State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HOUSE BILL 2539

AN ACT

AMENDING SECTION 15-241.02, ARIZONA REVISED STATUTES; AMENDING TITLE 15,
CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS
15-241.03 AND 15-249.01; RELATING TO PUBLIC SCHOOLS.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 15-241.02, Arizona Revised Statutes, is amended to read:

15-241.02. School improvement plans; solutions teams; withholding of state monies

A. If a school WITHIN A SCHOOL DISTRICT is assigned a letter grade of D pursuant to section 15-241, within ninety days after receiving notice of the classification, the school district governing board shall develop an improvement plan for the school, submit a copy of the plan to the superintendent of public instruction and the county educational service agency and supervise the implementation of the plan. The governing board shall include in the plan necessary components as identified by the state board of education. Within thirty days after submitting the improvement plan to the superintendent of public instruction and the county educational service agency, the governing board shall hold a public meeting in each school that has been assigned a letter grade of D and shall present the respective improvement plans that have been developed for each school. The governing board, within thirty SIXTY days after receiving notice of the classification, shall provide written notification of the classification to each residence within the attendance area of the school. The notice shall explain the improvement plan process and provide information regarding the public meeting required by this subsection AS PROVIDED IN SECTION 15-241.03.

B. A school that has not submitted an improvement plan pursuant to subsection A of this section is not eligible to receive monies from the classroom site fund established by section 15-977 for every day that a plan has not been received by the superintendent of public instruction within the time specified in subsection A of this section plus an additional ninety days. The state board of education shall require the superintendent of the school district to testify before the STATE board and explain the reasons that an improvement plan for that school has not been submitted.

C. If a charter school is assigned a letter grade of D pursuant to section 15-241, within thirty SIXTY days the school shall notify the parents of the students attending the school PROVIDE NOTIFICATION of the classification AS PROVIDED IN SECTION 15-241.03. The notice shall explain the improvement plan process and provide information regarding the public meeting required by this subsection. Within ninety days after receiving the classification, the charter holder shall present an improvement plan to the charter sponsor at a public meeting and submit a copy of the plan to the sponsor of the charter school. The charter holder shall include in the improvement plan necessary components as identified by the state board of education. The school is not eligible to receive monies from the classroom site fund established by section 15-977 for every day that an improvement plan has not been received by the sponsor of the charter school.
school within the time specified in this subsection plus an additional ninety days. The charter holder shall appear before the sponsoring board and explain why the improvement plan has not been submitted.

D. If a school is assigned a letter grade of D pursuant to section 15-241 for a third consecutive year, the department of education shall visit the school site to confirm the classification data and to review the implementation of the school's improvement plan. The school shall be assigned a letter grade of F unless an alternate letter grade is assigned after an appeal pursuant to section 15-241, subsection J. A school that is assigned a letter grade of D for fewer than three consecutive years may also be assigned a letter grade of F if the state board of education determines that there is no reasonable likelihood that the school will achieve an average level of performance within the next two years.

E. The superintendent of public instruction and the county educational service agency shall collaborate to assign a solutions team to a school assigned a letter grade of D pursuant to section 15-241 or a school assigned a letter grade of F pursuant to section 15-241 based on academic need and available resources. County educational service agencies may enter into agreements to provide services to schools from other counties. Any other school, subject to available resources, may be assigned a solutions team pursuant to a mutual agreement between the department of education or the county education service agency, or both, and the school. The solutions team shall be composed of master teachers, fiscal analysts and curriculum assessment experts who are certified by the state board of education as Arizona academic standards technicians. The department of education or the county educational service agency may hire or contract with administrators, principals and teachers who have demonstrated experience in improving academic outcomes and may use these personnel as part of the solutions team. The department of education shall work with staff at the school to assist in curricula alignment and shall instruct teachers on how to increase pupil academic progress, considering the school's annual achievement profile. The solutions team shall consider the existing improvement plan to assess the need for changes to curricula, professional development and resource allocation and shall present a statement of its findings to the school administrator and district superintendent. Within forty-five days after the presentation of the solutions team's statement of findings, the school district governing board, in cooperation with each school within the school district that is assigned a letter grade of D and its assigned solutions team representative, shall develop and submit to the department of education and the county educational service agency an action plan that details the manner in which the school district will assist the school as the school incorporates the findings of the solutions team into the improvement plan. The department of education shall review the action plan and shall either accept the action plan or return the action plan to the school district.
for modification. If the school district does not submit an approved action plan within forty-five days, the state board of education may direct the superintendent of public instruction to withhold up to ten percent of state monies that the school district would otherwise be entitled to receive each month until the plan is submitted to the department of education and the county educational service agency, at which time those monies shall be returned to the school district.

F. The parent or guardian of a pupil may apply to the department of education, in a manner determined by the department of education, for a certificate of supplemental instruction from the failing schools tutoring fund established by section 15-241. Pupils attending a school assigned a letter grade of D or F may select an alternative tutoring program in academic standards from a provider that is certified by the state board of education. To qualify, the provider must state in writing a level of academic improvement for the pupil that includes a timeline for improvement that is agreed to by the parent or guardian of the pupil. The state board of education shall annually review academic performance levels for certified providers and may remove a provider at a public hearing from an approved list of providers if that provider fails to meet its stated level of academic improvement. The state board of education shall determine the application guidelines and the maximum value for each certificate of supplemental instruction. The state board of education shall annually complete a market survey in order to determine the maximum value for each certificate of supplemental instruction. This subsection does not require this state to provide additional monies beyond the monies provided pursuant to section 42-5029, subsection E, paragraph 7 or section 42-5029.02, subsection A, paragraph 7.

G. Within sixty days after receiving notification of THAT a school WITHIN A SCHOOL DISTRICT being WAS assigned a letter grade of F pursuant to section 15-241, the school district governing board shall evaluate needed changes to the existing school improvement plan, consider recommendations from the solutions team, submit a copy of the plan to the superintendent of public instruction and the county educational service agency and supervise the implementation of the plan. Within thirty days after submitting the improvement plan to the superintendent of public instruction and the county educational service agency, the governing board shall hold a public meeting in each school that has been assigned a letter grade of F and shall present the respective improvement plans that have been developed for each school. The governing board, within thirty SIXTY days after receiving notice of the classification, shall provide written notification of the classification to each residence in the attendance area of the school AS PROVIDED IN SECTION 15-241.03. The notice shall explain the improvement plan process and provide information regarding the public meeting required by this subsection.
H. A school that has not submitted an improvement plan pursuant to subsection G of this section is not eligible to receive monies from the classroom site fund established by section 15-977 for every day that a plan has not been received by the superintendent of public instruction within the time specified in subsection G of this section plus an additional ninety days. The state board of education shall require the superintendent of the school district to testify before the STATE board and explain the reasons that an improvement plan for that school has not been submitted.

I. If a charter school is assigned a letter grade of F pursuant to section 15-241, the department of education shall immediately notify the charter school's sponsor. The charter school's sponsor shall either take action to restore the charter school to acceptable performance or revoke the charter school's charter. Within thirty SIXTY days, the charter school shall notify the parents of the students attending the school PROVIDE NOTIFICATION of the classification and of any pending public meetings to review the issue AS PROVIDED IN SECTION 15-241.03.

J. The department of education shall evaluate a school that has been assigned a letter grade of F pursuant to section 15-241 to determine whether the school, charter holder or school district failed to properly implement its school improvement plan, align the curricula with academic standards, provide teacher training, prioritize the budget or implement other proven strategies to improve academic performance. After visiting the school site pursuant to subsection D of this section, the department of education shall submit to the state board of education a recommendation either to proceed pursuant to subsections E, F and G of this section or that the school be subject to a public hearing to determine whether the school failed to properly implement its improvement plan and the reasons for the department's recommendation. If the school is a charter school, the department shall submit a report to the sponsor of the charter school. The sponsor shall make a determination pursuant to subsection N of this section.

K. If the department OF EDUCATION recommends a public hearing, the state board of education shall meet and may provide by a majority vote at the public hearing for the continued operation of the school as allowed by this subsection. The state board of education shall determine whether governmental, nonprofit and private organizations may submit applications to the state board to fully or partially manage the school. The state board's determination shall include:

1. Whether and to what extent the local governing board may participate in the operation of the school, including personnel matters.

2. Whether and to what extent the state board will participate in the operation of the school.

3. Resource allocation pursuant to subsection M of this section.
4. Provisions for the development and submittal of a school improvement plan to be presented in a public meeting at the school.

5. A suggested time frame for the alternative operation of the school.

L. The state board of education shall periodically review the status of a school that is operated by an organization other than the school district governing board to determine whether the operation of the school should be returned to the school district governing board. Before the state board makes a determination, the state board or its designee shall meet with the school district governing board or its designee to determine the time frame, operational considerations and appropriate continuation of existing improvements that are necessary to ensure a smooth transition of authority from the other organization back to the school district governing board.

M. If an alternative operation plan is provided pursuant to subsection K of this section, the state board of education shall pay for the operation of the school and shall adjust the school district's district additional assistance pursuant to section 15-961, base support level pursuant to section 15-943, monies distributed from the classroom site fund established by section 15-977 and transportation support level pursuant to section 15-945 to accurately reflect any reduction in district services that are no longer provided to that school by the district. The state board may modify the school district's revenue control limit, the district support level and the general budget limit calculated pursuant to section 15-947 by an amount that corresponds to this reduction in services. The state board shall retain the portion of state aid that would otherwise be due the school district for the school and shall distribute that portion of state aid directly to the organization that contracts with the state board to operate the school.

N. If the sponsor of a charter school determines that a charter holder failed to properly implement its improvement plan, the sponsor of the charter school shall revoke the charter school's charter.

O. If there are more than two schools in a district and more than one-half, or in any case more than five, of the schools in the district are assigned a letter grade of F pursuant to section 15-241 for more than two consecutive years, in the next election of governing board members the election ballot shall contain the following statement immediately above the listing of governing board candidates:

Within the last five years, (number of schools) schools in the ________ school district have been assigned a letter grade of D or F.

P. At least twice each year the department of education shall publish POST in a newspaper of general circulation in each county of this state CONSPICUOUS LOCATION ON ITS WEBSITE AND ON ALL OFFICIAL COMMUNICATION CHANNELS, INCLUDING ANY SOCIAL MEDIA PLATFORM FOR WHICH THE
DEPARTMENT HAS AN ACCOUNT, a list of schools that are assigned a letter grade of F pursuant to section 15-241.

Q. The state board of education shall adopt guidelines to include supplementary training in reading instruction for teachers who provide instruction to pupils in a kindergarten program or grade one, two or three in an improvement plan pursuant to subsection A of this section.

R. In addition to any other corrective procedures prescribed in this section and sections 15-241 and 15-241.01, a school that has been assigned a letter grade of D or F for two consecutive years shall implement a science, technology, engineering and mathematics intervention strategy under the supervision of the state board of education.

S. In addition to any other corrective procedures prescribed in this section, a school district that has been assigned a letter grade of D or F pursuant to section 15-241 for two consecutive years shall implement a parent involvement strategy. The parent involvement strategy shall be included in the school improvement plan for each applicable school within the district, as prescribed in subsection A or G of this section, as applicable.

T. The department of education shall publish criteria for a school's or school district's exit status from a previous assignment of a letter grade of F in accordance with this section. The criteria shall prescribe the actions and results necessary to be deemed to have complied with this section regarding school improvement, including the proper implementation of a school improvement plan pursuant to subsection J of this section. These criteria shall be provided to a school or school district if it is assigned a letter grade of F pursuant to section 15-241.

Sec. 2. Title 15, chapter 2, article 2, Arizona Revised Statutes, is amended by adding sections 15-241.03 and 15-249.01, to read:

15-241.03. School, charter school and school district accountability; failing school notification form; school choice notification letter; withholding of state monies

A. WITHIN SIXTY DAYS AFTER RECEIVING NOTIFICATION THAT A CHARTER SCHOOL OR A SCHOOL WITHIN A SCHOOL DISTRICT HAS BEEN ASSIGNED A LETTER GRADE OF D OR F PURSUANT TO SECTION 15-241, THE CHARTER SCHOOL GOVERNING BODY OR SCHOOL DISTRICT GOVERNING BOARD SHALL:

1. COMPLETE THE FAILING SCHOOL NOTIFICATION FORM PRESCRIBED IN SUBSECTION C OF THIS SECTION AND SEND IT TO THE PARENT OF EACH STUDENT WHO IS ENROLLED IN THE SCHOOL THAT WAS ASSIGNED A LETTER GRADE OF D OR F.

2. SEND THE SCHOOL CHOICE NOTIFICATION LETTER PRESCRIBED IN SUBSECTION D OF THIS SECTION TO THE PARENT OF EACH STUDENT WHO IS ENROLLED IN THE SCHOOL THAT WAS ASSIGNED A LETTER GRADE OF D OR F.
3. Submit to the State Board of Education evidence of the Charter School’s or School District’s compliance with the notification requirements established in this section, including sent receipts and an attestation that the notifications were properly sent.

B. The notifications described in subsection a of this section may be delivered electronically if the School District or Charter School electronically communicates with the parents of students in the ordinary course of business. Any electronic communications sent pursuant to this subsection must contain hyperlinks to websites that provide further information.

C. The State Board of Education shall develop a failing school notification form containing all of the following in both English and Spanish:

1. A notice and explanation of the letter grade that was assigned to the school.
2. An explanation of the data and scores that comprise the letter grade.
3. The average academic proficiency score and average academic growth score that were used to calculate the letter grade.
4. A summary of the school improvement plan developed pursuant to section 15-241.02.

5. The time and place of any public meeting in which the school’s letter grade or improvement plan will be discussed, including the public meeting in which the school improvement plan will be presented pursuant to section 15-241.02.

D. The Department of Education shall develop a school choice notification letter containing the informational pamphlet developed by the Arizona School Choice Program pursuant to section 15-249.01, subsection a, paragraph 2.

E. If a School District or Charter School fails to comply with the notification requirements of this section, the Department of Education shall suspend distribution of monies from the Classroom Site Fund established by section 15-977 to the School District or Charter School until the Department of Education receives satisfactory evidence of the School District’s or Charter School’s compliance pursuant to subsection a of this section.

15-249.01. Arizona school choice program; duties; public awareness; notification; hotline

A. The Arizona School Choice Program is established in the Department of Education. The program shall:

1. Develop, implement and maintain a public awareness program that is designed to:
   (a) Inform the public about a student’s ability to choose any public school in this state.
(b) Direct the public to informational resources that explain the school choice options in this state, including the handbook prescribed in paragraph 3 of this subsection.

(c) Instruct the public how to request enrollment for students.

2. Develop and produce single-page informational pamphlets that:
   (a) Are designed to educate parents on the school choice options available to students in kindergarten programs and grades one through twelve in this state.
   (b) Are available in both physical and digital formats. The digital informational pamphlet must contain hyperlinks to websites that provide further information.

3. Develop and annually update a handbook of school choice options that are available to students in kindergarten programs and grades one through twelve in this state, including:
   (a) School open enrollment options described in section 15-816.01.
   (b) Charter schools established pursuant to chapter 1, article 8 of this title.
   (c) Arizona online instruction established pursuant to section 15-808.
   (d) Arizona empowerment scholarship accounts established pursuant to chapter 19 of this title.
   (e) Homeschool pursuant to section 15-802.
   (f) Educational scholarships or tuition grants pursuant to title 43, chapters 15 and 16.
   (g) Nonstatutory options, including micro schools and district magnet schools.
   (h) Other options identified by the Arizona school choice program.

4. Develop the failing school notification form and school choice notification letter prescribed in section 15-241.03.

5. Operate and maintain a centralized hotline to respond to questions related to school choice in this state. The Arizona school choice program must:
   (a) Use multiple forms of communication for the hotline.
   (b) Make translation services available for hotline communications.
   (c) Be available to the public in the evenings Monday through Friday, excluding holidays.

6. Collaborate with public and private partners to achieve the objectives prescribed in this section.

7. Collaborate with the state board of education to provide parents and the public with informational resources developed by the Arizona school choice program.

8. The state board of education and the department of education shall each post in a conspicuous place on their respective websites the pamphlet and handbook described in subsection a of this section.
C. If a person moves to this state from another state or country and initially registers a motor vehicle in this state pursuant to Title 28, Chapter 7, the Department of Transportation shall electronically or digitally deliver to the person the informational pamphlet described in subsection A, paragraph 2 of this section.

Sec. 3. Department of transportation; electronic notification

On or before December 1, 2024, the department of transportation shall electronically notify all existing motor vehicle registrants in this state of the school choice options available to students in kindergarten programs and grades one through twelve in this state using the digital informational pamphlet created by the Arizona school choice program pursuant to section 15-249.01, subsection A, paragraph 2, Arizona Revised Statutes, as added by this act.