

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

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Senate
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2021

SB 1826

Introduced by
Senators Fann: Borrelli, Gowan, Gray, Leach (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)

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

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

5-568. Disposition of unclaimed prize money

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. A charter school may use section 15-855 for the purposes of this section. The charter school and the department of education shall 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.

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

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

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

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

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

15-203. Powers and duties; definition

A. The state board of education shall:

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

2. Keep a record of its proceedings.

3. Make rules for its own government.

4. Determine the policy and work undertaken by it.

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

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

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

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

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

10. Prepare a budget for expenditures necessary for proper maintenance of the board and accomplishment of its purposes and present 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.

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

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

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

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

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

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

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

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

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

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

(a) Currently resides in this state.

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

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

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

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

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

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

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

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

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

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

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

(a) Address procedures for each of the following:

(i) The transfer of student records.

(ii) Awarding credit for completed coursework.

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

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

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

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

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

36. Adopt rules to prohibit a person who violates the notification requirements prescribed in section 15-183, subsection C, paragraph 8 or section 15-550, subsection ~~C~~ D from certification pursuant to this title until the person is no longer charged or is acquitted of any offenses 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.

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

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

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

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

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

22. Prescribe and enforce policies and procedures for disciplinary action against an administrator who engages in conduct that is a violation of the policies of the governing board regarding duties of administrators but that is not cause for dismissal of the administrator or for revocation of the certificate of the administrator. Disciplinary action may include suspension without pay for a period of time not to exceed ten school days. Disciplinary action shall not include suspension with pay or suspension without pay for a period of time longer than ten school days. The procedures shall include notice, hearing and appeal provisions for violations that are cause for disciplinary action. The governing board may designate a person or persons to act on behalf of the board on these matters. For violations that are cause for dismissal, the provisions of notice, hearing and appeal in chapter 5, article 3 of this title shall 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.

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

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

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

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

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

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

(j) Definitions of harassment, intimidation and bullying.

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

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

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

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

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

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

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

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

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

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

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

(b) Twenty-five percent of the performance pay shall be determined by the percentage of parents of pupils who are enrolled at the school district who assign a letter grade of "A" to the school on a survey of parental satisfaction with the school district. The parental satisfaction 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.

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

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

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

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

15-342.05. Face coverings; final authority

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

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

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

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

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

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

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

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

4. Any agency as defined in section 41-1001 that has received and 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.

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

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

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

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

7. A school district that is part of a career technical education district shall use any monies received pursuant to this article to supplement and not supplant base year career and technical education courses, and directly related equipment and facilities, except that a school district that is part of a career technical education district and that has used monies received pursuant to this article to supplant career and technical education courses that were offered before the first year that the school district participated in the career technical education district or the first year that the school district used monies received pursuant to this article or that used the monies for purposes other than for career and technical education courses shall use one hundred percent of the monies received pursuant to this article to supplement and not supplant base year career and technical education courses. Each applicable school district shall provide a report to the career technical education board and the department of education outlining the required maintenance of effort and how monies were used to supplement and not supplant base year career and technical education courses and directly related equipment and facilities.

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

9. A career technical education district or a school district that is part of a career technical education district or a charter school shall only include pupils in grades ~~ten~~ NINE through twelve AND PUPILS IN THE SCHOOL YEAR IMMEDIATELY FOLLOWING GRADUATION in the calculation of student count or average daily membership if the pupils are enrolled in courses that are approved jointly by the governing board of the career technical education district and each participating school district or charter school for satellite courses taught within the participating school district or charter school, or approved solely by the career technical education district for centrally located courses. FUNDING MAY BE PROVIDED 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

C. On or before December 31 of each year, the career and technical 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

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

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

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

15-746. School report cards

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

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

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

3. A summary of EACH OF THE FOLLOWING:

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

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

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

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

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

6. The percentage of pupils who have either graduated to the next 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, ~~no~~ 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.~~ 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 ~~total 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.

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

15-816. Definitions

In this article, unless the context otherwise requires:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. Pupils who are children of persons who are employed by or at a school in the school district. ~~A copy of the district policies for open enrollment shall be posted on the district's website and shall be available to the public on request.~~
2. RESIDENT TRANSFER PUPILS AND THEIR SIBLINGS.
3. PUPILS WHO MEET ADDITIONAL CRITERIA ESTABLISHED AND PUBLISHED BY THE SCHOOL DISTRICT GOVERNING BOARD PURSUANT TO SUBSECTION A OF THIS SECTION.

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

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

1. ETHNICITY OR RACE.
2. NATIONAL ORIGIN.
3. SEX.
4. INCOME LEVEL.
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

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

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

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

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

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

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

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

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

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

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

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

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

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

8. "Eligible students" means:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~12.~~ 13. "Group B" means educational improvements for pupils in kindergarten programs and grades one through three, educational programs for autism, a hearing impairment, a moderate intellectual disability, multiple disabilities, multiple disabilities with severe sensory 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.

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

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

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

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

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

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

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

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

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

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

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

~~30.~~ 31. "VI" means programs for pupils with visual impairments.

Sec. 20. Section 15-901.08, Arizona Revised Statutes, as added by Laws 2021, chapter 299, section 4, is amended to read:

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

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

B. Notwithstanding any other law, for the purposes of meeting the instructional time and instructional hours requirements prescribed in sections 15-808 and 15-901, a school district governing board, after at least two public hearings in the school district, or a charter school governing body for one or more schools may adopt any instructional time 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	Support Level Weight
	For Small Isolated	For Small
<u>Student Count</u>	<u>School Districts</u>	<u>School Districts</u>
1-99	1.559	1.399
100-499	$1.358 + [0.0005 \times (500 - \text{student count})]$	$1.278 + [0.0003 \times (500 - \text{student count})]$
500-599	$1.158 + [0.002 \times (600 - \text{student count})]$	$1.158 + [0.0012 \times (600 - \text{student count})]$

(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	Support Level Weight
	For Small Isolated	For Small
<u>Student Count</u>	<u>School Districts</u>	<u>School Districts</u>
1-99	1.669	1.559
100-499	$1.468 + [0.0005 \times (500 - \text{student count})]$	$1.398 + [0.0004 \times (500 - \text{student count})]$
500-599	$1.268 + [0.002 \times (600 - \text{student count})]$	$1.268 + [0.0013 \times (600 - \text{student count})]$

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

(a)					Support Level Weight	Student Count	Weighted Student Count
<u>Grade</u>	<u>Base</u>		<u>Group A</u>		<u>Weight</u>	<u>Count</u>	<u>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)					Support Level Weight	Student Count	Weighted Student Count
<u>Funding Category</u>					<u>Weight</u>	<u>Count</u>	<u>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	5.833	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	0.003	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.

5. Determine the classification in column 1 of this paragraph for the quotient determined in paragraph 4 of this subsection. Multiply the product obtained in paragraph 2 of this subsection by the corresponding state support level for each route mile as provided in column 2 of this 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 2020-2021 2021-2022
0.5 or less	2.74 2.77
More than 0.5 through 1.0	2.24 2.27
More than 1.0	2.74 2.77

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

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

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

2. Multiply the product obtained in subsection A, paragraph 5 of this section by the corresponding state support level for academic education, career and technical education, vocational education and athletic trips as provided in column 2, 3 or 4 of this paragraph, 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>
0.5 or less	0.15	0.10	0.25
More than 0.5 through 1.0	0.15	0.10	0.25
More than 1.0	0.18	0.12	0.30

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

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

1. Determine the sum of the following:

(a) The total number of miles driven by all buses of a school 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.

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

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

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

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

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

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

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

A. The building renewal grant fund is established consisting of monies appropriated to the fund by the legislature. The school facilities board shall administer the fund and distribute monies to school districts 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.

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

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

J. For the purposes of this section:

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

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

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

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

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

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

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

1. Enrollment projections for the next five years for elementary schools and eight years for middle and high schools, including a 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.

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

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

9. With individuals and agencies for the express purpose of research, evaluative or statistical activities pursuant to an agreement with a criminal justice agency if the agreement specifically authorizes access to data, limits the use of data to research, evaluative or statistical purposes and ensures the confidentiality and security of the data consistent with this section.

10. With the auditor general for audit purposes.

11. With central state repositories of other states for noncriminal justice purposes for dissemination in accordance with the laws of those states.

12. On submission of the fingerprint card, with the department of child safety and a tribal social services agency to provide criminal history record information on prospective adoptive parents for the purpose of conducting the preadoption certification investigation under title 8, chapter 1, article 1 if the department of economic security is conducting the investigation, or with an agency or a person appointed by the court, if the agency or person is conducting the investigation. Information received under this paragraph shall only be used for the purposes of the preadoption certification investigation.

13. With the department of child safety, a tribal social services agency and the superior court for the purpose of evaluating the fitness of custodians or prospective custodians of juveniles, including parents, relatives and prospective guardians. Information received under this paragraph shall only be used for the purposes of that evaluation. The information shall be provided on submission of either:

(a) The fingerprint card.

(b) The name, date of birth and social security number of the 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 O 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.

T. Nothing in this section prevents a criminal justice agency from disclosing to the public criminal history record information that is reasonably contemporaneous to the event for which an individual is currently within the criminal justice system, including information noted on traffic accident reports concerning citations, blood alcohol tests or arrests made in connection with the traffic accident being investigated.

U. In order to ensure that complete and accurate criminal history record information is maintained and disseminated by the central state repository:

1. The booking agency shall take legible ten-print fingerprints of all persons who are arrested for offenses listed in subsection C of this section. The booking agency shall obtain a process control number and provide to the person fingerprinted a document that indicates proof of the fingerprinting and that informs the person that the document must be presented to the court.

2. Except as provided in paragraph 3 of this subsection, if a person is summoned to court as a result of an indictment or complaint for an offense listed in subsection C of this section, the court shall order the person to appear before the county sheriff and provide legible ten-print fingerprints. The county sheriff shall obtain a process control number and provide a document to the person fingerprinted that indicates proof of the fingerprinting and that informs the person that the document must be presented to the court. For the purposes of this paragraph, "summoned" includes a written promise to appear by the defendant on a uniform traffic ticket and complaint.

3. If a person is arrested for a misdemeanor offense listed in subsection C of this section by a city or town law enforcement agency, the person shall appear before the law enforcement agency that arrested the defendant and provide legible ten-print fingerprints. The law enforcement agency shall obtain a process control number and provide a document to the person fingerprinted that indicates proof of the fingerprinting and that informs the person that the document must be presented to the court.

4. The mandatory fingerprint compliance form shall contain the following information:

(a) Whether ten-print fingerprints have been obtained from the person.

(b) Whether a process control number was obtained.

(c) The offense or offenses for which the process control number was obtained.

(d) Any report number of the arresting authority.

(e) Instructions on reporting for ten-print fingerprinting, including available times and locations for reporting for ten-print fingerprinting.

(f) Instructions that direct the person to provide the form to the 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.

12. Each criminal justice agency shall query the central state repository before dissemination of any criminal history record information to ensure the completeness of the information. Inquiries shall be made before any dissemination except in those cases in which time is of the essence and the repository is technically incapable of responding within the necessary time period. If time is of the essence, the inquiry shall still be made and the response shall be provided as soon as possible.

V. The director shall adopt rules specifying that any agency that collects, stores or disseminates criminal justice information that is subject to this section shall establish effective security measures to protect the information from unauthorized access, disclosure, modification or dissemination. The rules shall include reasonable safeguards to protect the affected information systems from fire, flood, wind, theft, sabotage or other natural or man-made hazards or disasters.

W. The department shall make available to agencies that contribute to, or receive criminal justice information from, the central state repository or through the Arizona criminal justice information system a continuing training program in the proper methods for collecting, storing and disseminating information in compliance with this section.

X. Nothing in this section creates a cause of action or a right to bring an action including an action based on discrimination due to sexual orientation.

Y. For the purposes of this section:

1. "Administration of criminal justice" means performance of the detection, apprehension, detention, pretrial release, posttrial release, prosecution, adjudication, correctional supervision or rehabilitation of criminal offenders. Administration of criminal justice includes enforcement of criminal traffic offenses and civil traffic violations, including parking violations, when performed by a criminal justice agency. Administration of criminal justice also includes criminal identification activities and the collection, storage and dissemination of criminal history record information.

2. "Administrative records" means records that contain adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the agency and that are designed to furnish information to protect the rights of this state and of persons directly affected by the agency's activities.

3. "Arizona criminal justice information system" or "system" means the statewide information system managed by the director for the collection, processing, preservation, dissemination and exchange of criminal justice information and includes the electronic equipment, facilities, procedures and agreements necessary to exchange this information.

4. "Booking agency" means the county sheriff or, if a person is 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.~~

B. The crisis management team shall establish a work plan to evaluate the local circumstances and needs of a school district prescribed pursuant to subsection C of this section. The crisis management team shall consult with tribal stakeholders, school district governing board members, school district employees, community members, parents and other relevant persons to determine all of the following:

1. The impediments to academic success.
2. Barriers to an effective school community, including relationships between a school district and relevant community stakeholders, including parents.
3. Specific changes that are needed to increase academic outcomes and prevent teacher and staff turnover.
4. Outstanding financial impediments and appropriate solutions for resolution.
5. The long-term plan to sustain a successful school, including potential changes to governance or boundaries or whether receivership or consolidation would benefit the school district.

C. The crisis management team may intervene as prescribed in this section on behalf of any school district that operates a school that meets all of the following criteria:

1. For school years 2016-2017 and 2018-2019, was assigned a letter grade of F pursuant to section 15-241, Arizona Revised Statutes.
2. For school year 2018-2019, had less than five percent of pupils who were proficient on the statewide assessment in English language arts and mathematics.

D. A school district prescribed pursuant to subsection C of this section shall comply with all requests for information by the crisis management team and provide the information requested within two weeks. The school district may request additional time to complete the information request. If the school district requests additional time to complete an information request pursuant to this subsection, the school district shall outline the reasons the school district needs more than two weeks to complete the request.

E. The crisis management team shall provide a school district prescribed pursuant to subsection C of this section with specific recommendations to implement that will address the issues the crisis management team identifies within the school district that contribute to persistent academic underperformance. The crisis management team shall provide all recommendations in writing to the school district governing board and superintendent, and the school district shall notify the crisis management team in writing within two weeks after receiving the recommendations either outlining the school district's efforts to implement the recommendations or rejecting a recommendation and providing the reason for rejection.

~~F. The superintendent of public instruction may retain a portion of state monies that a school district prescribed pursuant to subsection C of this section would otherwise be entitled to receive to compensate members of the crisis management team at a reasonable rate, as determined by the department of education, except that the superintendent of public instruction may not retain a portion of state monies to compensate employees of the department of education. The school district shall reduce its budget limit accordingly.~~

~~G.~~ F. If the crisis management team formally determines that a school district prescribed pursuant to subsection C of this section is unable to meet the educational needs of the community in which it is located without a change in administration, the school district shall terminate the contract of the school district superintendent in accordance with the terms of the contract and include appropriate financial recourse. The crisis management team may assist the school district governing board in identifying candidates to act as an interim superintendent.

~~H.~~ G. The crisis management team shall submit a preliminary report on or before July 1, ~~2020~~ 2021 and submit a final report on or before December 31, ~~2020~~ 2021 to the governor, the president of the senate, the speaker of the house of representatives, the department of education and the chairpersons of the house of representatives and senate education and appropriations committees and submit a copy to the secretary of state. The report shall include all of the following:

1. The specific recommendations for improvement that the crisis management team made to school districts pursuant to this section.

2. The outcome of any consultations under subsection B of this section, including suggested actions for improvement by community and tribal stakeholders, parents and the school district.

3. Recommendations on the long-term viability of each school district prescribed pursuant to subsection C of this section, including whether the school district requires a change in governance or boundaries or whether receivership or consolidation would benefit the academic outcomes of affected pupils.

4. A projected implementation timeline for recommended changes.

~~I.~~ H. If the crisis management team determines that a long-term sustainability plan is viable, the crisis management team may request the department of education to notify the school district of the implementation plan for sustainability. The department shall compile all recommendations of the crisis management team under subsection ~~H.~~ G of this section and shall establish an implementation plan. The department shall provide to school districts prescribed pursuant to subsection C of this section an implementation plan and projected timeline for implementation. The school district shall evaluate the implementation 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

information reported by school districts and charter schools pursuant to subsection A of this section.

C. On or before September 1, 2021, the department of education shall post on its website school district and charter school plans to address learning loss by spending elementary and secondary school emergency relief fund monies appropriated to this state by section 2001 of the American rescue plan act of 2021 (P.L. 117-2).

D. The governor's office of strategic planning and budgeting shall post on its website its allocation of \$350,000,000 of coronavirus state fiscal recovery fund monies appropriated to this state by section 9901 of the American rescue plan act of 2021 (P.L. 117-2) to school districts and charter schools for assistance to supplement monies provided by the elementary and secondary school emergency relief fund.

Sec. 37. School districts; teacher experience index; submission of corrected data

Notwithstanding sections 15-905 and 15-915 and section 15-941, subsection C, Arizona Revised Statutes, the Buckeye union high school district may submit corrections not later than August 15, 2021 to teacher experience index data that are required pursuant to section 15-941, Arizona Revised Statutes. The school district may use the resulting teacher experience index in determining its base support level for fiscal year 2020-2021.

Sec. 38. School finance data system replacement; expenditures; review; milestones; third-party verification; intent

A. Before each expenditure of any monies appropriated for school finance data system replacement, the department of education shall submit the purpose and estimated costs of the expenditure to the department of administration and the information technology authorization committee established by section 18-121, Arizona Revised Statutes, for review and approval.

B. The department of administration shall detail development milestones for the replacement of the school finance data system within thirty days after the last day of fiscal year 2020-2021 in consultation with the department of education. These milestones must, at a minimum, meet all of the following:

1. Specify deliverable dates the department of education must meet for the entirety of the project's lifecycle.

2. Specify deliverables to be provided by the department of education to the department of administration regarding full system documentation.

3. Define critical deliverables for the project.

4. Be derived from the accelerated plan approved on August 19, 2020 by the information technology authorization committee established by section 18-121, Arizona Revised Statutes.

C. To close a milestone and to be eligible to receive funding for complete work on any major milestone or critical deliverable for the replacement of the school finance data system, as defined by the department of administration and the information technology authorization committee established by section 18-121, Arizona Revised Statutes, the department of education must receive approval from the superintendent of public instruction and the director of the department of administration.

D. The department of education shall submit an expenditure plan on the staffing of the school finance data system project for review by the department of administration. This expenditure plan shall be adequate, as defined by the department of administration, to comply with the project milestones prescribed in subsection B of this section.

E. The department of education shall use a portion of the monies appropriated for school finance data system replacement to engage with a third party to conduct independent verification and validation related to the replacement of the school finance data system.

F. Notwithstanding any other law, the department of administration shall define the terms of any agreement with a third party that conducts independent verification and validation related to the replacement of the school finance data system.

G. The department of education shall update all current agreements with third parties that conduct independent verification and validation related to the replacement of the school finance data system to comply with subsection E of this section.

H. The legislature intends that the department of education work collaboratively with the department of administration in the replacement of the school finance data system. This cooperation includes, at a minimum, providing all materials and information necessary to complete the project within the milestones outlined in subsection B of this section, as defined by the department of administration.

Sec. 39. Department of administration; public school transportation modernization grants; delayed repeal

A. The public school transportation modernization grants program is established in the department of administration. The department shall select an organization to administer the program. The program administrator selected by the department must meet all of the following criteria:

1. Be a nonprofit organization that is exempt from taxation under section 501(c)(3) of the internal revenue code and that has experience with awarding innovation grants to both school districts and charter schools in this state that promote expanding educational options for students or innovative approaches to K-12 education.

2. Have previously been awarded funding from this state or the federal government to grant to school districts or charter schools in the current or previous fiscal year.

3. Demonstrate the ability and history to be able to provide ongoing evaluation and compliance to entities that are awarded grants pursuant to this section.

B. The program administrator selected pursuant to subsection A of this section shall distribute grants to school districts, charter schools or other entities that are determined to be eligible grant recipients and shall do all of the following:

1. Develop a public school transportation modernization grant application and application procedures that require an applicant to explain how it would use grant monies to do either of the following:

(a) Improve access to reliable and safe transportation for students who attend school through open enrollment pursuant to title 15, chapter 8, article 1.1, Arizona Revised Statutes, or who attend charter schools.

(b) Support K-12 transportation innovations and efficiency solutions.

2. Make final grant determinations and awards pursuant to this section.

3. Submit an interim report on or before December 31, 2021 to the department of administration and an annual report on or before June 30 of each year thereafter to the governor, the president of the senate and the speaker of the house of representatives and provide a copy of these reports to the secretary of state. The department of education, the department of administration and any grant recipient shall provide any information, including student finance and enrollment data, that is deemed necessary by the program administrator to complete the reports pursuant to this paragraph. The reports must include all of the following:

(a) If applicable, the best practices used by grant recipients to transport K-12 students to schools outside of attendance boundaries.

(b) A list of the grant recipients and the amounts and purposes of the grants.

(c) The number of students impacted per grant recipient.

C. The program administrator shall distribute the monies appropriated for the program based on demand and the most innovative solutions. The program administrator shall award at least twenty-five percent of these grants to support rural and remote proposals, except that if an insufficient number of qualified rural and remote proposals is submitted, the program administrator may award fewer than twenty-five percent of these grants to rural and remote proposals. The program administrator may retain not more than five percent of monies appropriated each fiscal year to administer the grant program pursuant to this section. Administrative expenditures may include costs of designing a public awareness effort to communicate to the public the ability to choose any

public school in this state and how to learn about school choice options in this state and instructing the public how to request enrollment for pupils.

D. This section is repealed from and after December 31, 2024.

Sec. 40. School facilities board; new school construction rates; applicability

Section 15-2041, subsection D, paragraph 3, subdivision (c), Arizona Revised Statutes, as amended by this act, applies to new school facilities that were previously approved by the school facilities board as follows:

<u>School District</u>	<u>Project Number</u>
Douglas Unified	020227000-9999-001N
Liberty Elementary	070425000-9999-005N
Maricopa Unified	110220000-9999-022N
Queen Creek Unified	070295000-9999-018N
Safford Unified	050201000-9999-001N
Santa Cruz Valley	120235000-9999-008N
Sahuarita Unified	100230000-9999-014N
Somerton Elementary	140411000-9999-008N
Somerton Elementary	140411000-9999-009N
Tanque Verde Unified	100213000-9999-002N
Tanque Verde Unified	100213000-9999-003N
Vail Unified	100220000-9999-019N
Vail Unified	100220000-9999-020N
Vail Unified	100220000-9999-021N

Sec. 41. Statutory or regulatory requirements; enforcement; 2020-2021 school year

Notwithstanding any other law, this state shall enforce only those statutory or regulatory requirements for the 2020-2021 school year that are consistent with the approved waiver of the accountability, school identification and related reporting requirements awarded by the United States department of education for this state, including minimum testing percentages and local school ratings.

Sec. 42. Intent

The governor and the legislature intend that school districts increase the total percentage of classroom spending over the previous year's percentages in the combined categories of instruction, student support and instructional support as prescribed by the auditor general.

Sec. 43. Retroactivity

A. Section 15-747, Arizona Revised Statutes, as added by this act, applies retroactively to from and after June 30, 2021.

B. Laws 2020, chapter 26, section 1, as amended by this act, applies retroactively to from and after April 1, 2021.