



ARIZONA STATE SENATE
Fifty-Sixth Legislature, First Regular Session

FACT SHEET FOR S.B. 1729

K-12 education; 2023-2024.

Purpose

Makes statutory and session law changes relating to K-12 education necessary to implement the FY 2024 state budget.

Background

The Arizona Constitution prohibits substantive law from being included in the general appropriations, capital outlay appropriations and supplemental appropriations bills. However, it is often necessary to make statutory and session law changes to effectuate the budget. Thus, separate bills called budget reconciliation bills (BRBs) are introduced to enact these provisions. Because BRBs contain substantive law changes, the Arizona Constitution provides that they become effective on the general effective date, unless an emergency clause is enacted.

S.B. 1729 contains the budget reconciliation provisions for changes relating to K-12 education.

Provisions

Basic State Aid

1. Increases the base level for FY 2024 from \$4,775.27 to \$4,914.71.
2. Increases, from 0.018 to 0.022, the Group B support level weight for children who are eligible for the federal Free-and-Reduced Lunch Program (FRPL) and other school programs dependent on a poverty measure.
3. Increases the district additional assistance (DAA) amount per student count for FY 2024 as follows:

Student Count	PreK		K-8		9-12	
	Current	FY 2024	Current	FY 2024	Current	FY 2024
Less than 100	\$502.33	\$549.45	\$606.88	\$663.81	\$670.02	\$732.87
Between 100 and 600			\$433.78	\$474.47	\$451.99	\$494.39
At least 600			\$502.33	\$549.45	\$549.33	\$600.86

4. Increases, from \$77.65 to \$84.93, the per-student-count increase to DAA for textbooks and printed subject matter materials for grades 9 through 12.

5. Increases the charter additional assistance (CAA) amount per student count for FY 2024:
 - a) from \$1,985.58 to \$2,049.12, for students in preschool programs for children with disabilities, kindergarten programs and grades 1 through 8; and
 - b) from \$2,314.16 to \$2,388.21, for students in grades 9 through 12.
6. Increases the transportation support level formula per-route-mile amount for FY 2024 as follows:

Approved Daily Route Mileage per Transported Student	FY 2023	FY 2024
0.5 or less	2.83	2.89
Between 0.5 and 1.0	2.32	2.37
Over 1.0	2.83	2.89

Additional Statutory Funding Formulas

7. Repeals the Results-Based Funding Fund and the per-student distributions to school districts and charter holders for schools that receive an A letter grade.
8. Increases FY 2024 funding for county a jail education program operated through an accommodation school from 72 percent of the Basic State Aid (BSA) that would be calculated for a pupil otherwise enrolled in an accommodation school to the full BSA that would be calculated.
9. Increases the FY 2024 daily funding rate for a pupil with a disability enrolled in a county jail education program that is not operated through an accommodation school by calculating the rate as statutorily prescribed, except that:
 - a) the amount on which the rate is based is not multiplied by 0.72; and
 - b) the per-pupil amount for capital outlay costs is increased from \$72 to \$100.

Adult Education

10. Lowers, retroactive to July 1, 2023, the total projected enrollment caps for Continuing High School and Workforce Training Program schools, which receive \$7,700 per full-time student, from:
 - a) 1,000 to 600 for FY 2024; and
 - b) 1,400 to 800 for FY 2025.
11. Repeals the reduced total projected enrollment caps on July 1, 2025.

Empowerment Scholarship Accounts

12. Requires the Arizona Department of Education (ADE), within 60 days after the last day of each calendar quarter, to submit a report on the Empowerment Scholarship Account Program (ESA Program), consistent with federal law, to:
 - a) the Governor;
 - b) the President of the Senate;
 - c) the Speaker of the House of Representatives (House);
 - d) the Director of the Joint Legislative Budget Committee (JLBC); and
 - e) the Director of the Governor's Office of Strategic Planning and Budgeting (OSPB).

13. Requires the ESA Program quarterly report to include:
- a) the number of ESA Program students, disaggregated by:
 - i. eligibility category;
 - ii. for students eligible through the universal category, the number of students who attended an Arizona public school in the school year immediately preceding the first year of each student's enrollment in the ESA Program;
 - iii. grade level;
 - iv. if applicable, the school district or charter school that each student attended in the school year immediately preceding the first year of enrollment in the ESA Program;
 - v. English language learners;
 - vi. students enrolled in the ESA Program as a student with a disability; and
 - vii. the zip code of each student's permanent residence;
 - b) the annual award amount associated with each ESA; and
 - c) the amount of approved expenses, disaggregated by type of expense according to the statutory categories of permissible expenses.

Early Education and Career Exploration Program

14. Directs the State Board of Education (SBE), in FY 2024, to require public schools to:
- a) complete an Arizona Education and Career Action Plan (ECAP) for each student in grades 9 through 12 before the student's graduation; and
 - b) monitor, review and update each ECAP at least one time per year.
15. Directs ADE, in FY 2024, to establish and administer an Early Education and Career Exploration Program (Exploration Program) to provide resources to public schools and assist public schools in fulfilling the ECAP requirements SBE prescribes.
16. Requires, in FY 2024 and subject to available monies, ADE to contract with a nonprofit entity to provide public schools:
- a) a career mapping tool that meets the outlined requirements; and
 - b) in coordination with ADE, training and resources for individuals who are implementing the SBE-prescribed ECAP requirements.
17. Requires the career mapping tool to:
- a) match students with apprenticeships, internships and other work-based learning opportunities;
 - b) provide content modules for industry-recognized career tracks;
 - c) provide single-sign-on access for students, parents and employees of the public school;
 - d) provide customization options for public schools;
 - e) allow students to continue accessing their profiles and using the career mapping tool after graduation from high school; and
 - f) provide any other educational or career exploration activities or content developed by ADE and approved by SBE.
18. Directs ADE, when determining what training to provide for the Exploration Program, to consider the enrollment size of each public school.

19. Allows ADE to provide, to a public school that serves any of grades 6 through 8, access to the career mapping tool and training and resources in FY 2024.
20. Specifies that, for students in grades 6 through 8, a public school is not required to complete, monitor, review or update an ECAP.
21. Establishes the Early Education and Career Exploration Program Fund (Exploration Program Fund), administered by ADE and consisting of legislative appropriations.
22. Allows Exploration Program Fund monies to be used for implementing and administering the Exploration Program.
23. Specifies that Exploration Program Fund monies are continuously appropriated and exempt from lapsing.
24. Requires ADE, by December 31, 2024, to submit a report to the Governor, the President of the Senate and the Speaker of the House that includes:
 - a) an overview of the implementation of the Exploration Program, including:
 - i. how Exploration Program Fund monies were allocated;
 - ii. the number of work-based learning opportunities that were created through the Exploration Program; and
 - iii. the number and grade levels of students who used the career mapping tool;
 - b) ADE's recommendations that the Exploration Program be continued, revised or repealed; and
 - c) written comments from members of the public regarding individual experiences with the Exploration Program.
25. Directs ADE to provide a copy of the report to the Secretary of State and the chairpersons of the Senate and House education committees, or their successor committees.
26. Defines *public school*, for the purposes of the Exploration Program, as a school district, a charter school, an individual school that is operated by a school district or the Arizona State Schools for the Deaf and the Blind.

Live Remote Instructional Courses

27. Authorizes, during the 2023-2024 and 2024-2025 school years, a school district or charter school to offer a live, remote instructional course or courses (remote courses) for its own students in grades 9 through 12 pursuant to a written agreement with a services provider.
28. Defines *services provider*, for the purposes of remote courses, as a school district or charter school in Arizona that provides remote courses to both:
 - a) remote students pursuant to a written agreement with the school district or charter school in which the remote students are enrolled; and
 - b) students who are enrolled in a school operated by the services provider.
29. Requires a school district or charter school that offers a remote course to:
 - a) provide an in-person teacher or instructional aide for each remote course;

- b) ensure that its own students who participate in a remote course satisfy statutory instructional time and instructional hour requirements; and
 - c) provide administrative functions for its own students who participate in a remote course, including recording participation in the course on the student's transcript and tracking progress for graduation requirements.
30. Determines that a school district or charter school that offers a remote course generates ADM for each of its own students who participate in the course and precludes a services provider from generating ADM for remote students.
31. Requires a services provider to pay a remote course instructor a stipend in an amount of at least 25 percent of the contractual amount of per-course, per-student monies.
32. Allows a school district or charter school to provide remote courses in the school year without any impact to the school's funding, notwithstanding the statutory remote instructional time threshold over which a school's funding is reduced to 95 percent of the base support level that would otherwise be calculated for the school.

Incentives for Remote Courses for Qualifying Examinations

33. Directs, to the services provider, any College Credit by Examination Incentive Program (CCEIP) bonus monies provided according to statute in the 2023-2024 and 2024-2025 school years, if a remote course provides the relevant instruction for the qualifying examination.
34. Directs ADE, in the 2023-2024 and 2024-2025 school years, to pay a services provider a \$500 incentive bonus for each remote student who receives a passing grade in a remote course that provides the relevant instruction for a qualifying CCEIP examination.
35. Prohibits a school district or charter school from receiving a remote course incentive bonus if fewer than 10 remote students receive a passing grade in the remote course or courses.
36. Requires, if the statewide sum of per-student remote course bonuses exceeds the amount of available monies appropriated for incentive bonuses, the incentive bonus monies to be reduced proportionally to cover all eligible awards.
37. Applies existing CCEIP incentive bonus requirements to the distribution of remote course incentive bonus monies.
38. Requires, by June 30 of 2024 and 2025, ADE to submit, to the Governor, President of the Senate, Speaker of the House, Secretary of State and JLBC, a report on the following for the current school year:
- a) number of students who received a passing grade in a remote course that provides the relevant instruction for a qualifying examination at each school;
 - b) number and types of remote courses for which bonus awards are distributed; and
 - c) amount of remote course bonus monies received by each school.

Dual Enrollment

39. Establishes the Dual Enrollment Teacher Development Fund (Development Fund), administered by ADE and consisting of legislative appropriations.

40. Requires ADE, in FY 2024, to distribute Development Fund monies to schools to provide an incentive bonus of up to \$1,000 for each teacher who:
 - a) satisfies the dual enrollment course teaching requirements adopted by a higher learning commission that accredits degree-granting postsecondary institutions in the North Central region, including Arizona; and
 - b) provides instruction in at least one dual enrollment course.
41. Limits a teacher to one incentive bonus from the Development Fund.
42. Requires teacher incentive bonus monies, if the sum of awards exceeds the amount of available Development Fund monies, to be reduced proportionally to cover all eligible bonus awards.
43. Establishes the Dual Enrollment Student Development Fund (Student Fund) within the SBE to provide financial assistance to eligible students.
44. Directs ADE to:
 - a) distribute Student Fund monies in FY 2024 to qualifying dual enrollment course providers for reimbursements to students; and
 - b) prioritize Student Fund distributions to providers that serve FRPL-eligible students.
45. Allows a student to receive a reimbursement of up to \$50 per dual enrollment credit hour if the student has a grade point average of 2.5 or higher on a 4.0 scale and obtains a passing grade in a dual enrollment course that either:
 - a) fulfills a lower division general education credit at an Arizona public university or community college; or
 - b) is a career and technical education course that is required for a program that results in a certificate, credential or license.
46. Caps the total reimbursement a student may receive per school year at:
 - a) \$300, for a student who is in grade 9 or 10; and
 - b) \$600, for a student who is in grade 11 or 12.
47. Requires ADE to administer the Student Fund and use Student Fund monies to provide student reimbursements and specifies that Student Fund monies are continuously appropriated.
48. Specifies that, as allowed under community college accreditation guidelines, a child with a disability in a dual enrollment course must have access to any supplementary aid, service or accommodation provided in the child's individualized education program or Section 504 Plan.
49. Defines terms.

Professional Development and Support Personnel Pilot Program

50. Establishes the Professional Development and Support Personnel Pilot Program (Pilot Program) within ADE to provide funding for school districts that have a low teacher experience index, calculated according to the statutory formula, to hire professional development and support personnel.

51. Directs ADE, in FY 2024, to distribute monies appropriated for the Pilot Program as follows:
 - a) 50 percent to school districts in counties with a population of fewer than 500,000 persons; and
 - b) 50 percent to school districts in counties with a population of at least 500,000 persons.
52. Directs a school district that receives Pilot Program monies to ensure that professional development and support services are made available to both new teachers and teachers moving to a different grade or subject area.
53. Requires each school district that received Pilot Program monies to submit a report to ADE by September 1, 2024, that includes:
 - a) the average salaries and the retention rates of teachers who have:
 - i. less than one year of teaching experience;
 - ii. between one and five years of teaching experience; and
 - iii. at least five years of teaching experience; and
 - b) quantitative data prescribed by ADE, such as benchmark and statewide assessment data.
54. Requires ADE, by January 1, 2025, to:
 - a) compile the information in school district reports into a final collective report;
 - b) submit the final report to the Governor, the President of the Senate and the Speaker of the House; and
 - c) provide a copy of the final report to the Secretary of State.

Arizona Civics Education and Leadership Development Program

55. Requires, in FY 2024, ADE to establish and administer the Civics and Leadership Program to provide civics education and leadership development training to middle school and high school students in Arizona.
56. Requires ADE to develop procedures for eligible nonprofits to apply to participate in the Civics and Leadership Program in FY 2024.
57. Allows ADE to approve an application if the eligible nonprofit:
 - a) is a 501(c)(3) nonprofit;
 - b) provides American civics education and leadership development training to students who are at least 10 years old;
 - c) advances the principles of a democratic republic through multigenerational civics education, civil discourse and civic engagement;
 - d) can provide, to middle school or high school students in Arizona, American civics education and leadership development training as prescribed; and
 - e) submits a copy of the curriculum and all course materials, including instructor manuals, as part of the application.
58. Requires the provided American civics education and leadership development training to:
 - a) promote civil service and civic engagement;
 - b) prepare students for the duties of citizenship; and
 - c) provide opportunities to identify and debate issues relating to a democratic republic.

59. Requires the provided American civics education and leadership development training to include education and training on:
- a) the original intent of the founding documents and principles of the United States as found in source documents, including the U.S. Constitution and constitutional amendments, with emphasis on the Bill of Rights, and the arguments presented in the Federalist Papers; and
 - b) any of the following:
 - i. the history of the United States of America, U.S. Constitution and Bill of Rights;
 - ii. the Declaration of Independence;
 - iii. the composition and roles of the branches of local, state and federal government;
 - iv. the roles and responsibilities of citizens in a democratic republic, including the importance of civil discourse; and
 - v. the positive benefits for citizens in a democratic republic in contrast to other forms of government.
60. Establishes the American Civics Education and Leadership Development Fund (Civics and Leadership Fund), consisting of legislative appropriations, gifts, grants and donations.
61. Directs ADE to administer the Civics and Leadership Fund and distribute Fund monies to approved nonprofits.
62. Requires eligible nonprofits to use the distributed monies for:
- a) stipends for civics leaders and counselors and wages for program staff;
 - b) educational materials and transportation; and
 - c) food, beverages and clothing.
63. Specifies that Civics and Leadership Fund monies are continuously appropriated and exempt from lapsing.
64. Requires, by June 30, 2024, each approved nonprofit to submit a report to ADE that describes the number and types of activities conducted, the number of students served and the outcomes achieved.
65. Directs ADE to compile and submit the reports to the Governor, President of the Senate and Speaker of the House and submit a copy Secretary of State.

Miscellaneous

66. Adds, to the FY 2024 Public School Transportation Modernization Grants Program annual report:
- a) a list of other presently available transportation options for each grant recipient; and
 - b) an explanation of why the proposed transportation alternative is necessary for each grant recipient.
67. Adds, to the recipients of the FY 2024 Public School Transportation Modernization Grants Program annual report, the Director of OSPB and the Director of JLBC.
68. Confirms the tax year 2023 qualifying tax rates to reflect the required truth-in-taxation rate adjustment.

FACT SHEET

S.B. 1729

Page 9

69. Continues to state as the intent of the Legislature and the Governor that school districts increase the total percentage of classroom spending over the previous year's percentages in the combined categories of instruction, student support and instructional support as prescribed by the Auditor General.

70. Makes technical and conforming changes.

71. Becomes effective on the general effective date, with a retroactive provision as noted.

Prepared by Senate Research

May 8, 2023

LB/sr