

REFERENCE TITLE: average daily membership; student withdrawals

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

SB 1174

Introduced by
Senator Kavanagh

AN ACT

AMENDING SECTION 15-901, ARIZONA REVISED STATUTES; RELATING TO SCHOOL DISTRICT BUDGETS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

4 15-901. Definitions

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

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10 PARAGRAPH, "withdrawals" ~~include~~ MEANS students who are formally withdrawn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

22 (a) "Fractional student" means:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 3. "Common 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 either:

6 (a) Grades one through eight.

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

8 4. "Current year" means the fiscal year in which a school district
9 is operating.

10 5. "Daily attendance" means:

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

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

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

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

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

44 (b) For common schools, the attendance of a pupil at three-quarters
45 or less of the instructional time scheduled for the day shall be counted

1 as follows, except as provided in section 15-797 and except that
2 attendance for a fractional student shall not exceed the pupil's
3 fractional membership:

4 (i) If attendance for all pupils in the school is based on quarter
5 days, the attendance of a pupil shall be counted as one-fourth of a day's
6 attendance for each one-fourth of full-time instructional time attended.
7 A school district or charter school may satisfy any of the time and hours
8 requirements prescribed in this item in any manner prescribed in the
9 school district's or charter school's instructional time model adopted
10 under section 15-901.08.

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

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

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

41 (e) For high schools, the attendance of a pupil may be counted as
42 one-fourth of a day's attendance for each sixty minutes of instructional
43 time in a subject that counts toward graduation, except that attendance
44 for a pupil shall not exceed the pupil's full or fractional membership. A
45 school district or charter school may satisfy any of the time and hours

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

4 (f) For homebound or hospitalized, a full day of attendance may be
5 counted for each day during a week in which the student receives at least
6 four hours of instruction. A school district or charter school may
7 satisfy any of the time and hours requirements prescribed in this
8 subdivision in any manner prescribed in the school district's or charter
9 school's instructional time model adopted under section 15-901.08.

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

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

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

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

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

36 8. "Eligible students" means:

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

41 (i) For common school students, whose place of actual residence
42 within the school district is more than one mile from the school facility
43 of attendance or students who are admitted pursuant to section 15-816.01
44 and who meet the economic eligibility requirements established under the
45 national school lunch and child nutrition acts (42 United States Code

1 sections 1751 through 1793) for free or reduced-price lunches and whose
2 actual place of residence outside the school district boundaries is more
3 than one mile from the school facility of attendance.

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

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

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

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

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

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

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

36 12. "Instructional hours" or "instructional time" means hours or
37 time spent pursuant to an instructional time model adopted under section
38 15-901.08.

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

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

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

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

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

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

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

14 1. "Base" means the revenue level per student count specified by
15 the legislature.

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

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

19 (b) For fiscal year 2021-2022, \$4,390.65.

20 (c) For fiscal year 2022-2023, \$4,775.27.

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

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

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

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

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

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

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

5 10. "FRPL" means students who meet the eligibility requirements
6 established under the national school lunch and child nutrition acts
7 (42 United States Code sections 1751 through 1793) for free or
8 reduced-price lunches, or an equivalent measure recognized for
9 participating in the federal free and reduced-price lunch program and
10 other school programs dependent on a poverty measure, including the
11 community eligibility provision for which free and reduced-price lunch
12 data is not available.

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

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

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

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

23 13. "Group A" means educational programs for career exploration, a
24 specific learning disability, an emotional disability, a mild intellectual
25 disability, remedial education, a speech/language impairment,
26 developmental delay, homebound pupils, bilingual pupils and pupils with
27 other health impairments.

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

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

1 16. "Homebound" or "hospitalized" means a pupil who is capable of
2 profiting from academic instruction but is unable to attend school due to
3 illness, disease, accident or other health conditions, who has been
4 examined by a competent medical doctor and who is certified by that doctor
5 as being unable to attend regular classes for a period of not less than
6 three school months or a pupil who is capable of profiting from academic
7 instruction but is unable to attend school regularly due to chronic or
8 acute health problems, who has been examined by a competent medical doctor
9 and who is certified by that doctor as being unable to attend regular
10 classes for intermittent periods of time totaling three school months
11 during a school year. The medical certification shall state the general
12 medical condition, such as illness, disease or chronic health condition,
13 that is the reason that the pupil is unable to attend school. Homebound
14 or hospitalized includes a student who is unable to attend school for a
15 period of less than three months due to a pregnancy if a competent medical
16 doctor, after an examination, certifies that the student is unable to
17 attend regular classes due to risk to the pregnancy or to the student's
18 health.

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

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

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

24 20. "MD-SC, A-SC and SID-SC" means self-contained programs for
25 pupils with multiple disabilities, autism and severe intellectual
26 disability.

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

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

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

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

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

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

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

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

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

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

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

8 29. "Small school district" means a school district that meets all
9 of the following:

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

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

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

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

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

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