

REFERENCE TITLE: CTEs; in-demand programs; funding

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

## **SB 1272**

Introduced by  
Senator Bennett

### AN ACT

REPEALING SECTION 15-249.15, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-393, 15-393.01 AND 15-398, ARIZONA REVISED STATUTES; RELATING TO CAREER TECHNICAL EDUCATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Repeal

3 Section 15-249.15, Arizona Revised Statutes, is repealed.

4 Sec. 2. Section 15-393, Arizona Revised Statutes, is amended to  
5 read:

6 15-393. Career technical education district governing board;  
7 report; definitions

8 A. The management and control of a career technical education  
9 district are vested in the career technical education district governing  
10 board, including the content and quality of the courses offered by the  
11 district, the quality of teachers who provide instruction on behalf of the  
12 district, the salaries of teachers who provide instruction on behalf of  
13 the district and the reimbursement of other entities for the facilities  
14 used by the district. This section does not restrict a school district  
15 from offering any career and technical education course that does not  
16 qualify for funding as a career technical education course or career  
17 technical education district program. Unless the governing boards of the  
18 school districts participating in the formation of the career technical  
19 education district vote to implement an alternative election system as  
20 provided in subsection B of this section, the career technical education  
21 board consists of five members elected from five single member districts  
22 formed within the career technical education district. The single member  
23 district election system shall be submitted as part of the plan for the  
24 career technical education district pursuant to section 15-392 and shall  
25 be established in the plan as follows:

26 1. The governing boards of the school districts participating in  
27 the formation of the career technical education district shall define the  
28 boundaries of the single member districts so that the single member  
29 districts are as nearly equal in population as is practicable, except that  
30 if the career technical education district lies in part in each of two or  
31 more counties, at least one single member district may be entirely within  
32 each of the counties comprising the career technical education district if  
33 this district design is consistent with the obligation to equalize the  
34 population among single member districts.

35 2. The boundaries of each single member district shall follow  
36 election precinct boundary lines, as far as practicable, in order to avoid  
37 further segmentation of the precincts.

38 3. A person who is a registered voter of this state and who has  
39 been a resident of the single member district for at least one year  
40 immediately preceding the date of the election is eligible for election to  
41 the office of career technical education board member from the single  
42 member district. The terms of office of the members of the career  
43 technical education board shall be as prescribed in section 15-427,  
44 subsection B. An employee of a career technical education district or the  
45 spouse of an employee shall not hold membership on a governing board of a

1 career technical education district by which the employee is employed. A  
2 member of one school district governing board or career technical  
3 education district governing board is ineligible to be a candidate for  
4 nomination or election to or serve simultaneously as a member of any other  
5 governing board, except that a member of a governing board may be a  
6 candidate for nomination or election for any other governing board if the  
7 member is serving in the last year of a term of office. A member of a  
8 governing board shall resign the member's seat on the governing board  
9 before becoming a candidate for nomination or election to the governing  
10 board of any other school district or career technical education district,  
11 unless the member of the governing board is serving in the last year of a  
12 term of office. Members of a career technical education district  
13 governing board are subject to the conflict of interest requirements  
14 prescribed in section 38-503.

15 4. Nominating petitions shall be signed by the number of qualified  
16 electors of the single member district as provided in section 16-322.

17 B. The governing boards of the school districts participating in  
18 the formation of the career technical education district may vote to  
19 implement any other alternative election system for the election of career  
20 technical education district board members. If an alternative election  
21 system is selected, it shall be submitted as part of the plan for the  
22 career technical education district pursuant to section 15-392, and the  
23 implementation of the system shall be as approved by the United States  
24 justice department.

25 C. Career technical education districts are subject to the  
26 following provisions of this title:

- 27 1. Chapter 1, articles 1, 2, 3, 4, 5 AND through 6.
- 28 2. Sections 15-208, 15-210, 15-213 and 15-234.
- 29 3. Articles 2, 3 and 5 of this chapter.
- 30 4. Section 15-361.
- 31 5. Chapter 4, articles 1, 2 and 5.
- 32 6. Chapter 5, articles 1 and 3.
- 33 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728,  
34 15-729 and 15-730.
- 35 8. Chapter 7, article 5.
- 36 9. Chapter 8, articles 1, 3 and 4.
- 37 10. Sections 15-828 and 15-829.
- 38 11. Chapter 9, article 1, article 6, except for section 15-995, and  
39 article 7.
- 40 12. Sections 15-941, 15-943.01, 15-953 and 15-973.
- 41 13. Sections 15-1101 and 15-1104.
- 42 14. Chapter 10, articles 2, 3, 4 and 8.

1 D. Notwithstanding subsection C of this section, the following  
2 apply to a career technical education district:

3 1. A career technical education district may issue bonds for the  
4 purposes specified in section 15-1021 and in chapter 4, article 5 of this  
5 title to an amount in the aggregate, including the existing indebtedness,  
6 not exceeding one percent of the net assessed value of the full cash value  
7 of the property within the career technical education district. For the  
8 purposes of this paragraph, "full cash value" and "net assessed value"  
9 have the same meanings prescribed in section 42-11001.

10 2. The number of governing board members for a career technical  
11 education district shall be as prescribed in subsection A of this section.

12 3. The student count for the first year of operation of a career  
13 technical education district as provided in this article shall be  
14 determined as follows:

15 (a) Determine the estimated student count for career technical  
16 education district classes that will operate in the first year of  
17 operation. This estimate shall be based on actual registration of pupils  
18 as of March 30 scheduled to attend classes that will be operated by the  
19 career technical education district. The student count for the school  
20 district of residence of the pupils registered at the career technical  
21 education district shall be adjusted. The adjustment shall cause the  
22 school district of residence to reduce the student count for the pupil to  
23 reflect the courses to be taken at the career technical education  
24 district. The school district of residence shall review and approve the  
25 adjustment of its own student count as provided in this subdivision before  
26 the pupils from the school district can be added to the student count of  
27 the career technical education district.

28 (b) The student count for the new career technical education  
29 district shall be the student count as determined in subdivision (a) of  
30 this paragraph.

31 (c) For the first year of operation, the career technical education  
32 district shall revise the student count to the actual average daily  
33 membership as prescribed in section 15-901, subsection A, paragraph 1 for  
34 students attending classes in the career technical education district. A  
35 career technical education district shall revise its student count, the  
36 base support level as provided in section 15-943.02, the revenue control  
37 limit as provided in section 15-944.01 and the district additional  
38 assistance as provided in section 15-962.01 before May 15. A career  
39 technical education district that overestimated its student count shall  
40 revise its budget before May 15. A career technical education district  
41 that underestimated its student count may revise its budget before May 15.

42 (d) After March 15 of the first year of operation, the school  
43 district of residence shall adjust its student count by reducing it to  
44 reflect the courses actually taken at the career technical education  
45 district. The school district of residence shall revise its student

1 count, the base support level as provided in section 15-943, the revenue  
2 control limit as provided in section 15-944 and the district additional  
3 assistance as provided in section 15-962.01 prior to May 15. A district  
4 that underestimated the student count for students attending the career  
5 technical education district shall revise its budget before May 15. A  
6 district that overestimated the student count for students attending the  
7 career technical education district may revise its budget before May 15.

8 (e) The procedures for implementing this paragraph shall be as  
9 prescribed in the uniform system of financial records.

10 For the purposes of this paragraph, "school district of residence" means  
11 the school district that included the pupil in its average daily  
12 membership for the year before the first year of operation of the career  
13 technical education district and that would have included the pupil in its  
14 student count for the purposes of computing its base support level for the  
15 fiscal year of the first year of operation of the career technical  
16 education district if the pupil had not enrolled in the career technical  
17 education district.

18 4. A student includes any person enrolled in the career technical  
19 education district without regard to the person's age or high school  
20 graduation status, except that:

21 (a) A student in a kindergarten program or in any of grades one  
22 through eight who enrolls in courses offered by the career technical  
23 education district shall not be included in the career technical education  
24 district's student count or average daily membership.

25 (b) A student in a kindergarten program or in any of grades one  
26 through eight who is enrolled in career and technical education courses  
27 shall not be funded in whole or in part with monies provided by a career  
28 technical education district, except that a pupil in grade eight may be  
29 funded with monies generated by the \$.05 qualifying tax rate authorized in  
30 subsection F of this section.

31 (c) A student who has graduated from high school or received a  
32 general equivalency diploma or who is over twenty-one years of age shall  
33 not be included in the student count of the career technical education  
34 district for the purposes of chapter 9, articles 3, 4 and 5 of this title.

35 5. A career technical education district may operate for more than  
36 one hundred eighty days per year, or less, with the equivalent number of  
37 hours of instruction.

38 6. A career technical education district may use the carryforward  
39 provisions of section 15-943.01.

40 7. A school district that is part of a career technical education  
41 district shall use any monies received pursuant to this article to  
42 supplement and not supplant base year career and technical education  
43 courses, and directly related equipment and facilities, except that a  
44 school district that is part of a career technical education district and  
45 that has used monies received pursuant to this article to supplant career

1 and technical education courses that were offered before the first year  
 2 that the school district participated in the career technical education  
 3 district or the first year that the school district used monies received  
 4 pursuant to this article or that used the monies for purposes other than  
 5 for career and technical education courses shall use one hundred percent  
 6 of the monies received pursuant to this article to supplement and not  
 7 supplant base year career and technical education courses. Each  
 8 applicable school district shall provide a report to the career technical  
 9 education board and the department of education outlining the required  
 10 maintenance of effort and how monies were used to supplement and not  
 11 supplant base year career and technical education courses and directly  
 12 related equipment and facilities.

13 8. A career technical education district shall use any monies  
 14 received pursuant to this article to enhance and not supplant career and  
 15 technical education courses and directly related equipment and facilities.

16 9. A career technical education district or a school district that  
 17 is part of a career technical education district or a charter school shall  
 18 only include pupils in grades nine through twelve and pupils in the school  
 19 year immediately following graduation in the calculation of student count  
 20 or average daily membership if the pupils are enrolled in courses that are  
 21 approved jointly by the governing board of the career technical education  
 22 district and each participating school district or charter school for  
 23 satellite courses taught within the participating school district or  
 24 charter school, or approved solely by the career technical education  
 25 district for centrally located courses. Funding may be provided for not  
 26 more than four years for the same student. Student count and average  
 27 daily membership from courses that are not part of an approved program for  
 28 career and technical education shall not be included in student count and  
 29 average daily membership of a career technical education district.

30 E. The career technical education board shall appoint a  
 31 superintendent as the executive officer of the career technical education  
 32 district.

33 F. Taxes may be levied for the support of the career technical  
 34 education district as prescribed in chapter 9, article 6 of this title,  
 35 except that a career technical education district shall not levy a  
 36 property tax pursuant to law that exceeds \$.05 per \$100 assessed valuation  
 37 except for bond monies pursuant to subsection D, paragraph 1 of this  
 38 section. Such taxes shall be obtained from a levy of taxes on the taxable  
 39 property used for secondary tax purposes.

40 G. The schools in the career technical education district are  
 41 available to all persons who reside in the career technical education  
 42 district and to pupils whose school district of residence within this  
 43 state is paying tuition on behalf of the pupils to a district of  
 44 attendance that is a member of the career technical education district,

1 subject to the rules for admission prescribed by the career technical  
2 education board.

3 H. The career technical education board may collect tuition for  
4 adult students and the attendance of pupils who are residents of school  
5 districts that are not participating in the career technical education  
6 district pursuant to arrangements made between the governing board of the  
7 school district and the career technical education board.

8 I. The career technical education board may accept gifts, grants,  
9 federal monies, tuition and other allocations of monies to erect, repair  
10 and equip buildings and for the cost of operating the schools of the  
11 career technical education district.

12 J. One member of the career technical education board shall be  
13 selected chairman. The chairman shall be selected annually on a rotation  
14 basis from among the participating school districts. The chairman of the  
15 career technical education board shall be a voting member.

16 K. A career technical education board and a community college  
17 district may enter into agreements to provide for administrative,  
18 operational and educational services and facilities.

19 L. Any agreement between the governing board of a career technical  
20 education district and another career technical education district, a  
21 school district, a charter school or a community college district shall be  
22 in the form of an intergovernmental agreement or other written contract.  
23 The auditor general shall modify the uniform system of financial records  
24 and budget forms in accordance with this subsection. The  
25 intergovernmental agreement or other written contract shall completely and  
26 accurately specify each of the following:

27 1. The financial provisions of the intergovernmental agreement or  
28 other written contract and the format for the billing of all services.

29 2. The accountability provisions of the intergovernmental agreement  
30 or other written contract.

31 3. The responsibilities of each career technical education  
32 district, each school district, each charter school and each community  
33 college district that is a party to the intergovernmental agreement or  
34 other written contract.

35 4. The type of instruction that will be provided under the  
36 intergovernmental agreement or other written contract, including  
37 individualized education programs pursuant to section 15-763.

38 5. The quality of the instruction that will be provided under the  
39 intergovernmental agreement or other written contract.

40 6. The transportation services that will be provided under the  
41 intergovernmental agreement or other written contract and the manner in  
42 which transportation costs will be paid.

43 7. The amount that the career technical education district will  
44 contribute to a course and the amount of support required by the school  
45 district, the charter school or the community college.

1           8. That the services provided by the career technical education  
2 district, the school district, the charter school or the community college  
3 district be proportionally calculated in the cost of delivering the  
4 service.

5           9. That the payment for services shall not exceed the cost of the  
6 services provided.

7           10. That the career technical education district will provide the  
8 following minimum services for all member districts:

9           (a) Professional development of career and technical teachers in  
10 the career technical education district who are teaching programs or  
11 courses at a satellite campus.

12           (b) Ongoing evaluation and support of satellite campus programs and  
13 courses to ensure quality and compliance.

14           11. An itemized listing of other goods and services that are  
15 provided to the member district and that are paid for by the retention of  
16 satellite campus student funding.

17           M. A member school district or charter school may not submit  
18 requests to approve or add satellite campus career technical education  
19 district programs or courses directly to the career and technical  
20 education division of the department of education, but shall submit all  
21 appropriate application documentation and materials for programs or  
22 courses to the career technical education district. On approval from the  
23 career technical education board, a career technical education district  
24 shall only submit requests to approve or add satellite campus career  
25 technical education district programs or courses directly to the career  
26 and technical education division of the department of education, which  
27 shall determine whether the criteria prescribed in section 15-391,  
28 paragraphs 2 and 4 have been met. If the career and technical education  
29 division of the department of education determines that a course does not  
30 meet the criteria for approval as a career technical education course, the  
31 governing board of the career technical education district may appeal this  
32 decision to the state board of education acting as the state board of  
33 vocational education.

34           N. Notwithstanding any other law, the average daily membership for  
35 a pupil who is enrolled in a career technical education course and who  
36 does not meet the criteria specified in subsection P, Q or R of this  
37 section shall be 0.25 for each course, except the sum of the average daily  
38 membership shall not exceed the limits prescribed by subsection D, P, Q or  
39 R of this section, as applicable.

40           O. If a career and technical education course or program is  
41 provided on a satellite campus, the sum of the average daily membership,  
42 as provided in section 15-901, subsection A, paragraph 1, for that pupil  
43 in the school district or charter school and career technical education  
44 district shall not exceed 1.25. The school district or charter school and  
45 the career technical education district shall determine the apportionment

1 of the average daily membership for that pupil between the school district  
2 or charter school and the career technical education district. A pupil  
3 who attends a course or program at a satellite campus and who is not  
4 enrolled in the school district or charter school where the satellite  
5 campus is located may generate the average daily membership of up to 0.25  
6 for one hundred fifty instructional hours of enrollment for instruction  
7 received during any hour of the day, during any day of the week and at any  
8 time between July 1 and June 30 of each fiscal year pursuant to this  
9 subsection if the pupil is enrolled in a school district that is a member  
10 district in the same career technical education district.

11 P. The sum of the average daily membership of a pupil who is  
12 enrolled in both the school district and career technical education course  
13 or career technical education program provided by a community college  
14 pursuant to subsection K of this section or at a centralized campus shall  
15 not exceed 1.75. The average daily membership for a pupil who is enrolled  
16 in a career technical education course or career technical education  
17 program provided by a community college shall be 0.25 for the accumulation  
18 of every three community college credits for which a student is enrolled  
19 in career technical education courses. The member school district and the  
20 career technical education district shall determine the apportionment of  
21 the average daily membership and student enrollment for that pupil between  
22 the member school district and the career technical education district,  
23 except that the amount apportioned shall not exceed 1.0 for either entity.  
24 Notwithstanding any other law, the average daily membership for a pupil  
25 who is in grade nine, ten, eleven or twelve or in the school year  
26 immediately following graduation and who is enrolled in a course that  
27 meets for at least one hundred fifty minutes per class period at a  
28 centralized campus shall be 0.75. To qualify for funding pursuant to this  
29 subsection, a centralized campus shall offer programs and courses to all  
30 eligible students in each member district of the career technical  
31 education district. Students in an approved career technical education  
32 program may generate an average daily membership of up to 1.75 for  
33 instruction received during any hour of the day, during any day of the  
34 week and at any time between July 1 and June 30 of each fiscal  
35 year. Average daily membership shall not be calculated on the one  
36 hundredth day of instruction for the purposes of this section. Average  
37 daily membership shall be calculated by dividing the instructional hours  
38 of enrollment by six hundred hours, except that:

39 1. At least one hundred fifty hours and less than three hundred  
40 hours equals 0.25 average daily membership.

41 2. At least three hundred hours and less than four hundred fifty  
42 hours equals 0.5 average daily membership.

43 3. At least four hundred fifty hours and less than six hundred  
44 hours equals 0.75 average daily membership.

45 4. At least six hundred hours equals 1.0 average daily membership.

1 Q. The average daily membership for a pupil who is in grade nine,  
2 ten, eleven or twelve or in the school year immediately following  
3 graduation and who is enrolled in a course that meets for at least one  
4 hundred fifty minutes per class period at a leased centralized campus  
5 shall not exceed 0.75. Students in an approved career technical education  
6 program provided by a leased centralized campus may generate an average  
7 daily membership for instruction received during any hour of the day,  
8 during any day of the week and at any time between July 1 and June 30 of  
9 each fiscal year. Average daily membership shall be calculated by  
10 dividing the instructional hours of enrollment by six hundred hours,  
11 except that:

12 1. At least one hundred fifty hours and less than three hundred  
13 hours equals 0.25 average daily membership.

14 2. At least three hundred hours and less than four hundred fifty  
15 hours equals 0.5 average daily membership.

16 3. At least four hundred fifty hours and less than six hundred  
17 hours equals 0.75 average daily membership.

18 4. At least six hundred hours equals 1.0 average daily membership.

19 R. The sum of the average daily membership, as provided in section  
20 15-901, subsection A, paragraph 1, of a pupil who is enrolled in both the  
21 school district and in career technical education courses provided at a  
22 leased centralized campus shall not exceed 1.75 if all of the following  
23 conditions are met:

24 1. The course qualifies as a career technical education course.

25 2. The course is offered to all eligible students in each member  
26 district of the career technical education district and enrolls students  
27 from multiple high schools.

28 3. The career technical education district program in which the  
29 course is included addresses a specific industry need and has been  
30 developed in cooperation with that industry, or the leased facility is a  
31 state or federal asset that would otherwise be unused or underutilized.

32 4. The lease is established at fair market value if the lease is  
33 executed for a facility located on the site of a member district and was  
34 approved by the joint committee on capital review, except that a lease  
35 that was executed or renewed before December 31, 2012 is not subject to  
36 approval by the joint committee on capital review.

37 S. A student who is enrolled in an accommodation school may be  
38 treated as a student of the school district in which the student  
39 physically resides for the purposes of enrollment in a career technical  
40 education district and shall be included in the calculation of average  
41 daily membership for either the career technical education district or the  
42 accommodation school, or both.

43 T. Notwithstanding any other law, the student count for a career  
44 technical education district shall be equivalent to the career technical  
45 education district's average daily membership. Students in an approved

1 career technical education program provided by a satellite campus,  
 2 centralized campus or leased centralized campus may generate an average  
 3 daily membership subject to the limits prescribed by subsections D, N, O,  
 4 P, Q and R of this section, as applicable, for instruction received during  
 5 any hour of the day, during any day of the week and at any time between  
 6 July 1 and June 30 of each fiscal year. Average daily membership shall  
 7 not be calculated on the one hundredth day of instruction for the purposes  
 8 of this section. The department may not restrict the instructional time  
 9 by limiting the particular days of the week or time of the fiscal year for  
 10 instruction to occur.

11 U. A school district or charter school may not prohibit or  
 12 discourage students who are enrolled in that school district or charter  
 13 school from attending courses offered by a career technical education  
 14 district, including requiring students to generate a full 1.0 average  
 15 daily membership or to enroll in more courses than are needed to graduate  
 16 before enrolling in and attending programs or courses offered by a career  
 17 technical education district.

18 V. The governing board of the career technical education district  
 19 may contract with any charter school that is located within the boundaries  
 20 of the career technical education district to allow that charter school to  
 21 offer career and technical education courses or programs as a satellite  
 22 campus.

23 W. Beginning in 2020 and every five years thereafter, the career  
 24 and technical education division of the department of education shall  
 25 review career technical education district programs and career technical  
 26 education courses to ensure compliance, quality and eligibility. Any  
 27 program or course deemed to not meet the requirements set forth by law  
 28 shall not be funded for the current school year and shall be removed from  
 29 the approved program and course list for the purposes of funding. The  
 30 career and technical education division may establish a staggered schedule  
 31 for reviewing each career technical education district.

32 ~~X. Notwithstanding subsection D, paragraphs 4 and 9 and subsections~~  
 33 ~~P, Q and R of this section, for a student in grade nine, funding shall be~~  
 34 ~~provided pursuant to this section only if the student reaches the fortieth~~  
 35 ~~day of grade eleven enrolled in an approved career technical education~~  
 36 ~~program and meets the requirements prescribed in subsection Z of this~~  
 37 ~~section. At that time funding shall be provided for that student for~~  
 38 ~~grade nine and for any subsequent year in which the student is eligible~~  
 39 ~~for funding pursuant to this section.~~

40 ~~Y. On or before September 1 of each year, the office of economic~~  
 41 ~~opportunity in collaboration with the department of education shall~~  
 42 ~~compile an in-demand regional education list of the approved career~~  
 43 ~~technical education programs that lead to a career path in high demand~~  
 44 ~~with median-to-high-wage jobs in that region. The office of economic~~  
 45 ~~opportunity shall incorporate industry feedback as part of developing the~~

1 ~~in-demand regional educational list. The office of economic opportunity~~  
2 ~~shall submit the in-demand regional education list to the Arizona career~~  
3 ~~and technical education quality commission for review and approval.~~

4 ~~Z. Notwithstanding subsection D, paragraphs 4 and 9 and subsections~~  
5 ~~P, Q and R of this section, for a student in grade nine or in the school~~  
6 ~~year immediately following graduation, funding shall be provided pursuant~~  
7 ~~to this section only if the student is enrolled in a program that was~~  
8 ~~included on the in-demand regional education list compiled pursuant to~~  
9 ~~subsection Y of this section for that student's region for the year in~~  
10 ~~which the student began the program.~~

11 ~~AA.~~ X. For the purposes of this section:

12 1. "Base year" means the complete school year in which voters of a  
13 school district elected to join a career technical education district.

14 2. "Centralized campus" means a facility that is owned and operated  
15 by a career technical education district to offer career technical  
16 education district programs or career technical education courses.

17 3. "Lease" means a written agreement in which the right to occupy  
18 or use real property is conveyed from one person or entity to another  
19 person or entity for a specified period of time.

20 4. "Leased centralized campus" means a facility that is leased and  
21 operated by a career technical education district to offer career  
22 technical education district programs or career technical education  
23 courses.

24 5. "Satellite campus" means a facility that is owned or operated by  
25 a school district or charter school to offer career technical education  
26 district programs or career technical education courses.

27 Sec. 3. Section 15-393.01, Arizona Revised Statutes, is amended to  
28 read:

29 15-393.01. Career technical education districts; annual  
30 report; performance and accountability

31 A. The department of education shall include each career technical  
32 education district in the department's annual achievement profiles  
33 required by section 15-241, except that a career technical education  
34 district may not be assigned a letter grade pursuant to section 15-241.  
35 Subject to approval by the state board of education, the department shall  
36 develop specific criteria applicable to career technical education  
37 districts that may not be based solely on the criteria prescribed in the  
38 Carl D. Perkins vocational education act, as amended by the Carl D.  
39 Perkins vocational and applied technology education act amendments of  
40 1990, as amended by the Carl D. Perkins vocational and technical education  
41 act of 1998. The department shall include all of the following  
42 performance indicators in the annual achievement profiles and provide a  
43 copy of the information to each career technical education district  
44 governing board:

1           1. The graduation rate of all students enrolled in a career and  
2 technical education program or course.

3           2. The completion rate for each program offered by the career  
4 technical education district.

5           3. Performance on assessments required pursuant to section 15-391,  
6 paragraph 4, subdivision (b).

7           4. Postgraduation employment rates, postsecondary enrollment rates  
8 and military service rates for students who complete a career and  
9 technical education program.

10          B. A career technical education district is subject to the  
11 performance audits pursuant to section 41-1279.03, subsection A,  
12 paragraph 9. The auditor general shall consider the differences and  
13 applicable laws for a career technical education district when conducting  
14 a performance audit for a career technical education district.

15          C. On or before December 31 of each year, the career and technical  
16 education division of the department of education shall submit a career  
17 technical education district annual report to the governor, the president  
18 of the senate and the speaker of the house of representatives and shall  
19 submit a copy of this report to the secretary of state. The career and  
20 technical education division of the department of education shall submit a  
21 copy of this report to the joint legislative budget committee for review.  
22 The annual report shall include the following:

23           1. The average daily membership of each career technical education  
24 district, including the average daily membership of each centralized  
25 campus, satellite campus and leased centralized campus as defined in  
26 section 15-393.

27           2. The actual student count of each career technical education  
28 district, including the student count of each centralized campus,  
29 satellite campus and leased centralized campus as defined in section  
30 15-393.

31           3. The programs and corresponding courses offered by each career  
32 technical education district, including the location of each program and  
33 course.

34           4. For each career technical education district based on program or  
35 course location:

36           (a) The student enrollment of each program and corresponding  
37 course.

38           (b) The percentage of students who enrolled in the second year of  
39 each program and corresponding course relative to the number of students  
40 in the same cohort who enrolled in the first year of each program and  
41 corresponding course.

42           (c) The percentage of students who completed each program relative  
43 to the number of students in the same cohort who began the program.

44           5. The costs associated with each program offered by the career  
45 technical education district.

1           6. A listing of any programs or courses that were discontinued by  
2 review of the career and technical education division pursuant to section  
3 15-393, subsection W.

4           7. A listing of any programs or courses that were continued by  
5 review of the career and technical education division pursuant to section  
6 15-393, subsection W.

7           8. A listing of any programs or courses that were added by the  
8 career and technical education division.

9           9. For applicable school districts, the required maintenance of  
10 effort and how monies were used to supplement and not supplant base year  
11 career and technical education courses, including expenditures related to  
12 personnel, equipment and facilities.

13           10. For students ~~who meet the requirements to receive funding~~  
14 ~~pursuant to section 15-393, subsection X, students enrolled in an~~  
15 ~~internship course~~ IN GRADE NINE and students enrolled in the year  
16 immediately following graduation, a separate listing of the following  
17 information for each district:

18           (a) Average daily membership.

19           (b) The actual student count.

20           (c) Enrollment by course or program and persistence at each grade  
21 level toward completion of the program.

22           (d) The percentage of students who completed each program.

23           (e) The number of certifications and licenses earned by students  
24 delineated by those who attended a satellite program and those who  
25 attended a centralized campus.

26           11. Any other data or information deemed necessary by the  
27 department of education.

28           D. The office of the auditor general, in consultation with the  
29 department of education, shall develop and establish uniform cost  
30 reporting guidelines, policies and procedures for career technical  
31 education district programs. Any guideline, policy or procedure shall  
32 allow for the effective comparison of cost between career technical  
33 education district programs.

34           Sec. 4. Section 15-398, Arizona Revised Statutes, is amended to  
35 read:

36           15-398. Career technical education districts; associate  
37 degrees; requirements; reports; definitions

38           A. Notwithstanding any other law, a career technical education  
39 district may offer associate degrees that are accredited by a regional or  
40 national accreditation agency approved by the United States department of  
41 education. Beginning on September 24, 2022, any career technical  
42 education district seeking to offer an associate degree program pursuant  
43 to this section shall apply for accreditation from a regional  
44 accreditation agency.

1 B. Each career technical education district that offers an  
2 associate degree program pursuant to this section must meet both of the  
3 following:

- 4 1. All applicable regional or national accreditation requirements.
- 5 2. All applicable state licensure requirements.

6 C. ~~A career technical education district may offer associate  
7 degrees only for career technical education district programs that are on  
8 the in-demand regional education list compiled pursuant to section 15-393.~~

9 When determining whether to offer an associate degree program, the career  
10 technical education board shall make its determination based on all of the  
11 following criteria:

12 1. Whether the career technical education district is able to  
13 demonstrate industry demand for the associate degree program.

14 2. A financial analysis that shows the short-term and long-term  
15 impacts to initiate and sustain the associate degree program, including  
16 all of the following:

- 17 (a) The source of monies.
- 18 (b) Facilities requirements.
- 19 (c) Faculty.
- 20 (d) Personnel.
- 21 (e) Administrative costs.

22 3. Whether the associate degree program would unnecessarily  
23 duplicate the degree programs offered by other institutions of higher  
24 education in this state.

25 4. The ability of the career technical education district to  
26 support the associate degree program with and the adequacy of the  
27 facilities, faculty, administration, libraries and other resources.

28 D. A career technical education district that is located in the  
29 same county as the main campus of any public university or community  
30 college district and that is developing an associate degree program shall  
31 notify the public university or community college at least sixty days  
32 before submitting the report prescribed in subsection E of this section.  
33 Within thirty days after the date the career technical education district  
34 submits the notice, the public university or community college may provide  
35 a written response to the career technical education board for its review.  
36 This subsection does not allow a public university or community college to  
37 prevent a career technical education district from offering an associate  
38 degree program.

39 E. Before the career technical education board authorizes an  
40 associate degree program, the career technical education district must  
41 submit a report to the career technical education board that includes all  
42 of the following information:

- 43 1. The name of the proposed academic degree program.
- 44 2. The academic department that will offer the proposed degree  
45 program.

- 1           3. Whether the instructional modality would be immersion or online,  
2 or both.
- 3           4. The total credit hours necessary to complete the proposed degree  
4 program.
- 5           5. The proposed inception term.
- 6           6. A brief description of the proposed degree program.
- 7           7. A learning outcomes and assessment plan, including:  
8           (a) Concepts.  
9           (b) Competencies.  
10           (c) Assessment methods and measures.
- 11           8. The projected enrollment by year for the first three years the  
12 degree program is offered.
- 13           9. Evidence of market demand for the proposed degree program.
- 14           10. Similar degree programs offered at other institutions of higher  
15 education in this state.
- 16           11. The new resources required, including a long-term plan for  
17 faculty recruitment that indicates the ability to pay the salaries of  
18 faculty and identifies recruitment strategies for new faculty.
- 19           12. Any written responses provided by a public university or  
20 community college pursuant to subsection D of this section.
- 21           13. Proof of transferability of credits earned in the proposed  
22 degree program to another accredited institution for each program offered.
- 23           F. Each career technical education district that offers an  
24 associate degree program pursuant to this section shall submit a report to  
25 the joint legislative audit committee on or before October 1 of the fifth  
26 year after initially offering that associate degree program. The report  
27 shall review the first five years of the associate degree program at the  
28 career technical education district and shall include all of the  
29 following:
  - 30           1. The number of:
    - 31           (a) Associate degree programs implemented at the career technical  
32 education district.
    - 33           (b) Applicants to each associate degree program.
    - 34           (c) Applicants who are admitted into each associate degree program.
    - 35           (d) Applicants who are enrolled in each associate degree program.
    - 36           (e) Applicants who received degrees from each associate degree  
37 program.
  - 38           2. The costs of each associate degree program, including cost per  
39 degree and the funding sources that are used to finance each degree  
40 program.
  - 41           3. Current trends in workforce demands that require associate  
42 degrees in each specific associate degree program offered.
  - 43           4. Current completion and continuation rates, if available, for  
44 each cohort of students participating in each associate degree program.

- 1           5. The extent to which each associate degree program fulfills  
2 identified workforce needs for new associate degree programs.
- 3           6. Information on the job placement of graduates of each associate  
4 degree program.
- 5           7. For each associate degree program, the costs to students, the  
6 amount of financial aid offered and the student debt levels of graduates.
- 7           8. Time-to-degree rates and completion rates for each associate  
8 degree program.
- 9           G. On or before December 1 of each year, each career technical  
10 education district that offers an associate degree program shall report to  
11 the governor, the president of the senate, the speaker of the house of  
12 representatives and the joint legislative budget committee all of the  
13 following information for the immediately preceding school year:
  - 14           1. The total number of students pursuing an associate degree at the  
15 career technical education district pursuant to this section.
  - 16           2. The total number of associate degrees completed at the career  
17 technical education district.
  - 18           3. Workforce data showing demand for each associate degree program  
19 offered at the career technical education district.
  - 20           4. The average cost of tuition per credit hour for each associate  
21 degree program offered at the career technical education district.
- 22           H. Each career technical education district that offers an associate  
23 degree program pursuant to this section shall provide the student, at the  
24 time of enrollment in a program, with a list of institutions to which the  
25 student's associate degree is transferable.
  - 26           I. For the purposes of this section:
    - 27           1. "Community college" has the same meaning prescribed in section  
28 15-1401.
    - 29           2. "Community college district" means a district as defined in  
30 section 15-1401.
    - 31           3. "Main campus" means the central location of a public  
32 university's or community college district's library system and computer  
33 center.
    - 34           4. "Public university" means a university under the jurisdiction of  
35 the Arizona board of regents.