the central state  
38 repository that it has assumed supervision of a person convicted of an  
39 offense specified in subsection C of this section or section 8-341,  
40 subsection W, paragraph 3. The state department of corrections or the  
41 department of juvenile corrections shall also report dispositions that  
42 occur thereafter to the central state repository within forty days of the  
43 date of the dispositions. This information shall be submitted on a form  
44 or in a manner required by the department of public safety.

1           12. Each criminal justice agency shall query the central state  
2 repository before dissemination of any criminal history record information  
3 to ensure the completeness of the information. Inquiries shall be made  
4 before any dissemination except in those cases in which time is of the  
5 essence and the repository is technically incapable of responding within  
6 the necessary time period. If time is of the essence, the inquiry shall  
7 still be made and the response shall be provided as soon as possible.

8           V. The director shall adopt rules specifying that any agency that  
9 collects, stores or disseminates criminal justice information that is  
10 subject to this section shall establish effective security measures to  
11 protect the information from unauthorized access, disclosure, modification  
12 or dissemination. The rules shall include reasonable safeguards to  
13 protect the affected information systems from fire, flood, wind, theft,  
14 sabotage or other natural or man-made hazards or disasters.

15           W. The department shall make available to agencies that contribute  
16 to, or receive criminal justice information from, the central state  
17 repository or through the Arizona criminal justice information system a  
18 continuing training program in the proper methods for collecting, storing  
19 and disseminating information in compliance with this section.

20           X. Nothing in this section creates a cause of action or a right to  
21 bring an action including an action based on discrimination due to sexual  
22 orientation.

23           Y. For the purposes of this section:

24           1. "Administration of criminal justice" means performance of the  
25 detection, apprehension, detention, pretrial release, posttrial release,  
26 prosecution, adjudication, correctional supervision or rehabilitation of  
27 criminal offenders. Administration of criminal justice includes  
28 enforcement of criminal traffic offenses and civil traffic violations,  
29 including parking violations, when performed by a criminal justice agency.  
30 Administration of criminal justice also includes criminal identification  
31 activities and the collection, storage and dissemination of criminal  
32 history record information.

33           2. "Administrative records" means records that contain adequate and  
34 proper documentation of the organization, functions, policies, decisions,  
35 procedures and essential transactions of the agency and that are designed  
36 to furnish information to protect the rights of this state and of persons  
37 directly affected by the agency's activities.

38           3. "Arizona criminal justice information system" or "system" means  
39 the statewide information system managed by the director for the  
40 collection, processing, preservation, dissemination and exchange of  
41 criminal justice information and includes the electronic equipment,  
42 facilities, procedures and agreements necessary to exchange this  
43 information.

44           4. "Booking agency" means the county sheriff or, if a person is  
45 booked into a municipal jail, the municipal law enforcement agency.

1           5. "Central state repository" means the central location within the  
2 department for the collection, storage and dissemination of Arizona  
3 criminal history records and related criminal justice information.

4           6. "Criminal history record information" and "criminal history  
5 record" means information that is collected by criminal justice agencies  
6 on individuals and that consists of identifiable descriptions and  
7 notations of arrests, detentions, indictments and other formal criminal  
8 charges, and any disposition arising from those actions, sentencing,  
9 formal correctional supervisory action and release. Criminal history  
10 record information and criminal history record do not include  
11 identification information to the extent that the information does not  
12 indicate involvement of the individual in the criminal justice system or  
13 information relating to juveniles unless they have been adjudicated as  
14 adults.

15           7. "Criminal justice agency" means either:

16           (a) A court at any governmental level with criminal or equivalent  
17 jurisdiction, including courts of any foreign sovereignty duly recognized  
18 by the federal government.

19           (b) A government agency or subunit of a government agency that is  
20 specifically authorized to perform as its principal function the  
21 administration of criminal justice pursuant to a statute, ordinance or  
22 executive order and that allocates more than fifty percent of its annual  
23 budget to the administration of criminal justice. This subdivision  
24 includes agencies of any foreign sovereignty duly recognized by the  
25 federal government.

26           8. "Criminal justice information" means information that is  
27 collected by criminal justice agencies and that is needed for the  
28 performance of their legally authorized and required functions, such as  
29 criminal history record information, citation information, stolen property  
30 information, traffic accident reports, wanted persons information and  
31 system network log searches. Criminal justice information does not  
32 include the administrative records of a criminal justice agency.

33           9. "Disposition" means information disclosing that a decision has  
34 been made not to bring criminal charges or that criminal proceedings have  
35 been concluded or information relating to sentencing, correctional  
36 supervision, release from correctional supervision, the outcome of an  
37 appellate review of criminal proceedings or executive clemency.

38           10. "Dissemination" means the written, oral or electronic  
39 communication or transfer of criminal justice information to individuals  
40 and agencies other than the criminal justice agency that maintains the  
41 information. Dissemination includes the act of confirming the existence  
42 or nonexistence of criminal justice information.



- 1 11. "Management control":
- 2 (a) Means the authority to set and enforce:
- 3 (i) Priorities regarding development and operation of criminal
- 4 justice information systems and programs.
- 5 (ii) Standards for the selection, supervision and termination of
- 6 personnel involved in the development of criminal justice information
- 7 systems and programs and in the collection, maintenance, analysis and
- 8 dissemination of criminal justice information.
- 9 (iii) Policies governing the operation of computers, circuits and
- 10 telecommunications terminals used to process criminal justice information
- 11 to the extent that the equipment is used to process, store or transmit
- 12 criminal justice information.
- 13 (b) Includes the supervision of equipment, systems design,
- 14 programming and operating procedures necessary for the development and
- 15 implementation of automated criminal justice information systems.
- 16 12. "Process control number" means the Arizona automated
- 17 fingerprint identification system number that attaches to each arrest
- 18 event at the time of fingerprinting and that is assigned to the arrest
- 19 fingerprint card, disposition form and other pertinent documents.
- 20 13. "Secondary dissemination" means the dissemination of criminal
- 21 justice information from an individual or agency that originally obtained
- 22 the information from the central state repository or through the Arizona
- 23 criminal justice information system to another individual or agency.
- 24 14. "Sexual orientation" means consensual homosexuality or
- 25 heterosexuality.
- 26 15. "Subject of record" means the person who is the primary subject
- 27 of a criminal justice record.

28 Sec. 34. Laws 2020, chapter 26, section 1 is amended to read:

29 Section 1. Department of education; crisis management team;  
30 persistently underperforming school districts;  
31 reporting requirements; implementation plans;  
32 delayed repeal

33 A. The department of education shall establish a crisis management  
34 team to recommend necessary changes for any persistently underperforming  
35 school district prescribed pursuant to subsection C of this section to  
36 meet the educational needs of the community in which the school district  
37 is located. ~~The crisis management team shall consist of all of the~~  
38 ~~following members who are appointed by the superintendent of public~~  
39 ~~instruction:~~

- 40 ~~1. Department of education staff persons with expertise and~~  
41 ~~experience in school improvement.~~
- 42 ~~2. An expert in tribal consultation and tribal affairs.~~
- 43 ~~3. An expert in school improvement for rural schools.~~
- 44 ~~4. An employee of the office of Indian education.~~
- 45 ~~5. Other persons as deemed appropriate.~~

1           B. The crisis management team shall establish a work plan to  
2 evaluate the local circumstances and needs of a school district prescribed  
3 pursuant to subsection C of this section. The crisis management team  
4 shall consult with tribal stakeholders, school district governing board  
5 members, school district employees, community members, parents and other  
6 relevant persons to determine all of the following:

- 7           1. The impediments to academic success.
- 8           2. Barriers to an effective school community, including  
9 relationships between a school district and relevant community  
10 stakeholders, including parents.
- 11           3. Specific changes that are needed to increase academic outcomes  
12 and prevent teacher and staff turnover.
- 13           4. Outstanding financial impediments and appropriate solutions for  
14 resolution.
- 15           5. The long-term plan to sustain a successful school, including  
16 potential changes to governance or boundaries or whether receivership or  
17 consolidation would benefit the school district.

18           C. The crisis management team may intervene as prescribed in this  
19 section on behalf of any school district that operates a school that meets  
20 all of the following criteria:

- 21           1. For school years 2016-2017 and 2018-2019, was assigned a letter  
22 grade of F pursuant to section 15-241, Arizona Revised Statutes.
- 23           2. For school year 2018-2019, had less than five percent of pupils  
24 who were proficient on the statewide assessment in English language arts  
25 and mathematics.

26           D. A school district prescribed pursuant to subsection C of this  
27 section shall comply with all requests for information by the crisis  
28 management team and provide the information requested within two weeks.  
29 The school district may request additional time to complete the  
30 information request. If the school district requests additional time to  
31 complete an information request pursuant to this subsection, the school  
32 district shall outline the reasons the school district needs more than two  
33 weeks to complete the request.

34           E. The crisis management team shall provide a school district  
35 prescribed pursuant to subsection C of this section with specific  
36 recommendations to implement that will address the issues the crisis  
37 management team identifies within the school district that contribute to  
38 persistent academic underperformance. The crisis management team shall  
39 provide all recommendations in writing to the school district governing  
40 board and superintendent, and the school district shall notify the crisis  
41 management team in writing within two weeks after receiving the  
42 recommendations either outlining the school district's efforts to  
43 implement the recommendations or rejecting a recommendation and providing  
44 the reason for rejection.

1 ~~F. The superintendent of public instruction may retain a portion of~~  
2 ~~state monies that a school district prescribed pursuant to subsection C of~~  
3 ~~this section would otherwise be entitled to receive to compensate members~~  
4 ~~of the crisis management team at a reasonable rate, as determined by the~~  
5 ~~department of education, except that the superintendent of public~~  
6 ~~instruction may not retain a portion of state monies to compensate~~  
7 ~~employees of the department of education. The school district shall~~  
8 ~~reduce its budget limit accordingly.~~

9 ~~G.~~ F. If the crisis management team formally determines that a  
10 school district prescribed pursuant to subsection C of this section is  
11 unable to meet the educational needs of the community in which it is  
12 located without a change in administration, the school district shall  
13 terminate the contract of the school district superintendent in accordance  
14 with the terms of the contract and include appropriate financial  
15 recourse. The crisis management team may assist the school district  
16 governing board in identifying candidates to act as an interim  
17 superintendent.

18 ~~H.~~ G. The crisis management team shall submit a preliminary report  
19 on or before July 1, ~~2020~~ 2021 and submit a final report on or before  
20 December 31, ~~2020~~ 2021 to the governor, the president of the senate, the  
21 speaker of the house of representatives, the department of education and  
22 the chairpersons of the house of representatives and senate education and  
23 appropriations committees and submit a copy to the secretary of state.  
24 The report shall include all of the following:

25 1. The specific recommendations for improvement that the crisis  
26 management team made to school districts pursuant to this section.

27 2. The outcome of any consultations under subsection B of this  
28 section, including suggested actions for improvement by community and  
29 tribal stakeholders, parents and the school district.

30 3. Recommendations on the long-term viability of each school  
31 district prescribed pursuant to subsection C of this section, including  
32 whether the school district requires a change in governance or boundaries  
33 or whether receivership or consolidation would benefit the academic  
34 outcomes of affected pupils.

35 4. A projected implementation timeline for recommended changes.

36 ~~I.~~ H. If the crisis management team determines that a long-term  
37 sustainability plan is viable, the crisis management team may request the  
38 department of education to notify the school district of the  
39 implementation plan for sustainability. The department shall compile all  
40 recommendations of the crisis management team under subsection ~~H.~~ G of  
41 this section and shall establish an implementation plan. The department  
42 shall provide to school districts prescribed pursuant to subsection C of  
43 this section an implementation plan and projected timeline for  
44 implementation. The school district shall evaluate the implementation  
45 plan and respond in writing to the department of education outlining the

1 adoption of an implementation plan and any modifications deemed necessary.  
2 The school district shall provide regular reports to the department of  
3 education on implementation and may request assistance in community  
4 stakeholder engagement, including tribal consultation, or implementation.

5 ~~+~~ I. This section is repealed from and after April 1, ~~2021~~ 2022.

6 Sec. 35. Results-based funding; allocation formula; fiscal  
7 year 2021-2022

8 Notwithstanding section 15-249.08, subsection B, paragraph 2,  
9 Arizona Revised Statutes, for fiscal year 2021-2022, the department of  
10 education shall distribute monies from the results-based funding fund  
11 established by section 15-249.08, Arizona Revised Statutes, as follows:

12 1. Each school operated by a school district or charter holder  
13 shall receive \$225 per student count from the fund if both of the  
14 following apply:

15 (a) At the time the test prescribed in subdivision (b) of this  
16 paragraph was administered, fewer than sixty percent of the students who  
17 were enrolled in the school met the eligibility requirements established  
18 under the national school lunch and child nutrition acts (42 United States  
19 Code sections 1751 through 1793) for free or reduced-price lunches, or an  
20 equivalent measure recognized for participating in the federal free and  
21 reduced-price lunch program and other school programs dependent on a  
22 poverty measure, including the community eligibility provision for which  
23 free and reduced-price lunch data is not available.

24 (b) In results achieved during the spring of 2019, the school  
25 performed in the top thirteen percent of all schools statewide as  
26 demonstrated by the average percentage of students who obtained a passing  
27 score on the mathematics portions of the statewide assessment and the  
28 average percentage of students who obtained a passing score on the  
29 language arts portions of the statewide assessment.

30 2. Each school operated by a school district or charter holder  
31 shall receive \$400 per student count from the fund if both of the  
32 following apply:

33 (a) At the time the test prescribed in subdivision (b) of this  
34 paragraph was administered, sixty percent or more of the students who were  
35 enrolled in the school met the eligibility requirements established under  
36 the national school lunch and child nutrition acts (42 United States Code  
37 sections 1751 through 1793) for free or reduced-price lunches, or an  
38 equivalent measure recognized for participating in the federal free and  
39 reduced-price lunch program and other school programs dependent on a  
40 poverty measure, including the community eligibility provision for which  
41 free and reduced-price lunch data is not available.

42 (b) In results achieved during the spring of 2019, the school  
43 performed in the top thirteen percent of schools pursuant to subdivision  
44 (a) of this paragraph, as demonstrated by the average percentage of those  
45 students who obtained a passing score on the mathematics portions of the

1 statewide assessment and the average percentage of students who obtained a  
2 passing score on the language arts portions of the statewide assessment.

3 3. Each school operated by a school district or charter holder  
4 shall receive \$225 per student count from the fund if both of the  
5 following apply:

6 (a) At the time the test prescribed in subdivision (b) of this  
7 paragraph was administered, sixty percent or more of the students who were  
8 enrolled in the school met the eligibility requirements established under  
9 the national school lunch and child nutrition acts (42 United States Code  
10 sections 1751 through 1793) for free or reduced-price lunches, or an  
11 equivalent measure recognized for participating in the federal free and  
12 reduced-price lunch program and other school programs dependent on a  
13 poverty measure, including the community eligibility provision for which  
14 free and reduced-price lunch data is not available.

15 (b) In results achieved during the spring of 2019, the school  
16 performed in the top twenty-seven percent but not in the top thirteen  
17 percent of schools pursuant to subdivision (a) of this paragraph, as  
18 demonstrated by the average percentage of those students who obtained a  
19 passing score on the mathematics portions of the statewide assessment and  
20 the average percentage of students who obtained a passing score on the  
21 language arts portions of the statewide assessment.

22 4. Each alternative high school shall receive \$400 per student  
23 count from the fund if in the results achieved during testing conducted in  
24 the spring of 2019 the school performed in the top twenty-seven percent of  
25 schools identified pursuant to paragraph 3, subdivision (a) of this  
26 section, as demonstrated by the average percentage of those students who  
27 obtained a passing score on the mathematics portions of the statewide  
28 assessment and the average percentage of students who obtained a passing  
29 score on the language arts portions of the statewide assessment. An  
30 alternative high school is eligible for funding under this paragraph only  
31 if it reports the average percentage of students who obtained a passing  
32 score on both the mathematics portions of the statewide assessment and the  
33 language arts portions of the statewide assessment during testing  
34 conducted in the spring of 2019.

35 Sec. 36. Learning loss; reports; federal monies; allocation

36 A. On or before July 1, 2021, school districts and charter schools  
37 in this state shall report to the department of education whether they  
38 offered in-person, teacher-led instruction for at least one hundred days  
39 of the 2020-2021 school year. The report shall delineate the number of  
40 days of in-person, teacher-led instruction that was offered by school  
41 site.

42 B. On or before August 1, 2021, the department of education shall  
43 submit a report to the joint legislative budget committee and the  
44 governor's office of strategic planning and budgeting that compiles the

1 information reported by school districts and charter schools pursuant to  
2 subsection A of this section.

3 C. On or before September 1, 2021, the department of education  
4 shall post on its website school district and charter school plans to  
5 address learning loss by spending elementary and secondary school  
6 emergency relief fund monies appropriated to this state by section 2001 of  
7 the American rescue plan act of 2021 (P.L. 117-2).

8 D. The governor's office of strategic planning and budgeting shall  
9 post on its website its allocation of \$350,000,000 of coronavirus state  
10 fiscal recovery fund monies appropriated to this state by section 9901 of  
11 the American rescue plan act of 2021 (P.L. 117-2) to school districts and  
12 charter schools for assistance to supplement monies provided by the  
13 elementary and secondary school emergency relief fund.

14 Sec. 37. School districts; teacher experience index;  
15 submission of corrected data

16 Notwithstanding sections 15-905 and 15-915 and section 15-941,  
17 subsection C, Arizona Revised Statutes, the Buckeye union high school  
18 district may submit corrections not later than August 15, 2021 to teacher  
19 experience index data that are required pursuant to section 15-941,  
20 Arizona Revised Statutes. The school district may use the resulting  
21 teacher experience index in determining its base support level for fiscal  
22 year 2020-2021.

23 Sec. 38. School finance data system replacement;  
24 expenditures; review; milestones; third-party  
25 verification; intent

26 A. Before each expenditure of any monies appropriated for school  
27 finance data system replacement, the department of education shall submit  
28 the purpose and estimated costs of the expenditure to the department of  
29 administration and the information technology authorization committee  
30 established by section 18-121, Arizona Revised Statutes, for review and  
31 approval.

32 B. The department of administration shall detail development  
33 milestones for the replacement of the school finance data system within  
34 thirty days after the last day of fiscal year 2020-2021 in consultation  
35 with the department of education. These milestones must, at a minimum,  
36 meet all of the following:

37 1. Specify deliverable dates the department of education must meet  
38 for the entirety of the project's lifecycle.

39 2. Specify deliverables to be provided by the department of  
40 education to the department of administration regarding full system  
41 documentation.

42 3. Define critical deliverables for the project.

43 4. Be derived from the accelerated plan approved on August 19, 2020  
44 by the information technology authorization committee established by  
45 section 18-121, Arizona Revised Statutes.

1 C. To close a milestone and to be eligible to receive funding for  
2 complete work on any major milestone or critical deliverable for the  
3 replacement of the school finance data system, as defined by the  
4 department of administration and the information technology authorization  
5 committee established by section 18-121, Arizona Revised Statutes, the  
6 department of education must receive approval from the superintendent of  
7 public instruction and the director of the department of administration.

8 D. The department of education shall submit an expenditure plan on  
9 the staffing of the school finance data system project for review by the  
10 department of administration. This expenditure plan shall be adequate, as  
11 defined by the department of administration, to comply with the project  
12 milestones prescribed in subsection B of this section.

13 E. The department of education shall use a portion of the monies  
14 appropriated for school finance data system replacement to engage with a  
15 third party to conduct independent verification and validation related to  
16 the replacement of the school finance data system.

17 F. Notwithstanding any other law, the department of administration  
18 shall define the terms of any agreement with a third party that conducts  
19 independent verification and validation related to the replacement of the  
20 school finance data system.

21 G. The department of education shall update all current agreements  
22 with third parties that conduct independent verification and validation  
23 related to the replacement of the school finance data system to comply  
24 with subsection E of this section.

25 H. The legislature intends that the department of education work  
26 collaboratively with the department of administration in the replacement  
27 of the school finance data system. This cooperation includes, at a  
28 minimum, providing all materials and information necessary to complete the  
29 project within the milestones outlined in subsection B of this section, as  
30 defined by the department of administration.

31 Sec. 39. Department of administration; public school  
32 transportation modernization grants; delayed  
33 repeal

34 A. The public school transportation modernization grants program is  
35 established in the department of administration. The department shall  
36 select an organization to administer the program. The program  
37 administrator selected by the department must meet all of the following  
38 criteria:

39 1. Be a nonprofit organization that is exempt from taxation under  
40 section 501(c)(3) of the internal revenue code and that has experience  
41 with awarding innovation grants to both school districts and charter  
42 schools in this state that promote expanding educational options for  
43 students or innovative approaches to K-12 education.

1           2. Have previously been awarded funding from this state or the  
2 federal government to grant to school districts or charter schools in the  
3 current or previous fiscal year.

4           3. Demonstrate the ability and history to be able to provide  
5 ongoing evaluation and compliance to entities that are awarded grants  
6 pursuant to this section.

7           B. The program administrator selected pursuant to subsection A of  
8 this section shall distribute grants to school districts, charter schools  
9 or other entities that are determined to be eligible grant recipients and  
10 shall do all of the following:

11           1. Develop a public school transportation modernization grant  
12 application and application procedures that require an applicant to  
13 explain how it would use grant monies to do either of the following:

14           (a) Improve access to reliable and safe transportation for students  
15 who attend school through open enrollment pursuant to title 15, chapter 8,  
16 article 1.1, Arizona Revised Statutes, or who attend charter schools.

17           (b) Support K-12 transportation innovations and efficiency  
18 solutions.

19           2. Make final grant determinations and awards pursuant to this  
20 section.

21           3. Submit an interim report on or before December 31, 2021 to the  
22 department of administration and an annual report on or before June 30 of  
23 each year thereafter to the governor, the president of the senate and the  
24 speaker of the house of representatives and provide a copy of these  
25 reports to the secretary of state. The department of education, the  
26 department of administration and any grant recipient shall provide any  
27 information, including student finance and enrollment data, that is deemed  
28 necessary by the program administrator to complete the reports pursuant to  
29 this paragraph. The reports must include all of the following:

30           (a) If applicable, the best practices used by grant recipients to  
31 transport K-12 students to schools outside of attendance boundaries.

32           (b) A list of the grant recipients and the amounts and purposes of  
33 the grants.

34           (c) The number of students impacted per grant recipient.

35           C. The program administrator shall distribute the monies  
36 appropriated for the program based on demand and the most innovative  
37 solutions. The program administrator shall award at least twenty-five  
38 percent of these grants to support rural and remote proposals, except that  
39 if an insufficient number of qualified rural and remote proposals is  
40 submitted, the program administrator may award fewer than twenty-five  
41 percent of these grants to rural and remote proposals. The program  
42 administrator may retain not more than five percent of monies appropriated  
43 each fiscal year to administer the grant program pursuant to this section.  
44 Administrative expenditures may include costs of designing a public  
45 awareness effort to communicate to the public the ability to choose any



1 public school in this state and how to learn about school choice options  
2 in this state and instructing the public how to request enrollment for  
3 pupils.

4 D. This section is repealed from and after December 31, 2024.

5 Sec. 40. School facilities board; new school construction  
6 rates; applicability

7 Section 15-2041, subsection D, paragraph 3, subdivision (c), Arizona  
8 Revised Statutes, as amended by this act, applies to new school facilities  
9 that were previously approved by the school facilities board as follows:

10	<u>School District</u>	<u>Project Number</u>
11	Douglas Unified	020227000-9999-001N
12	Liberty Elementary	070425000-9999-005N
13	Maricopa Unified	110220000-9999-022N
14	Queen Creek Unified	070295000-9999-018N
15	Safford Unified	050201000-9999-001N
16	Santa Cruz Valley	120235000-9999-008N
17	Sahuarita Unified	100230000-9999-014N
18	Somerton Elementary	140411000-9999-008N
19	Somerton Elementary	140411000-9999-009N
20	Tanque Verde Unified	100213000-9999-002N
21	Tanque Verde Unified	100213000-9999-003N
22	Vail Unified	100220000-9999-019N
23	Vail Unified	100220000-9999-020N
24	Vail Unified	100220000-9999-021N

25 Sec. 41. Statutory or regulatory requirements; enforcement;  
26 2020-2021 school year

27 Notwithstanding any other law, this state shall enforce only those  
28 statutory or regulatory requirements for the 2020-2021 school year that  
29 are consistent with the approved waiver of the accountability, school  
30 identification and related reporting requirements awarded by the United  
31 States department of education for this state, including minimum testing  
32 percentages and local school ratings.

33 Sec. 42. Intent

34 The governor and the legislature intend that school districts  
35 increase the total percentage of classroom spending over the previous  
36 year's percentages in the combined categories of instruction, student  
37 support and instructional support as prescribed by the auditor general.

38 Sec. 43. Retroactivity

39 A. Section 15-747, Arizona Revised Statutes, as added by this act,  
40 applies retroactively to from and after June 30, 2021.

41 B. Laws 2020, chapter 26, section 1, as amended by this act,  
42 applies retroactively to from and after April 1, 2021.