

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

CHAPTER 142
SENATE BILL 1729

AN ACT

AMENDING SECTION 15-185, ARIZONA REVISED STATUTES; REPEALING SECTION 15-249.08, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-901, 15-943 AND 15-945, ARIZONA REVISED STATUTES; AMENDING SECTION 15-961, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 317, SECTION 12; REPEALING SECTION 15-961, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 285, SECTION 8; AMENDING SECTION 15-1821.01, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 19, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-2406; AMENDING SECTION 41-1276, ARIZONA REVISED STATUTES; AMENDING LAWS 2021, CHAPTER 404, SECTION 111; APPROPRIATING MONIES; RELATING TO KINDERGARTEN THROUGH GRADE TWELVE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-185, Arizona Revised Statutes, is amended to
3 read:

4 15-185. Charter schools; financing; civil penalties;
5 transportation; definition

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

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

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

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

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

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

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

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

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

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

38 2. Notwithstanding paragraph 1 of this subsection, the student
39 count shall be determined initially using an estimated student count based
40 on actual registration of pupils before the beginning of the school year.
41 Notwithstanding section 15-1042, subsection F, student level data
42 submitted to the department may be used to determine estimated student
43 counts. After the first forty days, one hundred days or two hundred days
44 in session, as applicable, the charter school shall revise the student
45 count to be equal to the actual average daily membership, as defined in

1 section 15-901, of the charter school. Before the fortieth day, one
2 hundredth day or two hundredth day in session, as applicable, the state
3 board of education, the state board for charter schools, the sponsoring
4 university, the sponsoring community college district or the sponsoring
5 group of community college districts may require a charter school to
6 report periodically regarding pupil enrollment and attendance, and the
7 department of education may revise its computation of equalization
8 assistance based on the report. A charter school shall revise its student
9 count, base support level and charter additional assistance before May 15.
10 A charter school that overestimated its student count shall revise its
11 budget before May 15. A charter school that underestimated its student
12 count may revise its budget before May 15.

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

16 4. Equalization assistance for the charter school shall be
17 determined by adding the amount of the base support level and charter
18 additional assistance. The amount of the charter additional assistance is
19 ~~\$1,985.58~~ \$2,049.12 per student count in preschool programs for children
20 with disabilities, kindergarten programs and grades one through eight and
21 ~~\$2,314.16~~ \$2,388.21 per student count in grades nine through twelve.

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

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

31 7. Not later than noon on the day preceding each apportionment date
32 established ~~by~~ PURSUANT TO paragraph 5 of this subsection, the
33 superintendent of public instruction shall furnish to the state treasurer
34 an abstract of the apportionment and shall certify the apportionment to
35 the department of administration, which shall draw its warrant in favor of
36 the charter schools for the amount apportioned.

37 C. If a pupil is enrolled in both a charter school and a public
38 school that is not a charter school, the sum of the daily membership,
39 which includes enrollment as prescribed in section 15-901, subsection A,
40 paragraph 1, subdivisions (a) and (b) and daily attendance as prescribed
41 in section 15-901, subsection A, paragraph 5, for that pupil in the school
42 district and the charter school shall not exceed 1.0. If a pupil is
43 enrolled in both a charter school and a public school that is not a
44 charter school, the department of education shall direct the average daily
45 membership to the school with the most recent enrollment date. On

1 validation of actual enrollment in both a charter school and a public
2 school that is not a charter school and if the sum of the daily membership
3 or daily attendance for that pupil is greater than 1.0, the sum shall be
4 reduced to 1.0 and shall be apportioned between the public school and the
5 charter school based on the percentage of total time that the pupil is
6 enrolled or in attendance in the public school and the charter school.
7 The uniform system of financial records shall include guidelines to
8 apportion the pupil enrollment and attendance as provided in this section.

9 D. Charter schools are allowed to accept grants and gifts to
10 supplement their state funding, but it is not the intent of the charter
11 school law to require taxpayers to pay twice to educate the same pupils.
12 The base support level for a charter school or for a school district
13 sponsoring a charter school shall be reduced by an amount equal to the
14 total amount of monies received by a charter school from a federal or
15 state agency if the federal or state monies are intended for the basic
16 maintenance and operations of the school. The superintendent of public
17 instruction shall estimate the amount of the reduction for the budget year
18 and shall revise the reduction to reflect the actual amount before May 15
19 of the current year. If the reduction results in a negative amount, the
20 negative amount shall be used in computing all budget limits and
21 equalization assistance, except that:

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

23 2. For a charter school sponsored by the state board of education,
24 the state board for charter schools, a university, a community college
25 district or a group of community college districts, the total of the base
26 support level and the charter additional assistance shall not be less than
27 zero.

28 E. If a charter school was a district public school in the prior
29 year and sponsored by the state board of education, the state board for
30 charter schools, a university, a community college district or a group of
31 community college districts, the reduction in subsection D of this section
32 applies. The reduction to the base support level of the charter school
33 shall equal the sum of the base support level and the charter additional
34 assistance received in the current year for those pupils who were enrolled
35 in the traditional public school in the prior year and are now enrolled in
36 the charter school in the current year.

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

40 G. At the request of a charter school, the county school
41 superintendent of the county where the charter school is located may
42 provide the same educational services to the charter school as prescribed
43 in section 15-308, subsection A. The county school superintendent may
44 charge a fee to recover costs for providing educational services to
45 charter schools.

1 H. If the sponsor of the charter school determines at a public
2 meeting that the charter school is not in compliance with federal law,
3 with the laws of this state or with its charter, the sponsor of a charter
4 school may submit a request to the department of education to withhold up
5 to ten percent of the monthly apportionment of state aid that would
6 otherwise be due the charter school. The department shall adjust the
7 charter school's apportionment accordingly. The sponsor shall provide
8 written notice to the charter school at least seventy-two hours before the
9 meeting and shall allow the charter school to respond to the allegations
10 of noncompliance at the meeting before the sponsor makes a final
11 determination to notify the department of education of noncompliance. The
12 charter school shall submit a corrective action plan to the sponsor on a
13 date specified by the sponsor at the meeting. The corrective action plan
14 shall be designed to correct deficiencies at the charter school and to
15 ensure that the charter school promptly returns to compliance. When the
16 sponsor determines that the charter school is in compliance, the
17 department shall restore the full amount of state aid payments to the
18 charter school.

19 I. In addition to the withholding of state aid payments pursuant to
20 subsection H of this section, the sponsor of a charter school may impose a
21 civil penalty of \$1,000 per occurrence if a charter school fails to comply
22 with the fingerprinting requirements prescribed in section 15-183,
23 subsection C or section 15-512. The sponsor of a charter school shall not
24 impose a civil penalty if it is the first time the charter school is out
25 of compliance with the fingerprinting requirements and if the charter
26 school provides proof within forty-eight hours after written notification
27 that an application for the appropriate fingerprint check has been
28 received by the department of public safety. The sponsor of the charter
29 school shall obtain proof that the charter school has been notified, and
30 the notification shall identify the date of the deadline and shall be
31 signed by both parties. The sponsor of a charter school shall
32 automatically impose a civil penalty of \$1,000 per occurrence if the
33 sponsor determines that the charter school subsequently violates the
34 fingerprinting requirements. Civil penalties pursuant to this subsection
35 shall be assessed by requesting the department of education to reduce the
36 amount of state aid that the charter school would otherwise receive by an
37 amount equal to the civil penalty. The amount of state aid withheld shall
38 revert to the state general fund at the end of the fiscal year.

39 J. A charter school may receive and spend monies distributed by the
40 department of education pursuant to section 42-5029, subsection E, section
41 42-5029.02, subsection A and section 37-521, subsection B.

42 K. If a school district transports or contracts to transport pupils
43 to the Arizona state schools for the deaf and the blind during any fiscal
44 year, the school district may transport or contract with a charter school
45 to transport sensory impaired pupils during that same fiscal year to a

1 charter school if requested by the parent of the pupil and if the distance
2 from the pupil's place of actual residence within the school district to
3 the charter school is less than the distance from the pupil's place of
4 actual residence within the school district to the campus of the Arizona
5 state schools for the deaf and the blind.

6 L. Notwithstanding any other law, a university under the
7 jurisdiction of the Arizona board of regents, a community college district
8 or a group of community college districts shall not include any student in
9 the student count of the university, community college district or group
10 of community college districts for state funding purposes if that student
11 is enrolled in and attending a charter school sponsored by the university,
12 community college district or group of community college districts.

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

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

25 O. If allowed by federal law, a charter school may opt out of
26 federal grant opportunities if the charter holder or the appropriate
27 governing body of the charter school determines that the federal
28 requirements impose unduly burdensome reporting requirements.

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

36 Sec. 2. Repeal

37 Section 15-249.08, Arizona Revised Statutes, is repealed.

38 Sec. 3. Section 15-901, Arizona Revised Statutes, is amended to
39 read:

40 15-901. Definitions

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

42 1. "Average daily membership" means the total enrollment of
43 fractional students and full-time students, minus withdrawals, of each
44 school day through the first one hundred days or two hundred days in
45 session, as applicable, for the current year. Withdrawals include

1 students who are formally withdrawn from schools and students who are
2 absent for ten consecutive school days, except for excused absences
3 identified by the department of education. For the purposes of this
4 section, school districts and charter schools shall report student absence
5 data to the department of education at least once every sixty days in
6 session. For computation purposes, the effective date of withdrawal shall
7 be retroactive to the last day of actual attendance of the student or
8 excused absence. A school district or charter school may satisfy any of
9 the time and hours requirements prescribed in this subsection in any
10 manner prescribed in the school district's or charter school's
11 instructional time model adopted under section 15-901.08.

12 (a) "Fractional student" means:

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

32 (ii) For high schools, a part-time student who is enrolled in less
33 than four subjects that count toward graduation as defined by the state
34 board of education, each of which, if taught each school day for the
35 minimum number of days required in a school year, would meet a minimum of
36 one hundred twenty-three hours a year, or the equivalent, in a recognized
37 high school. The average daily membership of a part-time high school
38 student shall be 0.75 if the student is enrolled in an instructional
39 program of three subjects that meet at least five hundred forty hours for
40 a one hundred eighty-day school year, or the instructional hours
41 prescribed in this section. The average daily membership of a part-time
42 high school student shall be 0.5 if the student is enrolled in an
43 instructional program of two subjects that meet at least three hundred
44 sixty hours for a one hundred eighty-day school year, or the instructional
45 hours prescribed in this section. The average daily membership of a

1 part-time high school student shall be 0.25 if the student is enrolled in
2 an instructional program of one subject that meets at least one hundred
3 eighty hours for a one hundred eighty-day school year, or the
4 instructional hours prescribed in this section. The hours in which a
5 student is scheduled to attend a high school during the regular school day
6 shall be included in the calculation of the average daily membership for
7 that student.

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

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

26 (ii) For high schools, a student who has not graduated from the
27 highest grade taught in the school district and who is enrolled in at
28 least an instructional program of four or more subjects that count toward
29 graduation as defined by the state board of education, each of which, if
30 taught each school day for the minimum number of days required in a school
31 year, would meet a minimum of one hundred twenty-three hours a year, or
32 the equivalent, that meets for a total of at least seven hundred twenty
33 hours for a one hundred eighty-day school year, or the instructional hours
34 prescribed in this section in a recognized high school. A full-time
35 student shall not be counted more than once for computation of average
36 daily membership. The average daily membership of a full-time high school
37 student shall be 1.0 if the student is enrolled in at least four subjects
38 that meet at least seven hundred twenty hours for a one hundred eighty-day
39 school year, or the equivalent instructional hours prescribed in this
40 section. The hours in which a student is scheduled to attend a high
41 school during the regular school day shall be included in the calculation
42 of the average daily membership for that student.

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

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

15 (v) Except as otherwise provided by law, for any student who is
16 concurrently enrolled in a school district and a charter school, the
17 average daily membership shall be apportioned between the school district
18 and the charter school and shall not exceed 1.0. The apportionment shall
19 be based on the percentage of total time that the student is enrolled in
20 or in attendance at the school district and the charter school.

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

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

32 (c) "Regular school day" means the regularly scheduled class
33 periods intended for instructional purposes. Instructional purposes may
34 include core subjects, elective subjects, lunch, study halls, music
35 instruction and other classes that advance the academic instruction of
36 pupils. Instructional purposes do not include athletic practices or
37 extracurricular clubs and activities.

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

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

43 (a) Grades one through eight.

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

1 4. "Current year" means the fiscal year in which a school district
2 is operating.

3 5. "Daily attendance" means:

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

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

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

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

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

37 (b) For common schools, the attendance of a pupil at three-quarters
38 or less of the instructional time scheduled for the day shall be counted
39 as follows, except as provided in section 15-797 and except that
40 attendance for a fractional student shall not exceed the pupil's
41 fractional membership:

42 (i) If attendance for all pupils in the school is based on quarter
43 days, the attendance of a pupil shall be counted as one-fourth of a day's
44 attendance for each one-fourth of full-time instructional time attended.
45 A school district or charter school may satisfy any of the time and hours

1 requirements prescribed in this item in any manner prescribed in the
2 school district's or charter school's instructional time model adopted
3 under section 15-901.08.

4 (ii) If attendance for all pupils in the school is based on half
5 days, the attendance of at least three-quarters of the instructional time
6 scheduled for the day shall be counted as a full day's attendance and
7 attendance at a minimum of one-half but less than three-quarters of the
8 instructional time scheduled for the day equals one-half day of
9 attendance. A school district or charter school may satisfy any of the
10 time and hours requirements prescribed in this item in any manner
11 prescribed in the school district's or charter school's instructional time
12 model adopted under section 15-901.08.

13 (c) For common schools, the attendance of a preschool child with
14 disabilities shall be counted as one-fourth day's attendance for each
15 thirty-six minutes of attendance, except as provided in paragraph 1,
16 subdivision (a), item (i) of this subsection for children with
17 disabilities up to a maximum of three hundred sixty minutes each week. A
18 school district or charter school may satisfy any of the time and hours
19 requirements prescribed in this subdivision in any manner prescribed in
20 the school district's or charter school's instructional time model adopted
21 under section 15-901.08.

22 (d) For high schools, the attendance of a pupil shall not be
23 counted as a full day unless the pupil is actually and physically in
24 attendance and enrolled in and carrying four subjects, each of which, if
25 taught each school day for the minimum number of days required in a school
26 year, would meet a minimum of one hundred twenty-three hours a year, or
27 the equivalent, that count toward graduation in a recognized high school
28 except as provided in section 15-797 and subdivision (e) of this
29 paragraph. Attendance of a pupil carrying less than the load prescribed
30 shall be prorated. A school district or charter school may satisfy any of
31 the time and hours requirements prescribed in this subdivision in any
32 manner prescribed in the school district's or charter school's
33 instructional time model adopted under section 15-901.08.

34 (e) For high schools, the attendance of a pupil may be counted as
35 one-fourth of a day's attendance for each sixty minutes of instructional
36 time in a subject that counts toward graduation, except that attendance
37 for a pupil shall not exceed the pupil's full or fractional membership. A
38 school district or charter school may satisfy any of the time and hours
39 requirements prescribed in this subdivision in any manner prescribed in
40 the school district's or charter school's instructional time model adopted
41 under section 15-901.08.

42 (f) For homebound or hospitalized, a full day of attendance may be
43 counted for each day during a week in which the student receives at least
44 four hours of instruction. A school district or charter school may
45 satisfy any of the time and hours requirements prescribed in this

1 subdivision in any manner prescribed in the school district's or charter
2 school's instructional time model adopted under section 15-901.08.

3 (g) For school districts that maintain school for an approved
4 year-round school year operation, attendance shall be based on a
5 computation, as prescribed by the superintendent of public instruction, of
6 the one hundred eighty days' equivalency or two hundred days' equivalency,
7 as applicable, of instructional time as approved by the superintendent of
8 public instruction during which each pupil is enrolled. A school district
9 or charter school may satisfy any of the time and hours requirements
10 prescribed in this subdivision in any manner prescribed in the school
11 district's or charter school's instructional time model adopted under
12 section 15-901.08.

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

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

18 (b) The total number of miles driven daily on routes approved by
19 the superintendent of public instruction for which a private party, a
20 political subdivision or a common or a contract carrier is reimbursed for
21 bringing an eligible student from the place of the student's residence to
22 a school transportation pickup point or to the school of attendance and
23 from the school transportation scheduled return point or from the school
24 of attendance to the student's residence. Daily route mileage includes
25 the total number of miles necessary to drive to transport eligible
26 students from and to their residence as provided in this paragraph.

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

29 8. "Eligible students" means:

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

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

42 (ii) For high school students, whose place of actual residence
43 within the school district is more than one and one-half miles from the
44 school facility of attendance or students who are admitted pursuant to
45 section 15-816.01 and who meet the economic eligibility requirements

1 established under the national school lunch and child nutrition acts
2 (42 United States Code sections 1751 through 1793) for free or
3 reduced-price lunches and whose actual place of residence outside the
4 school district boundaries is more than one and one-half miles from the
5 school facility of attendance.

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

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

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

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

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

24 11. "High school district" means a political subdivision of this
25 state offering instruction to students for grades nine through twelve or
26 that portion of the budget of a common school district that is allocated
27 to teaching high school subjects with permission of the state board of
28 education.

29 12. "Instructional hours" or "instructional time" means hours or
30 time spent pursuant to an instructional time model adopted under section
31 15-901.08.

32 13. "Revenue control limit" means the base revenue control limit
33 plus the transportation revenue control limit.

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

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

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

42 17. "Total students transported" means all eligible students
43 transported from their place of residence to a school transportation
44 pickup point or to the school of attendance and from the school of

1 attendance or from the school transportation scheduled return point to
2 their place of residence.

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

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

7 1. "Base" means the revenue level per student count specified by
8 the legislature.

9 2. "Base level" means the following amounts plus the percentage
10 increase to the base level as provided in section 15-902.04:

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

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

13 ~~(c)~~ (b) For fiscal year 2022-2023, \$4,775.27.

14 (c) FOR FISCAL YEAR 2023-2024, \$4,914.71.

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

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

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

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

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

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

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

42 10. "FRPL" means students who meet the eligibility requirements
43 established under the national school lunch and child nutrition acts
44 (42 United States Code sections 1751 through 1793) for free or
45 reduced-price lunches, or an equivalent measure recognized for

1 participating in the federal free and reduced-price lunch program and
2 other school programs dependent on a poverty measure, including the
3 community eligibility provision for which free and reduced-price lunch
4 data is not available.

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

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

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

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

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

20 14. "Group B" means educational improvements for pupils in
21 kindergarten programs and grades one through three, educational programs
22 for autism, a hearing impairment, a moderate intellectual disability,
23 multiple disabilities, multiple disabilities with severe sensory
24 impairment, orthopedic impairments, preschool severe delay, a severe
25 intellectual disability and emotional disabilities for school age pupils
26 enrolled in private special education programs or in school district
27 programs for children with severe disabilities or visual impairment,
28 English learners enrolled in a program to promote English language
29 proficiency pursuant to section 15-752 and students who meet the
30 eligibility requirements established under the national school lunch and
31 child nutrition acts (42 United States Code sections 1751 through 1793)
32 for free or reduced-price lunches, or an equivalent measure recognized for
33 participating in the federal free and reduced-price lunch program and
34 other school programs dependent on a poverty measure, including the
35 community eligibility provision for which free and reduced-price lunch
36 data is not available.

37 15. "HI" means programs for pupils with hearing impairment.

38 16. "Homebound" or "hospitalized" means a pupil who is capable of
39 profiting from academic instruction but is unable to attend school due to
40 illness, disease, accident or other health conditions, who has been
41 examined by a competent medical doctor and who is certified by that doctor
42 as being unable to attend regular classes for a period of not less than
43 three school months or a pupil who is capable of profiting from academic
44 instruction but is unable to attend school regularly due to chronic or
45 acute health problems, who has been examined by a competent medical doctor

1 and who is certified by that doctor as being unable to attend regular
2 classes for intermittent periods of time totaling three school months
3 during a school year. The medical certification shall state the general
4 medical condition, such as illness, disease or chronic health condition,
5 that is the reason that the pupil is unable to attend school. Homebound
6 or hospitalized includes a student who is unable to attend school for a
7 period of less than three months due to a pregnancy if a competent medical
8 doctor, after an examination, certifies that the student is unable to
9 attend regular classes due to risk to the pregnancy or to the student's
10 health.

11 17. "K-3" means kindergarten programs and grades one through three.

12 18. "K-3 reading" means reading programs for pupils in kindergarten
13 programs and grades one, two and three.

14 19. "MD-R, A-R and SID-R" means resource programs for pupils with
15 multiple disabilities, autism and severe intellectual disability.

16 20. "MD-SC, A-SC and SID-SC" means self-contained programs for
17 pupils with multiple disabilities, autism and severe intellectual
18 disability.

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

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

23 23. "OI-R" means a resource program for pupils with orthopedic
24 impairments.

25 24. "OI-SC" means a self-contained program for pupils with
26 orthopedic impairments.

27 25. "PSD" means preschool programs for children with disabilities
28 as provided in section 15-771.

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

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

34 28. "Small isolated school district" means a school district that
35 meets all of the following:

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

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

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

1 29. "Small school district" means a school district that meets all
2 of the following:

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

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

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

10 30. "Transportation revenue control limit" means the transportation
11 revenue control limit computed as prescribed in section 15-946.

12 31. "Transportation support level" means the support level for
13 pupil transportation operating expenses as provided in section 15-945.

14 32. "VI" means programs for pupils with visual impairments.

15 Sec. 4. Section 15-943, Arizona Revised Statutes, is amended to
16 read:

17 15-943. Base support level

18 The base support level for each school district shall be computed as
19 follows:

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

23 (a) For school districts whose student count in kindergarten
24 programs and grades one through eight is classified in column 1 of this
25 subdivision, the support level weight for kindergarten programs and grades
26 one through eight is the corresponding support level weight prescribed in
27 column 2 or 3 of this subdivision, whichever is appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	Support Level Weight For Small Isolated	Support Level Weight 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 x (500 - student count)]	1.278 + [0.0003 x (500 - student count)]
500-599	1.158 + [0.002 x (600 - student count)]	1.158 + [0.0012 x (600 - student count)]

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

1	<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
2		Support Level Weight	Support Level Weight
3		For Small Isolated	For Small
4	<u>Student Count</u>	<u>School Districts</u>	<u>School Districts</u>
5	1-99	1.669	1.559
6	100-499	1.468 + [0.0005 x (500	1.398 + [0.0004 x (500
7		- student count)]	- student count)]
8	500-599	1.268 + [0.002 x (600	1.268 + [0.0013 x (600
9		- student count)]	- student count)]

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

12 (a)

13						Support			Weighted	
14						Level	Student			
15	<u>Grade Base</u>				<u>Group A</u>	<u>Weight</u>	<u>Count</u>			
16	PSD	1.000	+	0.450	=	1.450	x	_____	=	_____
17	K-8	1.000	+	0.158	=	1.158	x	_____	=	_____
18	9-12	1.163	+	0.105	=	1.268	x	_____	=	_____
19								Subtotal	A	_____

20 (b)

21						Support			Weighted	
22						Level	Student			
23	<u>Funding Category</u>				<u>Weight</u>	<u>Count</u>			<u>Count</u>	
24	HI					4.771	x	_____	=	_____
25	K-3					0.060	x	_____	=	_____
26	K-3 reading					0.040	x	_____	=	_____
27	ELL					0.115	x	_____	=	_____
28	MD-R, A-R and									
29	SID-R					6.024	x	_____	=	_____
30	MD-SC, A-SC and									
31	SID-SC					5.988	x	_____	=	_____
32	MD-SSI					7.947	x	_____	=	_____
33	OI-R					3.158	x	_____	=	_____
34	OI-SC					6.773	x	_____	=	_____
35	P-SD					3.595	x	_____	=	_____
36	DD, ED, MIID, SLD,									
37	SLI and OHI					0.292	x	_____	=	_____
38	ED-P					4.822	x	_____	=	_____
39	MOID					4.421	x	_____	=	_____
40	VI					4.806	x	_____	=	_____
41	G					0.007	x	_____	=	_____
42	FRPL					0.018 0.022	x	_____	=	_____
43								Subtotal	B	_____

44 (c) Total of subtotals A and B: _____

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

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

6 5. For the purposes of this section, the student count is the
7 average daily membership as prescribed in section 15-901 for the current
8 year, except that for the purposes of computing the base support level
9 used in determining school district rollover allocations and school
10 district budget override amounts, the student count is the average daily
11 membership as prescribed in section 15-901 for the prior year.

12 Sec. 5. Section 15-945, Arizona Revised Statutes, is amended to
13 read:

14 15-945. Transportation support level

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

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

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

23 3. Determine the number of eligible students transported in the
24 fiscal year prior to the current year.

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

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

<u>Column 1</u>	<u>Column 2</u>
34 Approved Daily Route	State Support Level per
35 Mileage per Eligible	Route Mile for
36 <u>Student Transported</u>	<u>Fiscal Year 2022-2023 2023-2024</u>
37 0.5 or less	2.83 2.89
38 More than 0.5 through 1.0	2.32 2.37
39 More than 1.0	2.83 2.89

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

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

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

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

12 <u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>
13 Approved Daily Route			
14 Mileage per Eligible	District Type	District Type	District Type
15 <u>Student Transported</u>	<u>02 or 03</u>	<u>04</u>	<u>05</u>
16 0.5 or less	0.15	0.10	0.25
17 More than 0.5 through 1.0	0.15	0.10	0.25
18 More than 1.0	0.18	0.12	0.30

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

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

28 1. Determine the sum of the following:

29 (a) The total number of miles driven by all buses of a school
 30 district while transporting eligible pupils with disabilities on scheduled
 31 routes from their residence to the school of attendance and from the
 32 school of attendance to their residence on routes for extended school year
 33 services in accordance with section 15-881.

34 (b) The total number of miles driven on routes approved by the
 35 superintendent of public instruction for which a private party, a
 36 political subdivision or a common or a contract carrier is reimbursed for
 37 bringing an eligible pupil with a disability from the place of the pupil's
 38 residence to a school transportation pickup point or to the school
 39 facility of attendance and from the school transportation scheduled return
 40 point or from the school facility to the pupil's residence for extended
 41 school year services in accordance with section 15-881.

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

1 D. The transportation support level for each school district for
2 the current year is the sum of the support level for to and from school as
3 determined in subsection A of this section, the support level for academic
4 education, career and technical education, vocational education and
5 athletic trips as determined in subsection B of this section and the
6 support level for extended school year services for pupils with
7 disabilities as determined in subsection C of this section.

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

11 F. School districts must provide the odometer reading for each bus
12 as of the end of the current year and the total bus mileage during the
13 current year.

14 G. A school district may include route mileage and the number of
15 riders to calculate funding pursuant to this section for transporting
16 eligible students using motor vehicles described in section 15-925.

17 Sec. 6. Section 15-961, Arizona Revised Statutes, as amended by
18 Laws 2022, chapter 317, section 12, is amended to read:

19 15-961. District additional assistance; growth rate

20 A. District additional assistance per student count is established
21 as follows:

22 1. For school districts with a student count of less than one
23 hundred for kindergarten programs and grades one through eight, ~~\$606.88~~
24 \$663.81. For school districts with a student count of one hundred or more
25 and less than six hundred for kindergarten programs and grades one through
26 eight, multiply ~~\$433.78~~ \$474.47 by the weight that corresponds to the
27 student count for kindergarten programs and grades one through eight for
28 the school district as provided in section 15-943, paragraph 1,
29 subdivision (a), column 3. For a school district with a student count of
30 six hundred or more in kindergarten programs and grades one through eight,
31 the limit is ~~\$502.33~~ \$549.45.

32 2. For school districts with a student count of less than one
33 hundred for grades nine through twelve, ~~\$670.02~~ \$732.87. For school
34 districts with a student count of one hundred or more and less than six
35 hundred for grades nine through twelve, multiply ~~\$451.99~~ \$494.39 by the
36 weight that corresponds to the student count for grades nine through
37 twelve for the school district as provided in section 15-943, paragraph 1,
38 subdivision (b), column 3. For a school district with a student count of
39 six hundred or more in grades nine through twelve, the limit is ~~\$549.33~~
40 \$600.86.

41 3. For programs for preschool children with disabilities, ~~\$502.33~~
42 \$549.45.

1 B. District additional assistance for a school district shall be
2 computed as follows:

3 1. Select the applicable district additional assistance per student
4 count for the school district.

5 2. Multiply the amount or amounts selected in paragraph 1 of this
6 subsection by the appropriate student count of the school district.

7 3. If a school district's student count used for the budget year is
8 greater than one hundred five percent of the student count used for the
9 current year's budget, increase the adjusted district additional
10 assistance determined in paragraph 2 of this subsection by fifty percent
11 of the actual percentage increase in the school district's student count.

12 C. An amount for the purchase of required textbooks and related
13 printed subject matter materials shall be used to increase the district
14 additional assistance for a school district as determined in subsection B,
15 paragraph 2 or 3 of this section, whichever is applicable. This amount
16 shall equal the student count in grades nine through twelve multiplied by
17 ~~\$77.65~~ \$84.93.

18 D. NOTWITHSTANDING SUBSECTIONS A, B AND C OF THIS SECTION, DISTRICT
19 ADDITIONAL ASSISTANCE FOR A COMMON SCHOOL DISTRICT THAT IS NOT WITHIN A
20 HIGH SCHOOL DISTRICT OR FOR A TRANSPORTING SCHOOL DISTRICT IS DISTRICT
21 ADDITIONAL ASSISTANCE AS PRESCRIBED IN THIS SECTION BUT EXCLUDING PUPILS
22 WHO ARE ADMITTED TO ANOTHER SCHOOL DISTRICT AS PROVIDED IN SECTION 15-824,
23 SUBSECTION A, PARAGRAPH 2 OR 3, EXCEPT THAT IF THE SCHOOL DISTRICT
24 TRANSPORTS HIGH SCHOOL PUPILS, THE DISTRICT ADDITIONAL ASSISTANCE AMOUNT
25 PRESCRIBED IN THIS SECTION SHALL BE INCREASED BY AN AMOUNT EQUAL TO FIFTY
26 PERCENT OF THE DISTRICT ADDITIONAL ASSISTANCE PER PUPIL AMOUNT PRESCRIBED
27 FOR THE SCHOOL DISTRICT PURSUANT TO THIS SECTION MULTIPLIED BY THE NUMBER
28 OF HIGH SCHOOL PUPILS TRANSPORTED.

29 Sec. 7. Repeal

30 Section 15-961, Arizona Revised Statutes, as amended by Laws 2022,
31 chapter 285, section 8, is repealed.

32 Sec. 8. Section 15-1821.01, Arizona Revised Statutes, is amended to
33 read:

34 15-1821.01. Dual enrollment information

35 On a determination by a community college district governing board
36 that it is in the best interest of the citizens of a district, the
37 district governing board may authorize district community colleges to
38 offer college courses that may be counted toward both high school and
39 college graduation requirements at the high school during the school day,
40 subject to the following:

41 1. The community college district governing board and the governing
42 board of the school district or organization of which the high school is a
43 part shall enter into an agreement or contract. These intergovernmental
44 agreements or contracts shall be based on a uniform format that has been

1 cooperatively developed by the community college districts in this state.
2 Each of these agreements or contracts shall clearly specify the following:

3 (a) The financial provisions of the agreement or contract and the
4 format for billing all services under the agreement or contract, including
5 the amount that the community college received in full-time student
6 equivalent funding pursuant to section 15-1466.01, the portion of the
7 funding that is distributed to the school district governing board or
8 charter school and any amount that is subsequently returned to the
9 community college district by the school district governing board or
10 charter school.

11 (b) Student tuition and financial aid policies, including whether
12 scholarships or grants are awarded to students in dual enrollment courses
13 from the community college.

14 (c) The accountability provisions for each party to the agreement
15 or contract.

16 (d) The responsibilities and services required of each party to the
17 agreement or contract.

18 (e) The type of instruction that will be provided under the
19 agreement or contract, including the titles of the courses to be offered.

20 (f) The quality of the instruction that will be provided under the
21 agreement or contract.

22 2. Students shall be admitted to the community college under the
23 policies adopted by each district, except that all students who are
24 enrolled for college credit shall be high school freshmen, sophomores,
25 juniors or seniors. All students who are in the course, including those
26 not electing to enroll for college credit, shall satisfy the prerequisites
27 for the course as published in the college catalog and shall comply with
28 college policies regarding student placement in courses.

29 3. The courses shall be previously evaluated and approved through
30 the curriculum approval process of the district, shall be at a higher
31 level than taught by the high school and shall be transferable to a
32 university under the jurisdiction of the Arizona board of regents or be
33 applicable to an established community college occupational degree or
34 certificate program. Physical education courses are not available for
35 dual enrollment purposes.

36 4. College-approved textbooks, syllabuses, course outlines and
37 grading standards that are applicable to the courses if taught at the
38 community college shall apply to these courses and to all students in the
39 courses offered pursuant to this section. The chief executive officer of
40 each community college shall establish an advisory committee of full-time
41 faculty who teach in the disciplines offered at the community college to
42 assist in course selection and implementation in the high schools and to
43 review and report at least annually to the chief executive officer whether
44 the course goals and standards are understood, the course guidelines are
45 followed and the same standards of expectation and assessment are applied

1 to these courses as though they were being offered at the community
2 college. The advisory committee of full-time faculty shall meet at least
3 three times each academic year.

4 5. Each faculty member shall meet the requirements established by
5 the governing board pursuant to section 15-1444. The chief executive
6 officer of each community college district shall establish an advisory
7 committee of full-time faculty who teach in the disciplines offered at the
8 community college district to assist in the selection, orientation,
9 ongoing professional development and evaluation of faculty who are
10 teaching college courses in conjunction with the high schools. The
11 advisory committee of full-time faculty shall meet at least two times each
12 academic year.

13 6. A school district shall ensure that a pupil is a full-time
14 student as defined in section 15-901 and is enrolled in and attending a
15 full-time instructional program at a school in the school district before
16 that pupil is allowed to enroll in a college course pursuant to this
17 section, except that high school seniors who satisfy high school
18 graduation requirements with less than a full-time instructional program
19 are exempt from this paragraph.

20 7. Notwithstanding paragraph 6 of this section, homeschooled
21 students may fully participate in dual enrollment, including receipt of
22 college credit pursuant to this section.

23 8. AS ALLOWED UNDER COMMUNITY COLLEGE ACCREDITATION GUIDELINES, A
24 CHILD WITH A DISABILITY AS DEFINED IN SECTION 15-761 SHALL HAVE ACCESS TO
25 ANY SUPPLEMENTARY AID, SERVICE OR ACCOMMODATION PROVIDED IN THE CHILD'S
26 INDIVIDUALIZED EDUCATION PROGRAM AS DEFINED IN SECTION 15-731 OR IN THE
27 STUDENT'S SECTION 504 PLAN AS DEFINED IN SECTION 15-731.

28 Sec. 9. Title 15, chapter 19, article 1, Arizona Revised Statutes,
29 is amended by adding section 15-2406, to read:

30 15-2406. Arizona empowerment scholarship accounts; quarterly
31 reports

32 WITHIN SIXTY DAYS AFTER THE LAST DAY OF EACH CALENDAR QUARTER, THE
33 DEPARTMENT SHALL SUBMIT A REPORT, CONSISTENT WITH FEDERAL LAW, TO THE
34 GOVERNOR, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF
35 REPRESENTATIVES, THE DIRECTOR OF THE JOINT LEGISLATIVE BUDGET COMMITTEE
36 AND THE DIRECTOR OF THE GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND
37 BUDGETING. THE REPORT MUST INCLUDE ALL OF THE FOLLOWING:

38 1. THE NUMBER OF QUALIFIED STUDENTS DISAGGREGATED BY:

39 (a) ELIGIBILITY CATEGORY.

40 (b) FOR QUALIFIED STUDENTS WHO ARE ELIGIBLE PURSUANT TO SECTION
41 15-2401.01, THE NUMBER OF QUALIFIED STUDENTS WHO ATTENDED A PUBLIC SCHOOL
42 IN THIS STATE IN THE SCHOOL YEAR IMMEDIATELY PRECEDING THE FIRST YEAR OF
43 EACH QUALIFIED STUDENT'S ENROLLMENT IN THE ARIZONA EMPOWERMENT SCHOLARSHIP
44 ACCOUNT PROGRAM.

45 (c) GRADE LEVEL.

1 (d) THE SCHOOL DISTRICT OR CHARTER SCHOOL THAT EACH QUALIFIED
2 STUDENT ATTENDED IN THE SCHOOL YEAR IMMEDIATELY PRECEDING THE FIRST YEAR
3 OF EACH QUALIFIED STUDENT'S ENROLLMENT IN THE ARIZONA EMPOWERMENT
4 SCHOLARSHIP ACCOUNT PROGRAM, IF APPLICABLE.

5 (e) ENGLISH LANGUAGE LEARNERS.

6 (f) QUALIFIED STUDENTS WHO ARE ENROLLED IN THE ARIZONA EMPOWERMENT
7 SCHOLARSHIP ACCOUNT PROGRAM AS A STUDENT WITH A DISABILITY.

8 (g) THE ZIP CODE OF EACH QUALIFIED STUDENT'S PERMANENT RESIDENCE.

9 2. THE ANNUAL AWARD AMOUNT ASSOCIATED WITH EACH ARIZONA EMPOWERMENT
10 SCHOLARSHIP ACCOUNT.

11 3. THE AMOUNT OF APPROVED EXPENSES DISAGGREGATED BY TYPE OF EXPENSE
12 AS DESCRIBED IN SECTION 15-2402, SUBSECTION B, PARAGRAPH 4.

13 Sec. 10. Section 41-1276, Arizona Revised Statutes, is amended to
14 read:

15 41-1276. Truth in taxation levy for equalization assistance
16 to school districts

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

21 1. The ~~chairperson~~ CHAIRPERSONS of the house of representatives
22 ways and means committee and the senate finance committee, or their
23 successor committees.

24 2. The ~~chairperson~~ CHAIRPERSONS of the appropriations committees of
25 the senate and the house of representatives, or their successor
26 committees.

27 B. The truth in taxation rates consist of the qualifying tax rate
28 for a high school district or a common school district within a high
29 school district that does not offer instruction in high school subjects
30 pursuant to section 15-971, subsection B, paragraph 1 and a qualifying tax
31 rate for a unified district, a common school district not within a high
32 school district or a common school district within a high school district
33 that offers instruction in high school subjects pursuant to section
34 15-971, subsection B, paragraph 2 that will offset the change in net
35 assessed valuation of property that was subject to tax in the prior year.

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

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

40 2. Determine the statewide net assessed value for the current tax
41 year, excluding the net assessed value of property that was not subject to
42 tax in the preceding year.

43 3. Divide the amount determined in paragraph 1 of this subsection
44 by the amount determined in paragraph 2 of this subsection.

1 4. Adjust the qualifying tax rates for the current fiscal year by
2 the percentage determined in paragraph 3 of this subsection in order to
3 offset the change in net assessed value.

4 D. Except as provided in subsections E and G of this section, the
5 qualifying tax rate for a high school district or a common school district
6 within a high school district that does not offer instruction in high
7 school subjects and the qualifying tax rate for a unified school district,
8 a common school district not within a high school district or a common
9 school district within a high school district that offers instruction in
10 high school subjects for the following fiscal year shall be the rate
11 determined by the joint legislative budget committee pursuant to
12 subsection C of this section. The committee shall transmit the rates to
13 the superintendent of public instruction and the county boards of
14 supervisors by March 15 of each year.

15 E. If the legislature proposes qualifying tax rates that exceed the
16 truth in taxation rate:

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

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

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

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

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

33 Truth in Taxation Hearing
34 Notice of Tax Increase

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

39 The proposed tax increase will cause the taxes on a
40 \$100,000 home to be \$(total proposed taxes including the tax
41 increase). Without the proposed tax increase, the total taxes
42 that would be owed on a \$100,000 home would have been
43 \$_____.

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

4 (e) For the purposes of computing the tax increase on a \$100,000
5 home as required by the notice, the joint meeting of the house of
6 representatives ways and means committee and the senate finance committee,
7 or their successor committees, shall consider the difference between the
8 truth in taxation rate and the proposed increased rate.

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

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

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

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

35 I. Pursuant to subsection C of this section, the qualifying tax
36 rate in tax year ~~2022~~ 2023 for a high school district or a common school
37 district within a high school district that does not offer instruction in
38 high school subjects as provided in section 15-447 is ~~\$1.7133~~ \$1.6549 and
39 for a unified school district, a common school district not within a high
40 school district or a common school district within a high school district
41 that offers instruction in high school subjects as provided in section
42 15-447 is ~~\$3.4266~~ \$3.3098.

1 Sec. 11. Laws 2021, chapter 404, section 111 is amended to read:

2 Sec. 111. Department of administration; public school
3 transportation modernization grants; delayed
4 repeal

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

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

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

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

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

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

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

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

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

35 3. Submit ~~an interim report on or before December 31, 2021 to the~~
36 ~~department of administration and~~ an annual report on or before June 30 of
37 each year ~~thereafter~~ to the governor, the president of the senate, ~~and~~ the
38 speaker of the house of representatives, **THE DIRECTOR OF THE GOVERNOR'S**
39 **OFFICE OF STRATEGIC PLANNING AND BUDGETING AND THE DIRECTOR OF THE JOINT**
40 **LEGISLATIVE BUDGET COMMITTEE** and provide a copy of ~~these reports~~ **THIS**
41 **REPORT** to the secretary of state. The department of education, the
42 department of administration and any grant recipient shall provide any
43 information, including student finance and enrollment data, that is deemed
44 necessary by the program administrator to complete the ~~reports~~ **REPORT**

1 pursuant to this paragraph. The ~~reports~~ REPORT must include all of the
2 following:

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

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

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

8 (d) A LIST OF OTHER PRESENTLY AVAILABLE TRANSPORTATION OPTIONS FOR
9 EACH GRANT RECIPIENT.

10 (e) AN EXPLANATION OF WHY THE PROPOSED TRANSPORTATION ALTERNATIVE
11 IS NECESSARY FOR EACH GRANT RECIPIENT.

12 C. The program administrator shall distribute the monies
13 appropriated for the program based on demand and the most innovative
14 solutions. The program administrator shall award at least twenty-five
15 percent of these grants to support rural and remote proposals, except that
16 if an insufficient number of qualified rural and remote proposals is
17 submitted, the program administrator may award fewer than twenty-five
18 percent of these grants to rural and remote proposals. The program
19 administrator may retain not more than five percent of monies appropriated
20 each fiscal year to administer the grant program pursuant to this section.
21 Administrative expenditures may include costs of designing a public
22 awareness effort to communicate to the public the ability to choose any
23 public school in this state and how to learn about school choice options
24 in this state and instructing the public how to request enrollment for
25 pupils.

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

27 Sec. 12. Arizona civics education and leadership development
28 program; instructional service providers;
29 requirements; reporting requirements; fund;
30 exemption

31 A. In fiscal year 2023-2024, the department of education shall
32 establish and administer the Arizona civics education and leadership
33 development program to provide civics education and leadership development
34 training to middle school and high school students in this state.

35 B. The department of education shall develop procedures for
36 eligible nonprofit organizations to apply to participate in the Arizona
37 civics education and leadership development program in fiscal year
38 2023-2024. The department may approve an application if the eligible
39 nonprofit organization meets all of the following:

40 1. Is a nonprofit organization that is exempt from taxation under
41 section 501(c)(3) of the internal revenue code.

42 2. Provides American civics education and leadership development
43 training to students who are at least ten years of age.

44 3. Advances the principles of a democratic republic through
45 multigenerational civics education, civil discourse and civic engagement.

1 4. Can provide American civics education and leadership development
2 training to middle school or high school students in this state. The
3 education and training must do all of the following:

4 (a) Promote civil service and civic engagement.

5 (b) Prepare students for the duties of citizenship.

6 (c) Provide opportunities to identify and debate issues relating to
7 a democratic republic.

8 (d) Include education and training on any of the following:

9 (i) The history of the United States of America, the United States
10 Constitution and the Bill of Rights.

11 (ii) The Declaration of Independence.

12 (iii) The composition and roles of the branches of local, state and
13 federal government.

14 (iv) The roles and responsibilities of citizens in a democratic
15 republic, including the importance of civil discourse.

16 (v) The positive benefits for citizens in a democratic republic in
17 contrast to other forms of government.

18 (e) Include education and training on the original intent of the
19 founding documents and principles of the United States as found in source
20 documents, including the United States Constitution and amendments to the
21 United States Constitution, with emphasis on the Bill of Rights, and the
22 arguments presented in the federalist papers.

23 5. Submits a copy of the curriculum and all course materials,
24 including instructor manuals, as part of the application.

25 C. On or before June 30, 2024, each eligible nonprofit organization
26 that is approved to participate in the program pursuant to subsection B of
27 this section shall submit a report to the department of education that
28 describes the following with respect to the Arizona civics education and
29 leadership development program:

30 1. The number and types of activities conducted.

31 2. The number of students served.

32 3. The outcomes achieved.

33 D. The department of education shall compile the reports that it
34 receives pursuant to subsection C of this section and submit the compiled
35 reports to the governor, the president of the senate and the speaker of
36 the house of representatives and shall submit a copy of the compiled
37 reports to the secretary of state.

38 E. The Arizona civics education and leadership development fund is
39 established consisting of legislative appropriations and gifts, grants and
40 donations to the fund. The department of education shall administer the
41 fund and distribute monies from the fund to eligible nonprofit
42 organizations that are approved to participate in the program pursuant to
43 subsection B of this section. Eligible nonprofit organizations shall use
44 monies from the fund for stipends for civics leaders and counselors, wages
45 for program staff, educational materials, food, beverages, clothing and

1 transportation. Monies in the fund are continuously appropriated and are
2 exempt from the provisions of section 35-190, Arizona Revised Statutes,
3 relating to lapsing of appropriations.

4 Sec. 13. Education and career action plans; early education
5 and career exploration program; fund; annual
6 report; exemption; definition

7 A. In fiscal year 2023-2024, the state board of education shall
8 require public schools to:

9 1. Complete an Arizona education and career action plan for each
10 student in grades nine through twelve before the student's graduation.

11 2. Monitor, review and update each Arizona education and career
12 action plan created pursuant to paragraph 1 of this subsection at least
13 one time per year.

14 B. In fiscal year 2023-2024, the department of education shall
15 establish and administer an early education and career exploration program
16 to provide resources to public schools and to assist public schools in
17 fulfilling the requirements prescribed by the state board of education
18 pursuant to subsection A of this section.

19 C. Subject to available monies, the department of education shall
20 contract with a nonprofit entity to provide the following to public
21 schools in fiscal year 2023-2024:

22 1. A career mapping tool that does all of the following:

23 (a) Matches students with apprenticeships, internships and other
24 work-based learning opportunities.

25 (b) Provides content modules for industry-recognized career tracks.

26 (c) Provides single-sign-on access for students, parents and
27 employees of the public school.

28 (d) Provides customization options for public schools.

29 (e) Allows students to continue accessing their profiles and using
30 the career mapping tool after graduation from high school.

31 (f) Provides any other educational or career exploration activities
32 or content developed by the department of education and approved by the
33 state board of education.

34 2. Training and resources for individuals who are implementing the
35 requirements prescribed by the state board of education pursuant to
36 subsection A of this section.

37 D. The department of education shall coordinate with the nonprofit
38 entity to provide the training and resources described in subsection C,
39 paragraph 2 of this section in fiscal year 2023-2024. The department of
40 education shall consider the enrollment size of each public school when
41 determining what training to provide pursuant to this section.

42 E. In fiscal year 2023-2024, the department of education may
43 provide access to the career mapping tool and related training and
44 resources described in subsection C of this section to a public school
45 that serves any of grades six through eight. This subsection does not

1 require a public school to complete, monitor, review or update an Arizona
2 education and career action plan for students in any of grades six through
3 eight.

4 F. The early education and career exploration program fund is
5 established consisting of legislative appropriations. The department of
6 education shall administer the fund. Monies in the fund are continuously
7 appropriated and are exempt from the provisions of section 35-190, Arizona
8 Revised Statutes, relating to lapsing of appropriations. Monies in the
9 fund may be used for implementing and administering the early education
10 and career exploration program established pursuant to subsection B of
11 this section.

12 G. On or before June 30, 2024, the department of education shall
13 submit a report to the governor, the president of the senate and the
14 speaker of the house of representatives and provide copies of this report
15 to the secretary of state, the chairperson of the senate committee on
16 education, or its successor committee, and the chairperson of the house of
17 representatives committee on education, or its successor committee. The
18 report shall include the following:

19 1. An overview of the implementation of the early education and
20 career exploration program established by this act, including:

21 (a) How monies from the early education and career exploration
22 program fund were allocated.

23 (b) The number of work-based learning opportunities that were
24 created through the early education and career exploration program.

25 (c) The number and grade levels of students who used the career
26 mapping tool provided pursuant to subsection C, paragraph 1 of this
27 section.

28 2. The department of education's recommendations that the early
29 education and career exploration program be continued, revised or
30 repealed.

31 3. Written comments received from members of the public regarding
32 individuals' experiences with the early education and career exploration
33 program.

34 H. For the purposes of this section, "public school" means a school
35 district, a charter school, an individual school that is operated by a
36 school district or the Arizona state schools for the deaf and the blind.

37 Sec. 14. Continuing high school and workforce training
38 program; enrollment limits; retroactivity; delayed
39 repeal

40 A. Notwithstanding section 15-217.01, Arizona Revised Statutes, the
41 state board of education may approve program schools for the continuing
42 high school and workforce training program with a total projected
43 full-time enrollment of:

44 1. In fiscal year 2023-2024, not more than six hundred.

45 2. In fiscal year 2024-2025, not more than eight hundred.

1 B. This section applies retroactively to from and after June 30,
2 2023.

3 C. This section is repealed from and after June 30, 2025.

4 Sec. 15. Live, remote instructional courses; requirements;
5 funding; incentive bonuses; reporting requirement;
6 definition

7 A. Pursuant to a written agreement with a services provider, a
8 school district or charter school may offer a live, remote instructional
9 course or courses for its own students in any of grades nine through
10 twelve during the 2023-2024 and 2024-2025 school years.

11 B. A school district or charter school that offers a live, remote
12 instructional course pursuant to subsection A of this section generates
13 average daily membership as prescribed in section 15-901, Arizona Revised
14 Statutes, as amended by this act, for each of its own students who
15 participate in the course. A services provider described in this section
16 may not generate average daily membership for remote students.

17 C. A services provider shall pay the instructor of the live, remote
18 instructional course a stipend in an amount of at least twenty-five
19 percent of the contractual amount of per-course, per-student monies.

20 D. A school district or charter school that offers a live, remote
21 instructional course pursuant to subsection A of this section shall:

22 1. Provide an in-person teacher or instructional aide for each
23 live, remote instructional course.

24 2. Ensure that its own students who participate in a live, remote
25 instructional course satisfy the instructional time and instructional
26 hours requirements prescribed in section 15-901, Arizona Revised Statutes,
27 as amended by this act.

28 3. Provide administrative functions for its own students who
29 participate in a live, remote instructional course, including recording
30 each student's participation in a live, remote instructional course on the
31 student's transcript and tracking progress for graduation requirements.

32 E. In the 2023-2024 and 2024-2025 school years, if a live, remote
33 instructional course provides the relevant instruction for a qualifying
34 examination for college credit as prescribed in section 15-249.06, Arizona
35 Revised Statutes, the services provider shall receive any incentive
36 bonuses provided under section 15-249.06, Arizona Revised Statutes.

37 F. In the 2023-2024 and 2024-2025 school years, the department of
38 education shall pay an incentive bonus of \$500 for each remote student who
39 receives a passing grade in a live, remote instruction course that
40 provides the relevant instruction for a qualifying examination identified
41 by the Arizona board of regents pursuant to section 15-249.06, subsection
42 B, Arizona Revised Statutes, subject to the following:

43 1. The incentive bonus established in this subsection shall be paid
44 to the school district or charter school that acts as an instructional
45 services provider for the live, remote instruction course or courses.

1 2. A school district or charter school may not receive an incentive
2 bonus pursuant to this subsection if fewer than ten remote students
3 receive a passing grade in the course or courses.

4 3. If the statewide sum of per student bonuses awarded pursuant to
5 this subsection exceeds the amount of available monies appropriated for
6 incentive bonuses, the bonus monies shall be reduced proportionally to
7 cover all eligible bonus awards.

8 4. Incentive bonuses paid pursuant to this section shall be subject
9 to the same requirements and provisions as incentive bonuses paid pursuant
10 to section 15-249.06, Arizona Revised Statutes.

11 G. On or before June 30, 2024 and 2025, the department of education
12 shall submit to the president of the senate, the speaker of the house of
13 representatives, the governor, the secretary of state and the joint
14 legislative budget committee, a report on all of the following for the
15 current school year:

16 1. The number of students who received a passing grade in a live,
17 remote instruction course that provides the relevant instruction for a
18 qualifying examination at each school.

19 2. The number and types of live, remote instruction courses for
20 which bonus awards are distributed.

21 3. The amount of bonus monies received by each school pursuant to
22 this section.

23 H. Notwithstanding section 15-901.08, Arizona Revised Statutes, a
24 school district or charter school may provide live, remote instruction
25 courses pursuant to this section in the school year without any impact to
26 the school's funding.

27 I. For the purposes of this section, "services provider" means a
28 school district or charter school in this state that provides live, remote
29 instructional courses to both:

30 1. Remote students pursuant to a written agreement with the school
31 district or charter school in which the remote students are enrolled.

32 2. Students who are enrolled in a school operated by the services
33 provider.

34 Sec. 16. Dual enrollment teacher development fund; incentive
35 bonuses

36 A. The dual enrollment teacher development fund is established
37 consisting of legislative appropriations. The department of education
38 shall administer the fund. Monies in the fund are continuously
39 appropriated. The department shall distribute monies in the fund in
40 fiscal year 2023-2024 to schools to provide an incentive bonus of up to
41 \$1,000 per teacher who both:

42 1. Satisfies the requirements for teaching a dual enrollment course
43 adopted by a higher learning commission that accredits degree-granting
44 postsecondary institutions in the north central region, including this
45 state.

1 2. Provides instruction in at least one dual enrollment course.

2 B. A teacher may not receive more than one incentive bonus pursuant
3 to subsection A of this section. If the statewide sum of per teacher
4 bonuses awarded pursuant to subsection A of this section exceeds the
5 amount of available monies in the dual enrollment teacher development
6 fund, the bonus monies shall be reduced proportionally to cover all
7 eligible bonus awards.

8 Sec. 17. Dual enrollment student development fund;
9 eligibility; definitions

10 A. The dual enrollment student development fund is established
11 within the state board of education to provide financial assistance to
12 students who meet the criteria prescribed in this section. The department
13 of education shall administer the fund and shall use the monies in the
14 fund for the purposes of this section. The department shall distribute
15 monies from the fund in fiscal year 2023-2024 to qualifying providers for
16 reimbursements pursuant to subsection B of this section and prioritize
17 distributions from the fund to qualifying providers that serve students
18 who are eligible for free or reduced-price lunches. Monies in the fund
19 are continuously appropriated.

20 B. A student who obtains a passing grade in a qualifying dual
21 enrollment course may receive a reimbursement of up to \$50 per credit hour
22 for the qualifying dual enrollment course, subject to the following:

23 1. A student who is enrolled in grade nine or ten may not receive
24 more than \$300 per school year.

25 2. A student who is enrolled in grade eleven or twelve may not
26 receive more than \$600 per school year.

27 3. To be eligible to receive monies pursuant to this subsection, a
28 student must have a grade point average of 2.5 or higher on a 4.0 scale.

29 C. For the purposes of this section:

30 1. "Passing grade" means a letter grade of A, B or C.

31 2. "Qualifying dual enrollment course" means a dual enrollment
32 course that either:

33 (a) Fulfills a lower division general education credit at a
34 university under the jurisdiction of the Arizona board of regents or a
35 community college as defined in section 15-1401, Arizona Revised Statutes.

36 (b) Is a career and technical education course that is required for
37 a program that results in a certificate, credential or license.

38 3. "Qualifying provider" means a community college, university or
39 institution that provides a qualifying dual enrollment course.

40 Sec. 18. Department of education; professional development
41 and support personnel pilot program; reporting
42 requirements

43 A. The professional development and support personnel pilot program
44 is established within the department of education to provide funding for
45 school districts that have a low teacher experience index calculated

1 pursuant to section 15-941, Arizona Revised Statutes, to hire professional
2 development and support personnel.

3 B. In fiscal year 2023-2024, the department of education shall
4 distribute fifty percent of the monies appropriated for the pilot program
5 established by subsection A of this section to school districts that are
6 located in counties with a population of less than five hundred thousand
7 persons and fifty percent of the monies appropriated for the pilot program
8 established by subsection A of this section to school districts that are
9 located in counties with a population of five hundred thousand or more
10 persons.

11 C. A school district that receives monies under this section shall
12 ensure that professional development and support services are made
13 available to both new teachers and teachers who are moving to a different
14 grade or subject area.

15 D. On or before September 1, 2024, each school district that
16 received monies under this section shall submit a report to the department
17 of education that includes all of the following information:

18 1. The average salaries of teachers in the school district who
19 have:

20 (a) Less than one year of teaching experience.

21 (b) At least one year but less than five years of teaching
22 experience.

23 (c) Five or more years of teaching experience.

24 2. The retention rates of teachers in the school district who have:

25 (a) Less than one year of teaching experience.

26 (b) At least one year but less than five years of teaching
27 experience.

28 (c) Five or more years of teaching experience.

29 3. Quantitative data, such as benchmark and statewide assessment
30 data, as prescribed by the department.

31 E. On or before January 1, 2025, the department of education shall
32 compile the information contained in the reports submitted pursuant to
33 subsection D of this section into a final collective report and shall
34 submit the report to the governor, the president of the senate and the
35 speaker of the house of representatives and shall provide a copy of this
36 report to the secretary of state.

37 Sec. 19. Education programs; county jails; funding; fiscal
38 year 2023-2024

39 A. Notwithstanding section 15-913.01, Arizona Revised Statutes, for
40 fiscal year 2023-2024, each county jail education program shall be funded
41 as follows:

42 1. If a county jail operates its county jail education program
43 through an accommodation school that provides alternative education
44 services pursuant to section 15-308, Arizona Revised Statutes, each pupil
45 enrolled in the program shall be funded at an amount equal to the amount

1 for that pupil if the pupil were enrolled in another accommodation school
2 program.

3 2. If a county jail does not operate its county jail education
4 program through an accommodation school, the program shall be funded
5 pursuant to section 15-913.01, Arizona Revised Statutes, except that the
6 sum determined under section 15-913.01, subsection E, paragraph 3,
7 subdivision (a), Arizona Revised Statutes, shall be modified as follows:

8 (a) The amount prescribed in section 15-1204, subsection E,
9 paragraph 1 or 2, Arizona Revised Statutes, is not multiplied by .72.

10 (b) The amount for capital outlay costs is \$100.

11 Sec. 20. General budget limit increase; school districts;
12 fiscal year 2023-2024

13 A. The general budget limit for school districts shall be increased
14 above the amount that otherwise would be computed pursuant to section
15 15-947, Arizona Revised Statutes, for fiscal year 2023-2024 by:

16 1. \$752,000 for Duncan unified school district.

17 2. \$34,000 for Blue elementary school district.

18 B. A school district that receives a general budget limit increase
19 pursuant to subsection A of this section shall fund that increase with
20 prior-year carryforward monies rather than through an increase in its
21 primary or secondary property tax rates.

22 Sec. 21. Failing schools tutoring fund; use of monies; fiscal
23 year 2023-2024; report

24 A. Notwithstanding section 15-241, Arizona Revised Statutes, the
25 department of education may use monies in the failing schools tutoring
26 fund established by section 15-241, Arizona Revised Statutes, in fiscal
27 year 2023-2024 for the following school improvements:

28 1. To provide assistance to school districts and charter schools
29 for professional development and coaching for teachers and principals.

30 2. To monitor the progress of school districts and charter schools
31 towards improved academic outcomes.

32 3. Outreach to ensure that schools and parents have access to
33 tutoring opportunities.

34 B. On or before September 1, 2023, the department of education
35 shall report the proposed expenditures for fiscal year 2023-2024 pursuant
36 to subsection A of this section to the governor, the speaker of the house
37 of representatives, the president of the senate, the director of the joint
38 legislative budget committee and the director of the governor's office of
39 strategic planning and budgeting.

40 Sec. 22. Intent

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

S.B. 1729

APPROVED BY THE GOVERNOR MAY 11, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2023.