

REFERENCE TITLE: schools; consolidation; unification

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

HCR 2004

Introduced by
Representative Fillmore

A CONCURRENT RESOLUTION

ENACTING AND ORDERING THE SUBMISSION TO THE PEOPLE OF A MEASURE RELATING
TO SCHOOL DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the House of Representatives of the State of Arizona,
2 the Senate concurring:

3 1. Under the power of the referendum, as vested in the Legislature,
4 the following measure, relating to school districts, is enacted to become
5 valid as a law if approved by the voters and on proclamation of the
6 Governor:

7 AN ACT

8 AMENDING TITLE 15, CHAPTER 4, ARTICLE 3, ARIZONA REVISED
9 STATUTES, BY ADDING SECTION 15-446; AMENDING TITLE 15, CHAPTER
10 9, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION
11 15-908.01; REPEALING SECTION 15-949, ARIZONA REVISED STATUTES;
12 APPROPRIATING MONIES; RELATING TO SCHOOL DISTRICTS.

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

14 Section 1. Title 15, chapter 4, article 3, Arizona
15 Revised Statutes, is amended by adding section 15-446, to
16 read:

17 15-446. School districts; unification required

18 NOTWITHSTANDING ANY OTHER LAW, EACH SCHOOL DISTRICT IN
19 THIS STATE SHALL BE A UNIFIED SCHOOL DISTRICT ON OR BEFORE
20 JULY 1, 2028.

21 Sec. 2. Title 15, chapter 9, article 1, Arizona Revised
22 Statutes, is amended by adding section 15-908.01, to read:

23 15-908.01. Savings from consolidation or unification;
24 use of monies

25 A. EACH SCHOOL DISTRICT GOVERNING BOARD SHALL ANNUALLY
26 DETERMINE THE COST SAVINGS THAT RESULT FROM ANY CONSOLIDATION
27 WITH OTHER SCHOOL DISTRICTS.

28 B. EACH SCHOOL DISTRICT GOVERNING BOARD SHALL ANNUALLY
29 DETERMINE THE COST SAVINGS THAT RESULT FROM ANY UNIFICATION
30 WITH OTHER SCHOOL DISTRICTS.

31 C. THE RESULTING COST SAVINGS DETERMINED PURSUANT TO
32 SUBSECTION A OR B OF THIS SECTION SHALL BE RETAINED BY THE
33 SCHOOL DISTRICT AND USED FOR CLASSROOM EXPENDITURES AS
34 DETERMINED BY THE SCHOOL DISTRICT GOVERNING BOARD, WITH AT
35 LEAST TWENTY-FIVE PERCENT OF THESE MONIES TO BE USED FOR
36 TEACHER SALARIES.

37 Sec. 3. Delayed repeal

38 Section 15-949, Arizona Revised Statutes, is repealed
39 from and after June 30, 2031.

40 Sec. 4. Unification and consolidation of school
41 districts; feasibility study

42 On or before September 15, 2023, each county school
43 superintendent shall commence a feasibility study on the
44 unification, consolidation or unification and consolidation of
45 the school districts within that county. The county school

superintendent may contract with another person or entity to conduct the feasibility study. The feasibility study shall be completed on or before September 15, 2024. On or before September 30, 2024, each county school superintendent shall provide a copy of its feasibility study to the governing board of each school district within that county. The county school superintendent shall ensure that the feasibility study includes all of the following components:

1. Relevant academic and scientific research regarding school size, school district size, fiscal implications and legal issues that may include the following:

(a) Use by any of the affected districts of section 15-910 or 15-910.01, Arizona Revised Statutes.

(b) Application of overrides authorized under title 15, chapter 4, article 4, Arizona Revised Statutes.

(c) Estimated potential savings and efficiencies to be achieved.

(d) Application of teacher experience indexes and existing salary schedules of affected districts.

(e) A proposed salary schedule for the affected districts based on the average median of existing teacher salaries.

(f) Potential impact on facilities needs.

(g) Curriculum alignment.

(h) Evaluations of materials and textbooks.

(i) Examination of special education programs.

(j) Examination of English language learner programs.

(k) Examination of school year and attendance policies.

(l) Examination of personnel compensation systems.

2. Consideration of geographic boundaries, communities of interest and pupil travel time. The county school superintendent may recommend enlarging or diminishing the size of affected school districts if all of the following requirements are met:

(a) Any school districts that are combined must have contiguous boundaries or must be adjacent to each other, or both.

(b) A county with three members on the county board of supervisors may not have more than three school districts.

(c) A county with five members on the county board of supervisors and with a population of less than two million persons may not have more than seven school districts.

(d) A county with five members on the county board of supervisors and with a population of two million persons or more may not have more than twenty school districts.

1 3. The inclusion of unorganized territory in which at
2 least one percent of the population attends a public school
3 within the boundaries of a unified school district.

4 4. The provision of regional or statewide services for
5 administration, instructional and noninstructional support
6 services to rural or isolated schools and school districts or
7 any other school district that wishes to participate in the
8 service plans.

9 5. Ensuring a smooth and efficient transition from the
10 current number of school districts in the county to the
11 proposed number of school districts, including an examination
12 of the following:

13 (a) Mechanisms to allow the elected members of existing
14 school district governing boards to serve out the remainder of
15 their terms.

16 (b) Assimilation by the proposed unified school
17 districts of the legal liabilities and other financial and
18 contractual obligations of the school districts being combined
19 into a unified school district.

20 6. Preserving local control while maximizing an
21 efficient and cost-effective delivery of educational services.

22 7. Specific mechanisms for paying legal liabilities,
23 contractual obligations, capital debt and overrides previously
24 accumulated by school districts before consolidation or
25 unification, which remain the responsibility of the previously
26 existing school districts. Existing employment contracts
27 remain in effect until the expiration of those contracts.

28 8. Specific mechanisms for acquiring legal liabilities,
29 contractual obligations, capital debt and overrides by school
30 districts after consolidation or unification.

31 9. Identifying costs attributable to consolidation or
32 unification.

33 Sec. 5. Unification and consolidation plans; deadlines

34 A. On or before June 30, 2026, the governing board of
35 each school district, in cooperation with other school
36 districts in that county, shall develop, adopt and publish a
37 plan to unify, consolidate or unify and consolidate the school
38 district with other school districts within that county. The
39 plan shall be submitted to the county school superintendent
40 and shall be based on the feasibility study prescribed in
41 section 4 of this act. Notwithstanding title 15, chapter 4,
42 article 3, Arizona Revised Statutes, any consolidation or
43 unification plan adopted pursuant to this section shall
44 include a process to unify or consolidate without an election
45 if all affected governing boards approve resolutions approving

the unification or consolidation and certify their approval of the unification or consolidation to the county school superintendent of the county or counties in which the individual school districts are located. A school district that is unified or consolidated without an election pursuant to this subsection may increase the revenue control limit and district support level for the first three years of operation by an amount determined as follows:

1. In the first year for which a budget is computed, seven percent of the revenue control limit.

2. In the second year for which a budget is computed, five percent of the revenue control limit.

3. In the third year for which a budget is computed, three percent of the revenue control limit.

B. Each county school superintendent shall provide assistance, resources and technical support to the school districts within that county that are developing the plan to unify, consolidate or unify and consolidate.

C. Unless the deadline is adjusted pursuant to subsection D of this section, if the governing boards of the school districts within the county do not adopt a plan on or before June 30, 2026 to unify, consolidate or unify and consolidate, the county school superintendent shall develop and publish a plan to unify, consolidate or unify and consolidate the school districts within that county. Notwithstanding title 15, chapter 4, article 3, Arizona Revised Statutes, any consolidation or unification plan adopted pursuant to this subsection shall be executed without an election.

D. The county school superintendent may shorten or extend the deadline prescribed in subsection C of this section for school districts to adopt a plan to unify, consolidate or unify and consolidate, except that the deadline shall not extend beyond June 30, 2027. If the governing boards of the school districts within the county do not adopt a plan by the extended deadline, the county school superintendent shall develop and publish a plan to unify, consolidate or unify and consolidate the school districts within that county. Notwithstanding title 15, chapter 4, article 3, Arizona Revised Statutes, any consolidation or unification plan adopted pursuant to this subsection shall be executed without an election.

E. The proposed plans adopted by school district governing boards or the county school superintendent shall include the components identified in section 4 of this act.

Sec. 6. Union high school districts; elimination;
retention of governing board members

A. Notwithstanding any other law, unless an extension is granted pursuant to section 5 of this act, the authority to form and operate union high school districts in this state ends on June 30, 2028.

B. Notwithstanding title 15, chapter 4, article 3, Arizona Revised Statutes, on or before January 1, 2027, unless an extension is granted pursuant to section 5 of this act, the governing board of a union high school district shall either:

1. Consolidate two or more of the common school districts within the boundaries of the union high school district into one common school district and dissolve the union high school district.

2. Consolidate two or more of the common school districts into one common school district and unify the consolidated district with the union high school district to form one unified school district and dissolve the union high school district.

3. Dissolve the union high school district and convert the common school districts that were within the boundaries of the union high school district into common school districts that are no longer within the boundaries of a union high school district.

4. Convert the union high school district into a high school district.

C. Unless an extension is granted pursuant to section 5 of this act, if a union high school district does not comply with subsection B of this section on or before January 1, 2027, the county school superintendent, on or before June 30, 2027, shall either:

1. Consolidate two or more of the common school districts within the boundaries of the union high school district into one common school district and dissolve the union high school district.

2. Consolidate two or more of the common school districts into one common school district and unify the consolidated district with the union high school district to form one unified school district and dissolve the union high school district.

3. Dissolve the union high school district and convert the common school districts that were within the boundaries of the union high school district into common school districts that are no longer within the boundaries of a union high school district.

1 4. Convert the union high school district into a high
2 school district.

3 D. If an extension is granted pursuant to section 5 of
4 this act, the authority for the union high school district to
5 operate ends on June 30, 2029.

6 E. All persons serving as members of the governing
7 board of a union high school district may continue to serve on
8 the governing board of the resulting common school district or
9 common school districts, unified school district or high
10 school district until expiration of their normal terms.

11 Sec. 7. Small school districts; budget revisions for
12 fiscal years 2028-2029, 2029-2030, and
13 2030-2031

14 The budget revisions that are allowed pursuant to
15 section 15-949, Arizona Revised Statutes, shall be reduced by
16 the following amounts in each of the following fiscal years:

17 1. In fiscal year 2028-2029, the amount calculated by a
18 school district pursuant to section 15-949, Arizona Revised
19 Statutes, shall be reduced by twenty-five percent.

20 2. In fiscal year 2029-2030, the amount calculated by a
21 school district pursuant to section 15-949, Arizona Revised
22 Statutes, shall be reduced by fifty percent.

23 3. In fiscal year 2030-2031, the amount calculated by a
24 school district pursuant to section 15-949, Arizona Revised
25 Statutes, shall be reduced by seventy-five percent.

26 Sec. 8. Unification of existing school districts;
27 transition plan

28 The governing board of each school district that is not
29 a unified school district on the effective date of this act
30 shall develop a transition plan within ninety days after the
31 effective date of this act to comply with the requirements of
32 this act on or before July 1, 2028.

33 Sec. 9. Appropriations; counties; school district
34 unification and consolidation costs

35 A. The sum of \$250,000 is appropriated from the state
36 general fund in fiscal year 2023-2024 to each board of
37 supervisors of a county with a population of five hundred
38 thousand persons or less for costs associated with
39 implementing this act, including feasibility studies.

40 B. The sum of \$750,000 is appropriated from the state
41 general fund in fiscal year 2023-2024 to each board of
42 supervisors of a county with a population of more than five
43 hundred thousand persons for costs associated with
44 implementing this act, including feasibility studies.

1 Sec. 10. Conforming legislation

2 The legislative council staff shall prepare proposed
3 legislation conforming the Arizona Revised Statutes to the
4 provisions of this act for consideration in the fifty-sixth
5 legislature, first regular session.

6 2. The Secretary of State shall submit this proposition to the
7 voters at the next general election as provided by article IV, part 1,
8 section 1, Constitution of Arizona.