

REFERENCE TITLE: appropriation; basic state aid; increase

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HB 2816

Introduced by
Representatives Schwiebert: Abraham, Andrade, Bolding, Butler, Cano,
DeGrazia, Epstein, Espinoza, Fernandez B, Hernandez D, Hernandez M,
Liguori, Mathis, Powers Hannley, Quiñonez, Sierra, Solorio, Tsosie,
Senators Marsh, Stahl Hamilton

AN ACT

AMENDING SECTION 15-901, ARIZONA REVISED STATUTES; APPROPRIATING MONIES;
RELATING TO EDUCATION FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-901, Arizona Revised Statutes, is amended to
3 read:

4 15-901. Definitions

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

6 1. "Average daily membership" means the total enrollment of
7 fractional students and full-time students, minus withdrawals, of each
8 school day through the first one hundred days or two hundred days in
9 session, as applicable, for the current year. Withdrawals include
10 students who are formally withdrawn from schools and students who are
11 absent for ten consecutive school days, except for excused absences
12 identified by the department of education. For the purposes of this
13 section, school districts and charter schools shall report student absence
14 data to the department of education at least once every sixty days in
15 session. For computation purposes, the effective date of withdrawal shall
16 be retroactive to the last day of actual attendance of the student or
17 excused absence. A school district or charter school may satisfy any of
18 the time and hours requirements prescribed in this subsection in any
19 manner prescribed in the school district's or charter school's
20 instructional time model adopted under section 15-901.08.

21 (a) "Fractional student" means:

22 (i) For common schools, a preschool child who is enrolled in a
23 program for preschool children with disabilities of at least three hundred
24 sixty minutes each week that meets at least two hundred sixteen hours over
25 the minimum number of days or a kindergarten student who is at least five
26 years of age before January 1 of the school year and enrolled in a school
27 kindergarten program that meets at least three hundred fifty-six hours for
28 a one hundred eighty-day school year, or the instructional hours
29 prescribed in this section. In computing the average daily membership,
30 preschool children with disabilities and kindergarten students shall be
31 counted as one-half of a full-time student. For common schools, a
32 part-time student is a student enrolled for less than the total time for a
33 full-time student as defined in this section. A part-time common school
34 student shall be counted as one-fourth, one-half or three-fourths of a
35 full-time student if the student is enrolled in an instructional program
36 that is at least one-fourth, one-half or three-fourths of the time a
37 full-time student is enrolled as defined in subdivision (b) of this
38 paragraph. The hours in which a student is scheduled to attend a common
39 school during the regular school day shall be included in the calculation
40 of the average daily membership for that student.

41 (ii) For high schools, a part-time student who is enrolled in less
42 than four subjects that count toward graduation as defined by the state
43 board of education, each of which, if taught each school day for the
44 minimum number of days required in a school year, would meet a minimum of
45 one hundred twenty-three hours a year, or the equivalent, in a recognized

1 high school. The average daily membership of a part-time high school
2 student shall be 0.75 if the student is enrolled in an instructional
3 program of three subjects that meet at least five hundred forty hours for
4 a one hundred eighty-day school year, or the instructional hours
5 prescribed in this section. The average daily membership of a part-time
6 high school student shall be 0.5 if the student is enrolled in an
7 instructional program of two subjects that meet at least three hundred
8 sixty hours for a one hundred eighty-day school year, or the instructional
9 hours prescribed in this section. The average daily membership of a
10 part-time high school student shall be 0.25 if the student is enrolled in
11 an instructional program of one subject that meets at least one hundred
12 eighty hours for a one hundred eighty-day school year, or the
13 instructional hours prescribed in this section. The hours in which a
14 student is scheduled to attend a high school during the regular school day
15 shall be included in the calculation of the average daily membership for
16 that student.

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

18 (i) For common schools, a student who is at least six years of age
19 before January 1 of a school year, who has not graduated from the highest
20 grade taught in the school district and who is regularly enrolled in a
21 course of study required by the state board of education. First, second
22 and third grade students or ungraded group B children with disabilities
23 who are at least five, but under six, years of age by September 1 must be
24 enrolled in an instructional program that meets for a total of at least
25 seven hundred twelve hours for a one hundred eighty-day school year, or
26 the instructional hours prescribed in this section. Fourth, fifth, sixth,
27 seventh and eighth grade students must be enrolled in an instructional
28 program that meets for a total of at least eight hundred ninety hours for
29 a one hundred eighty-day school year, or the instructional hours
30 prescribed in this section, including the equivalent number of
31 instructional hours for schools that operate on a one hundred
32 forty-four-day school year. The hours in which a student is scheduled to
33 attend a common school during the regular school day shall be included in
34 the calculation of the average daily membership for that student.

35 (ii) For high schools, a student who has not graduated from the
36 highest grade taught in the school district and who is enrolled in at
37 least an instructional program of four or more subjects that count toward
38 graduation as defined by the state board of education, each of which, if
39 taught each school day for the minimum number of days required in a school
40 year, would meet a minimum of one hundred twenty-three hours a year, or
41 the equivalent, that meets for a total of at least seven hundred twenty
42 hours for a one hundred eighty-day school year, or the instructional hours
43 prescribed in this section in a recognized high school. A full-time
44 student shall not be counted more than once for computation of average
45 daily membership. The average daily membership of a full-time high school

1 student shall be 1.0 if the student is enrolled in at least four subjects
2 that meet at least seven hundred twenty hours for a one hundred eighty-day
3 school year, or the equivalent instructional hours prescribed in this
4 section. The hours in which a student is scheduled to attend a high
5 school during the regular school day shall be included in the calculation
6 of the average daily membership for that student.

7 (iii) If a child who has not reached five years of age before
8 September 1 of the current school year is admitted to kindergarten and
9 repeats kindergarten in the following school year, a school district or
10 charter school is not eligible to receive basic state aid on behalf of
11 that child during the child's second year of kindergarten. If a child who
12 has not reached five years of age before September 1 of the current school
13 year is admitted to kindergarten but does not remain enrolled, a school
14 district or charter school may receive a portion of basic state aid on
15 behalf of that child in the subsequent year. A school district or charter
16 school may charge tuition for any child who is ineligible for basic state
17 aid pursuant to this item.

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

21 (v) Except as otherwise provided by law, for any student who is
22 concurrently enrolled in a school district and a charter school, the
23 average daily membership shall be apportioned between the school district
24 and the charter school and shall not exceed 1.0. The apportionment shall
25 be based on the percentage of total time that the student is enrolled in
26 or in attendance at the school district and the charter school.

27 (vi) Except as otherwise provided by law, for any student who is
28 concurrently enrolled, pursuant to section 15-808, in a school district
29 and Arizona online instruction or a charter school and Arizona online
30 instruction, the average daily membership shall be apportioned between the
31 school district and Arizona online instruction or the charter school and
32 Arizona online instruction and shall not exceed 1.0. The apportionment
33 shall be based on the percentage of total time that the student is
34 enrolled in or in attendance at the school district and Arizona online
35 instruction or the charter school and Arizona online instruction.

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

38 (c) "Regular school day" means the regularly scheduled class
39 periods intended for instructional purposes. Instructional purposes may
40 include core subjects, elective subjects, lunch, study halls, music
41 instruction and other classes that advance the academic instruction of
42 pupils. Instructional purposes do not include athletic practices or
43 extracurricular clubs and activities.

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

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

4 (a) Grades one through eight.

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

6 4. "Current year" means the fiscal year in which a school district
7 is operating.

8 5. "Daily attendance" means:

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

10 (i) Of a kindergarten program or ungraded, but not group B children
11 with disabilities, who is at least five, but under six, years of age by
12 September 1 attends at least three-quarters of the instructional time
13 scheduled for the day. If the total instruction time scheduled for the
14 year is at least three hundred fifty-six hours but is less than seven
15 hundred twelve hours, such attendance shall be counted as one-half day of
16 attendance. If the instructional time scheduled for the year is at least
17 six hundred ninety-two hours, "daily attendance" means days in which a
18 pupil attends at least one-half of the instructional time scheduled for
19 the day. Such attendance shall be counted as one-half day of attendance.
20 A school district or charter school may satisfy any of the time and hours
21 requirements prescribed in this item in any manner prescribed in the
22 school district's or charter school's instructional time model adopted
23 under section 15-901.08.

24 (ii) Of the first, second or third grades attends more than
25 three-quarters of the instructional time scheduled for the day. A school
26 district or charter school may satisfy any of the time and hours
27 requirements prescribed in this item in any manner prescribed in the
28 school district's or charter school's instructional time model adopted
29 under section 15-901.08.

30 (iii) Of the fourth, fifth or sixth grades attends more than
31 three-quarters of the instructional time scheduled for the day, except as
32 provided in section 15-797. A school district or charter school may
33 satisfy any of the time and hours requirements prescribed in this item in
34 any manner prescribed in the school district's or charter school's
35 instructional time model adopted under section 15-901.08.

36 (iv) Of the seventh or eighth grades attends more than
37 three-quarters of the instructional time scheduled for the day, except as
38 provided in section 15-797. A school district or charter school may
39 satisfy any of the time and hours requirements prescribed in this item in
40 any manner prescribed in the school district's or charter school's
41 instructional time model adopted under section 15-901.08.

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. A school district or charter school may satisfy any of the time and hours requirements prescribed in this item in any manner prescribed in the school district's or charter school's instructional time model adopted under section 15-901.08.

(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. A school district or charter school may satisfy any of the time and hours requirements prescribed in this item in any manner prescribed in the school district's or charter school's instructional time model adopted under section 15-901.08.

(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. A school district or charter school may satisfy any of the time and hours requirements prescribed in this subdivision in any manner prescribed in the school district's or charter school's instructional time model adopted under section 15-901.08.

(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. A school district or charter school may satisfy any of the time and hours requirements prescribed in this subdivision in any manner prescribed in the school district's or charter school's instructional time model adopted under section 15-901.08.

(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. A school district or charter school may satisfy any of the time and hours requirements prescribed in this subdivision in any manner prescribed in

the school district's or charter school's instructional time model adopted under section 15-901.08.

(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. A school district or charter school may satisfy any of the time and hours requirements prescribed in this subdivision in any manner prescribed in the school district's or charter school's instructional time model adopted under section 15-901.08.

(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. A school district or charter school may satisfy any of the time and hours requirements prescribed in this subdivision in any manner prescribed in the school district's or charter school's instructional time model adopted under section 15-901.08.

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

1 actual place of residence outside the school district boundaries is more
2 than one mile from the school facility of attendance.

3 (ii) For high school students, whose place of actual residence
4 within the school district is more than one and one-half miles from the
5 school facility of attendance or students who are admitted pursuant to
6 section 15-816.01 and who meet the economic eligibility requirements
7 established under the national school lunch and child nutrition acts
8 (42 United States Code sections 1751 through 1793) for free or
9 reduced-price lunches and whose actual place of residence outside the
10 school district boundaries is more than one and one-half miles from the
11 school facility of attendance.

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

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

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

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

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

30 11. "High school district" means a political subdivision of this
31 state offering instruction to students for grades nine through twelve or
32 that portion of the budget of a common school district that is allocated
33 to teaching high school subjects with permission of the state board of
34 education.

35 12. "Instructional hours" or "instructional time" means hours or
36 time spent pursuant to an instructional time model adopted under section
37 15-901.08.

38 13. "Revenue control limit" means the base revenue control limit
39 plus the transportation revenue control limit.

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

44 15. "Submit electronically" means submitted in a format and in a
45 manner prescribed by the department of education.

1 16. "Total bus mileage" means the total number of miles driven by
2 all buses of a school district during the school year.

3 17. "Total students transported" means all eligible students
4 transported from their place of residence to a school transportation
5 pickup point or to the school of attendance and from the school of
6 attendance or from the school transportation scheduled return point to
7 their place of residence.

8 18. "Unified school district" means a political subdivision of this
9 state offering instruction to students in programs for preschool children
10 with disabilities and kindergarten programs and grades one through twelve.

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

12 1. "Base" means the revenue level per student count specified by
13 the legislature.

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

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

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

23 ~~(c)~~ (b) For fiscal year 2021-2022, \$4,390.65.

24 (c) FOR FISCAL YEAR 2022-2023, \$5,118.46.

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

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

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

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

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

44 8. "ED-P" means programs for children with emotional disabilities
45 who are enrolled in private special education programs as prescribed in

1 section 15-765, subsection D, paragraph 1 or in an intensive school
2 district program as provided in section 15-765, subsection D, paragraph 2.

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

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

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

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

14 11. "G" means educational programs for gifted pupils who score at
15 or above the ninety-seventh percentile, based on national norms, on a test
16 adopted by the state board of education.

17 12. "Group A" means educational programs for career exploration, a
18 specific learning disability, an emotional disability, a mild intellectual
19 disability, remedial education, a speech/language impairment,
20 developmental delay, homebound pupils, bilingual pupils and pupils with
21 other health impairments.

22 13. "Group B" means educational improvements for pupils in
23 kindergarten programs and grades one through three, educational programs
24 for autism, a hearing impairment, a moderate intellectual disability,
25 multiple disabilities, multiple disabilities with severe sensory
26 impairment, orthopedic impairments, preschool severe delay, a severe
27 intellectual disability and emotional disabilities for school age pupils
28 enrolled in private special education programs or in school district
29 programs for children with severe disabilities or visual impairment and
30 English learners enrolled in a program to promote English language
31 proficiency pursuant to section 15-752.

32 14. "HI" means programs for pupils with hearing impairment.

33 15. "Homebound" or "hospitalized" means a pupil who is capable of
34 profiting from academic instruction but is unable to attend school due to
35 illness, disease, accident or other health conditions, who has been
36 examined by a competent medical doctor and who is certified by that doctor
37 as being unable to attend regular classes for a period of not less than
38 three school months or a pupil who is capable of profiting from academic
39 instruction but is unable to attend school regularly due to chronic or
40 acute health problems, who has been examined by a competent medical doctor
41 and who is certified by that doctor as being unable to attend regular
42 classes for intermittent periods of time totaling three school months
43 during a school year. The medical certification shall state the general
44 medical condition, such as illness, disease or chronic health condition,
45 that is the reason that the pupil is unable to attend school. Homebound

1 or hospitalized includes a student who is unable to attend school for a
2 period of less than three months due to a pregnancy if a competent medical
3 doctor, after an examination, certifies that the student is unable to
4 attend regular classes due to risk to the pregnancy or to the student's
5 health.

6 16. "K-3" means kindergarten programs and grades one through three.

7 17. "K-3 reading" means reading programs for pupils in kindergarten
8 programs and grades one, two and three.

9 18. "MD-R, A-R and SID-R" means resource programs for pupils with
10 multiple disabilities, autism and severe intellectual disability.

11 19. "MD-SC, A-SC and SID-SC" means self-contained programs for
12 pupils with multiple disabilities, autism and severe intellectual
13 disability.

14 20. "MD-SSI" means a program for pupils with multiple disabilities
15 with severe sensory impairment.

16 21. "MOID" means programs for pupils with moderate intellectual
17 disability.

18 22. "OI-R" means a resource program for pupils with orthopedic
19 impairments.

20 23. "OI-SC" means a self-contained program for pupils with
21 orthopedic impairments.

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

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

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

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

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

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

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

40 28. "Small school district" means a school district that meets all
41 of the following:

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

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

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

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

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

10 31. "VI" means programs for pupils with visual impairments.

11 Sec. 2. Appropriation; superintendent of public instruction;
12 basic state aid; kindergarten programs and grades
13 one through twelve; intent

14 A. The sum of \$1,000,000,000 is appropriated from the state general
15 fund in fiscal year 2022-2023 to the superintendent of public instruction
16 for the increase in basic state aid prescribed by section 15-901,
17 subsection B, paragraph 2, Arizona Revised Statutes, as amended by this
18 act.

19 B. The legislature intends that any monies in the state general
20 fund that are unexpended and unencumbered on July 1, 2022 be allocated to
21 kindergarten programs and grades one through twelve in fiscal year
22 2022-2023.