

House Engrossed Senate Bill

2025-2026; higher education

State of Arizona  
Senate  
Fifty-seventh Legislature  
First Regular Session  
2025

## **CHAPTER 240**

# **SENATE BILL 1742**

AN ACT

AMENDING SECTIONS 15-1626, 15-1650.06, 15-1655, 15-1682.03, 15-1705 AND 15-1809, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 14, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1809.02; APPROPRIATING MONIES; RELATING TO HIGHER EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-1626, Arizona Revised Statutes, is amended to  
3 read:

4 15-1626. General administrative powers and duties of board;  
5 definition

6 A. The ARIZONA board OF REGENTS shall:

7 1. Have and exercise the powers necessary for the effective  
8 governance and administration of the institutions under ~~its~~ THE BOARD'S  
9 control. To that end, the board may adopt, and authorize each university  
10 to adopt, ~~such~~ regulations, policies, rules or measures as are deemed  
11 necessary and may delegate in writing to ~~its~~ THE BOARD'S committees, to  
12 ~~its~~ university presidents, or ~~their~~ THE PRESIDENTS' designees, or to other  
13 entities under ~~its~~ THE BOARD'S control, any part of ~~its~~ THE BOARD'S  
14 authority for the administration and governance of ~~such~~ THOSE  
15 institutions, including those powers enumerated in section 15-1625,  
16 subsection B, paragraphs 2 and 4, paragraphs 3, 4, 8, 9, 11 and 12 of this  
17 subsection and subsection B of this section. Any delegation of authority  
18 may be rescinded by the board at any time in whole or in part.

19 2. Appoint and employ and determine the compensation of presidents  
20 with ~~such~~ THE power and authority and for ~~such~~ THE purposes in connection  
21 with the operation of the institutions as the board deems necessary.

22 3. Appoint and employ and determine the compensation of  
23 ~~vice-presidents~~ VICE PRESIDENTS, deans, professors, instructors,  
24 lecturers, fellows and ~~such~~ THE other officers and employees with ~~such~~ THE  
25 power and authority and for ~~such~~ THE purposes in connection with the  
26 operation of the institutions as the board deems necessary, or delegate  
27 ~~its~~ THE BOARD'S authority pursuant to paragraph 1 of this subsection.

28 4. Remove any officer or employee when the interests of education  
29 in this state so require in accordance with ~~its~~ THE BOARD'S personnel  
30 rules and policies.

31 5. Fix tuitions and fees to be charged and differentiate the  
32 tuitions and fees between institutions and between residents,  
33 nonresidents, undergraduate students, graduate students, students from  
34 foreign countries and students who have earned credit hours in excess of  
35 the credit hour threshold. For the purposes of this paragraph, the  
36 undergraduate credit hour threshold is one hundred forty-five hours for  
37 students who attend a university under the jurisdiction of the board. The  
38 undergraduate credit hour threshold shall be based on the actual full-time  
39 equivalent student enrollment counted on the forty-fifth day of every fall  
40 and spring semester, divided by two, and any budget adjustment based on  
41 student enrollment shall occur in the fiscal year following the actual  
42 full-time equivalent student enrollment count. The undergraduate credit  
43 hour threshold shall not apply to degree programs that require credit  
44 hours above the credit hour threshold, credits earned in the pursuit of up  
45 to two baccalaureate degrees, credits earned in the pursuit of up to two

1 state regulated licensures or certificates, credits earned in the pursuit  
2 of teaching certification, credits transferred from a private institution  
3 of higher education, credits transferred from an institution of higher  
4 education in another state, credits earned at another institution of  
5 higher education but that are not accepted as transfer credits at the  
6 university where the student is currently enrolled and credits earned by  
7 students who enroll at a university under the jurisdiction of the board  
8 more than twenty-four months after the end of that student's previous  
9 enrollment at a public institution of higher education in this state. On  
10 or before October 15 of each year, the board shall report to the joint  
11 legislative budget committee the number of in-state students and  
12 out-of-state students who were enrolled at universities under the  
13 jurisdiction of the board during the previous fiscal year and who met or  
14 exceeded the undergraduate credit hour threshold prescribed in this  
15 paragraph. The amount of tuition and fees included in the operating  
16 budget for the university adopted by the board as prescribed in paragraph  
17 13 of this subsection ~~shall be~~ IS subject to legislative appropriation and  
18 SHALL BE deposited in a separate tuition and fees subaccount for each  
19 university. All other tuition and fee revenue shall be retained by each  
20 university for expenditure as approved by the board in a separate local  
21 tuition and fees subaccount for each university. This subaccount shall  
22 consist of only tuition and fees. The universities shall not use any  
23 tuition or fee revenue to fund or support an alumni association.

24 6. Adopt rules to govern ~~its~~ THE BOARD'S tuition and academic fee  
25 setting process that provide for the following:

26 (a) At least one public hearing at each university as an  
27 opportunity for students and members of the public to comment on any  
28 proposed increase in tuition or fees.

29 (b) Publication of the notice of public hearing at least ten days  
30 before the hearing in a newspaper of general circulation in Maricopa  
31 county, Coconino county and Pima county. The notice shall include the  
32 date, time and location of the public hearing.

33 (c) Public disclosure by each university of any proposed increases  
34 in tuition or fees at least ten days before the public hearing.

35 (d) A roll call vote of any final board action on changes in  
36 tuition, including tuition rate changes for online programs, or academic  
37 fees.

38 (e) Public disclosure by the board and each university of any final  
39 board action on changes in tuition or academic fees.

40 7. Pursuant to section 35-115, submit a budget request for each  
41 institution under ~~its~~ THE BOARD'S jurisdiction that includes the estimated  
42 tuition and fee revenue available to support the programs of the  
43 institution as described in the budget request. The estimated available  
44 tuition and fee revenue shall be based on the tuition and registration fee

1 rates in effect at the time the budget request is submitted with  
2 adjustments for projected changes in enrollment as provided by the board.

3 8. Establish curricula and designate courses at the several  
4 institutions that in ~~its~~ THE BOARD'S judgment will best serve the  
5 interests of this state.

6 9. Award ~~such~~ degrees and diplomas on the completion of ~~such~~ THE  
7 courses and curriculum requirements ~~as it~~ THAT THE BOARD deems  
8 appropriate.

9 10. Prescribe qualifications for admission of all students to the  
10 universities. The board shall establish policies for guaranteed admission  
11 that ensure fair and equitable access to students in this state from  
12 public, private and charter schools and homeschools. For the purpose of  
13 determining the qualifications of honorably discharged veterans, veterans  
14 are those persons who served in the armed forces for ~~a minimum of~~ AT LEAST  
15 two years and who were previously enrolled at a university or community  
16 college in this state. ~~No~~ Prior failing grades received by ~~the~~ A veteran  
17 at the university or community college in this state may NOT be  
18 considered.

19 11. Adopt any energy conservation standards adopted by the  
20 department of administration for the construction of new buildings.

21 12. Employ for ~~such~~ THE time and purposes ~~as~~ THAT the board  
22 requires attorneys whose compensation shall be fixed and paid by the  
23 board. Litigation to which the board is a party and for which  
24 self-insurance is not provided may be compromised or settled at the  
25 direction of the board.

26 13. Adopt annually an operating budget for each university equal to  
27 the sum of appropriated STATE general fund monies and the amount of  
28 tuition and fees approved by the board and allocated to each university  
29 operating budget.

30 14. In consultation with the state board of education and other  
31 education groups, develop and implement a program to award honors  
32 endorsements to be affixed to the high school diplomas of qualifying high  
33 school pupils and to be included in the transcripts of pupils who are  
34 awarded endorsements. The ARIZONA board OF REGENTS shall develop  
35 application procedures and testing criteria and adopt testing instruments  
36 and procedures to administer the program. In order to receive an honors  
37 endorsement, a pupil must demonstrate an extraordinary level of knowledge,  
38 skill and competency as measured by the testing instruments adopted by the  
39 ARIZONA board OF REGENTS in mathematics, English, science and social  
40 studies. Additional subjects may be added at the determination of the  
41 ARIZONA board OF REGENTS. The program is voluntary for pupils.

42 15. Require the publisher of each literary and nonliterary textbook  
43 used in the universities of this state to furnish to the ~~Arizona~~ board of  
44 ~~regents~~ computer software in a standardized format when software becomes

1 available for nonliterary textbooks from which braille versions of the  
2 textbooks may be produced.

3 16. Require universities that provide a degree in education to  
4 require courses that are necessary to obtain a provisional structured  
5 English immersion endorsement as prescribed by the state board of  
6 education.

7 17. Acquire **FOR EACH CLASSROOM** United States flags ~~for each~~  
8 ~~classroom~~ that are manufactured in the United States and that are at least  
9 two feet by three feet, ~~and~~ hardware to appropriately display the United  
10 States flags, ~~acquire~~ **AND** a legible copy of the Constitution of the United  
11 States and the Bill of Rights. ~~;~~ **THE BOARD SHALL** display the flags in  
12 each classroom in accordance with title 4 of the United States Code and  
13 display a legible copy of the Constitution of the United States and the  
14 Bill of Rights adjacent to the flag.

15 18. To facilitate the transfer of military personnel and their  
16 dependents to and from the public schools of this state, pursue, in  
17 cooperation with the state board of education, reciprocity agreements with  
18 other states concerning the transfer credits for military personnel and  
19 their dependents. A reciprocity agreement entered into pursuant to this  
20 paragraph shall:

21 (a) Address procedures for each of the following:

22 (i) The transfer of student records.

23 (ii) Awarding credit for completed coursework.

24 (iii) Permitting a student to satisfy the graduation requirements  
25 prescribed in section 15-701.01 through the successful performance on  
26 comparable exit-level assessment instruments administered in another  
27 state.

28 (b) Include appropriate criteria developed by the state board of  
29 education and the Arizona board of regents.

30 19. Require a university to publicly post notices of all of ~~its~~ **THE**  
31 **UNIVERSITY'S** employment openings, including the title and description,  
32 instructions for applying and relevant contact information.

33 20. In consultation with the community college districts in this  
34 state, develop and implement common equivalencies for specific levels of  
35 achievement on advanced placement examinations and international  
36 baccalaureate examinations in order to award commensurate postsecondary  
37 academic credits at community colleges and public universities in this  
38 state.

39 21. On or before August 1 of each year, report to the joint  
40 legislative budget committee the graduation rate by university campus  
41 during the previous fiscal year. The board shall also report the  
42 retention rate by university campus and by class, as determined by date of  
43 entry during the previous fiscal year.

44 B. The **ARIZONA** board **OF REGENTS** shall adopt personnel policies for  
45 all employees of the board and the universities.

1 C. In conjunction with the auditor general, the ARIZONA board OF  
2 REGENTS shall develop a uniform accounting and reporting system, which  
3 shall be reviewed by the joint legislative budget committee before final  
4 adoption by the board. The board shall require each university to comply  
5 with the uniform accounting and reporting system.

6 D. The ARIZONA board OF REGENTS may employ legal assistance in  
7 procuring loans for the institutions from the United States government.  
8 Fees or compensation paid for ~~such~~ legal assistance PURSUANT TO THIS  
9 SUBSECTION shall not be a claim on the STATE general fund ~~of this state~~  
10 but shall be paid from funds of the institutions.

11 E. The ARIZONA board OF REGENTS shall approve or disapprove any  
12 contract or agreement entered into by the university of Arizona hospital  
13 with the Arizona industrial development authority.

14 F. The ARIZONA board OF REGENTS may adopt policies that authorize  
15 the institutions under its jurisdiction to enter into employment contracts  
16 with nontenured employees for periods of more than one year but not more  
17 than five years. The policies ~~shall~~ MUST prescribe ~~limitations~~ LIMITS on  
18 the authority of the institutions to enter into employment contracts for  
19 periods of more than one year but not more than five years, including the  
20 requirement that the board approve the contracts.

21 G. The ARIZONA board OF REGENTS may adopt a plan or plans for  
22 employee benefits that allow ~~for~~ participation in a cafeteria plan that  
23 meets the requirements of the United States internal revenue code of 1986.

24 H. The ARIZONA board OF REGENTS may establish a program for the  
25 exchange of students between the universities under the jurisdiction of  
26 the board and colleges and universities located in the state of Sonora,  
27 Mexico. Notwithstanding subsection A, paragraph 5 of this section, the  
28 program may provide for in-state tuition at the universities under the  
29 jurisdiction of the board for fifty Sonoran students in exchange for  
30 similar tuition provisions for up to fifty Arizona students enrolled or  
31 seeking enrollment in Sonoran colleges or universities. The board may  
32 direct the universities to work in conjunction with the Arizona-Mexico  
33 commission to coordinate recruitment and admissions activities.

34 I. The Arizona board of regents, in collaboration with the  
35 universities under ~~its~~ THE BOARD'S jurisdiction, shall adopt a performance  
36 funding model. ~~The performance funding model shall use~~ USING performance  
37 metrics that include the increase in degrees awarded, the increase in  
38 completed student credit hours and the increase in externally generated  
39 research and public service funding. The funding formula may give added  
40 weight to degrees related to science, technology, engineering and  
41 mathematics and other high-value degrees that are in short supply or that  
42 are essential to this state's long-term economic development strategy.

43 J. The Arizona board of regents shall use the performance funding  
44 model adopted pursuant to subsection I of this section in developing and

1 submitting budget requests for the universities under ~~its~~ THE BOARD'S  
2 jurisdiction.

3 K. On or before November 1 of each year, the Arizona board of  
4 regents shall submit to the joint legislative budget committee and the  
5 governor's office of strategic planning and budgeting a report on  
6 university debt and obligations, including:

7 1. Long-term notes and obligations.

8 2. Certificates of participation and other obligations pursuant to  
9 any lease-purchase agreements.

10 3. Revenue bonds.

11 4. Bonds issued pursuant to section 15-1682.03.

12 5. Commercial paper issued pursuant to section 15-1696.

13 L. The report ~~issued~~ SUBMITTED pursuant to subsection K of this  
14 section ~~shall~~ MUST contain, for the most recent fiscal year:

15 1. The aggregate level of outstanding principal and the principal  
16 and interest payments, by type of debt or obligation.

17 2. An itemization, by campus and project, of the amount of yearly  
18 principal and interest to be paid in the most recent and the next five  
19 fiscal years.

20 M. The ARIZONA board OF REGENTS may enter into an intergovernmental  
21 agreement pursuant to section 15-1747 to manage universities under ~~its~~ THE  
22 BOARD'S jurisdiction subject to the terms of the reciprocity agreement.

23 N. ON OR BEFORE NOVEMBER 1, 2025 AND EACH YEAR THEREAFTER, THE  
24 ARIZONA BOARD OF REGENTS SHALL SUBMIT TO THE JOINT LEGISLATIVE BUDGET  
25 COMMITTEE EACH OF THE FOLLOWING FOR REVIEW:

26 1. THE AMOUNT OF MONIES THAT THE BOARD RETAINED FROM EACH  
27 UNIVERSITY UNDER THE BOARD'S JURISDICTION TO SUPPLEMENT THE BOARD'S  
28 OPERATING BUDGET.

29 2. THE BOARD'S EXPENDITURE PLAN FOR THE CURRENT FISCAL YEAR FOR  
30 MONIES THAT THE BOARD RETAINED FROM EACH UNIVERSITY UNDER THE BOARD'S  
31 JURISDICTION.

32 3. AN ACCOUNTING OF HOW THE BOARD SPENT MONIES THAT THE BOARD  
33 RETAINED FROM THE UNIVERSITIES UNDER THE BOARD'S JURISDICTION IN THE  
34 IMMEDIATELY PRECEDING FISCAL YEAR.

35 ~~N.~~ O. For the purposes of this section, "university debt and  
36 obligations" means debt and obligations, the principal and interest of  
37 which are paid in whole or in part with university monies.

38 Sec. 2. Section 15-1650.06, Arizona Revised Statutes, is amended to  
39 read:

40 15-1650.06. Arizona veterinary loan assistance program; fund;  
41 annual report; rules; definitions

42 A. The Arizona veterinary loan assistance program is established  
43 within the Arizona board of regents.

44 B. The Arizona veterinary loan assistance fund is established  
45 consisting of legislative appropriations. The board shall administer the

1 fund. Monies in the fund are continuously appropriated and are exempt  
2 from the provisions of section 35-190 relating to lapsing of  
3 appropriations. ON NOTICE FROM THE ARIZONA BOARD OF REGENTS, THE STATE  
4 TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY  
5 SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE  
6 FUND. The board shall use monies in the fund for the purposes prescribed  
7 in this section and may retain up to three percent of the monies deposited  
8 in the fund for costs associated with administering the program.

9 C. A person who obtains a doctor of veterinary medicine degree from  
10 a veterinary college after January 1, 2023 and who signs an agreement  
11 pursuant to subsection D of this section may apply to the board to  
12 participate in the program.

13 D. To participate in the program, the board shall require an  
14 applicant to sign an agreement to both:

15 1. Remain and work as a full-time veterinarian in this state for  
16 the following four years.

17 2. Work in one of the following practice areas for at least two of  
18 the four years:

19 (a) AN agricultural practice in an area designated by the United  
20 States department of agriculture as having a shortage.

21 (b) A nonprofit, county or municipal shelter.

22 E. At the conclusion of the four-year commitment described in  
23 subsection D of this section, the board shall determine whether the  
24 veterinarian satisfied the terms of the agreement described in subsection  
25 D of this section. If the board determines that the veterinarian  
26 satisfied the terms of the agreement described in subsection D of this  
27 section, the board shall distribute to the veterinarian from the Arizona  
28 veterinary loan assistance fund an amount that is equal to the amount of  
29 the veterinarian's outstanding veterinary college educational loan balance  
30 or \$100,000, whichever is less. The board shall distribute monies from  
31 the fund subject to the availability of monies and legislative  
32 appropriation and on a first-come, first-served basis. For the purposes  
33 of this subsection, "educational loan balance" means the balance of the  
34 principal, interest and related expenses of the educational loan.

35 F. On or before October 1 of each year, the board shall compile a  
36 report that details how the Arizona veterinary loan assistance fund monies  
37 are being spent and shall submit this report to the governor, the  
38 president of the senate and the speaker of the house of representatives.  
39 The board shall submit a copy of this report to the secretary of state.

40 G. The board may adopt rules for the purposes of carrying out this  
41 section.

42 H. For the purposes of this section:

43 1. "Board" means the Arizona board of regents.

44 2. "Veterinarian" has the same meaning prescribed in section  
45 32-2201.



1        3. "Veterinary college" has the same meaning prescribed in section  
2 32-2201.

3        Sec. 3. Section 15-1655, Arizona Revised Statutes, is amended to  
4 read:

5        15-1655. Arizona teachers academy; tuition and fees  
6                scholarships; fund; annual report; definitions

7        A. Eligible postsecondary institutions shall implement an Arizona  
8 teachers academy to incentivize students to enter the teaching profession  
9 and to commit to teach in Arizona public schools or for or in schools that  
10 serve primarily public school students with disabilities, which are  
11 considered public schools for the purposes of this section. The Arizona  
12 board of regents, in consultation with eligible postsecondary  
13 institutions, shall develop and implement centralized administrative  
14 processes for the academy, including:

15        1. A marketing and promotion plan to recruit students for the  
16 academy.

17        2. Data collection and reporting.

18        3. Tracking postgraduation service requirements.

19        4. Coordinating induction services.

20        5. Distributing monies in the Arizona teachers academy fund between  
21 eligible postsecondary institutions.

22        6. Collecting reimbursement from individuals who fail to meet  
23 service obligations.

24        B. The Arizona teachers academy may include new or existing teacher  
25 preparation program pathways that are student-focused and that employ  
26 proven, research-based models of best practices already being implemented.  
27 Each eligible postsecondary institution may develop a portfolio of teacher  
28 preparation programs to offer as part of the academy. Each eligible  
29 postsecondary institution that admits students to the Arizona teachers  
30 academy may give priority to senior and junior students but may not  
31 exclude sophomore and ~~freshmen~~ FRESHMAN students. Programs offered as  
32 part of the academy shall include accelerated models for:

33        1. High-demand teacher specializations, including special  
34 education, science, technology, engineering and mathematics.

35        2. Critical need areas, including low-income public schools, public  
36 schools located on Indian reservations, rural public schools and schools  
37 that serve primarily public school students with disabilities.

38        3. Individuals seeking postbaccalaureate coursework that results in  
39 professional certification.

40        4. Teachers who are currently teaching a dual enrollment course to  
41 satisfy the requirements for teaching a dual enrollment course adopted by  
42 a higher learning commission that accredits degree-granting postsecondary  
43 educational institutions in the north central region, including this  
44 state.

1        5. Students in noneducation programs to complete one or more  
2 teacher preparation courses to prepare the student to receive a teaching  
3 certification following graduation.

4        C. Each eligible postsecondary institution shall develop formalized  
5 partnerships with public schools in this state to build commitments for  
6 teacher employment on completion of the Arizona teachers academy. The  
7 targeted deployment of teachers who have completed the academy shall be  
8 based on the needs of each school system and the community that is being  
9 served as well as the individual skills of each teacher.

10       D. Each eligible postsecondary institution shall provide to each  
11 student who is enrolled in the Arizona teachers academy an annual  
12 scholarship up to the actual cost of tuition and fees for a maximum of two  
13 academic years or four semesters for graduate university students, up to  
14 the actual cost of tuition and fees for a maximum of four academic years  
15 or eight semesters for undergraduate university students, up to the actual  
16 cost of tuition and fees for a maximum of two academic years or four  
17 semesters for community college students for tuition and fees associated  
18 with the student's program of study, up to the actual cost of obtaining  
19 national board certification and renewal, and up to the actual cost of  
20 obtaining a teaching certificate including the actual cost of the exam,  
21 after all other financial gifts, aid or grants received by that student or  
22 teacher. Scholarships under this subsection are subject to all of the  
23 following:

24       1. If the student does not successfully complete the academic year  
25 in good academic standing, the student shall reimburse the Arizona board  
26 of regents for the total amount of the scholarship for tuition and fees  
27 the student received for that year.

28       2. For each academic year that the student successfully completes  
29 and for which the student receives a scholarship for all tuition and fees,  
30 the student must agree to teach for one full school year in a public  
31 school in this state. For students who are teaching and receiving the  
32 scholarship concurrently, the commitment period begins after graduation  
33 from the Arizona teachers academy. For teachers WHO ARE seeking a  
34 national board certification, the teaching commitment is one additional  
35 year after completing the requirements of the national board certification  
36 program.

37       3. If a student enrolls in a summer term, that term may not be  
38 included in the calculation of the student's postgraduation public service  
39 commitment.

40       4. If the scholarship does not cover remaining tuition and fee  
41 costs after other aid received, the eligible postsecondary institution may  
42 not charge students the remaining difference. If the scholarship amount  
43 exceeds tuition and fee costs at an eligible postsecondary institution,  
44 the ELIGIBLE POSTSECONDARY institution may use the remaining amount to  
45 support Arizona teachers academy costs.

1        5. If the student does not fulfill the student's obligation to  
2 teach in a public school, the student must reimburse the Arizona board of  
3 regents for the proportional amount of the scholarship for tuition and  
4 fees that the student received that corresponds to the number of school  
5 years the student agreed to teach but did not teach in a public school in  
6 this state.

7        6. If the student is physically or mentally unable to fulfill the  
8 requirements of the Arizona teachers academy, the Arizona board of regents  
9 shall establish a process for assessing the student's ability to repay the  
10 financial assistance received and shall determine any terms of repayment.

11       7. The Arizona board of regents shall establish a process for  
12 deferring service or repayment based on factors adopted by the board.

13       E. The Arizona teachers academy fund is established consisting of  
14 monies deposited pursuant to section 15-1281, subsection D, paragraph 5  
15 AND SECTION 15-1809, SUBSECTION E and legislative appropriations made for  
16 the purpose of administering the Arizona teachers academy. Monies in the  
17 fund are continuously appropriated and are exempt from the provisions of  
18 section 35-190 relating to ~~the~~ lapsing of appropriations. The Arizona  
19 board of regents shall administer the fund and shall establish criteria  
20 for distributing monies in the fund to eligible postsecondary institutions  
21 each fiscal year to fund the costs of the academy. Monies in the fund may  
22 be used only for:

23       1. Reimbursing Arizona teachers academy scholarships that cover the  
24 balance of tuition and fees for undergraduate, graduate and  
25 postbaccalaureate students WHO ARE enrolled in the Arizona teachers  
26 academy after all other gifts and aid received.

27       2. Support for teachers who are currently employed in a public  
28 school in this state and who are seeking a national board certification.

29       3. Induction services for Arizona teachers academy graduates.

30       4. Implementing a marketing and promotion plan to recruit and  
31 retain students in the Arizona teachers academy with particular emphasis  
32 on ensuring THAT participants reflect the diversity of ~~the~~ THIS state's  
33 student population and administering the Arizona teachers academy. Annual  
34 expenditures for marketing, promoting and administering the Arizona  
35 teachers academy may not exceed three percent of the monies in the fund  
36 each fiscal year.

37       F. Monies remaining in the Arizona teachers academy fund at the end  
38 of each fiscal year may be used by eligible postsecondary institutions for  
39 Arizona teachers academy costs in the next fiscal year.

40       G. On or before March 1, ~~2020 and~~ each year ~~thereafter~~, the Arizona  
41 board of regents shall report to the joint legislative budget committee  
42 and the governor's office of strategic planning and budgeting on all of  
43 the following:

1        1. The total number of students enrolled in the Arizona teachers  
2 academy by eligible postsecondary institution in the current academic  
3 year.

4        2. The number of Arizona teachers academy graduates receiving  
5 induction services in the current academic year.

6        3. The estimated amount of monies committed from the Arizona  
7 teachers academy fund in the current fiscal year.

8        H. On or before September 1 each year, the Arizona board of regents  
9 shall report to the governor, the president of the senate and the speaker  
10 of the house of representatives, and shall submit a copy to the secretary  
11 of state, on all of the following:

12        1. The total number of students enrolled in the Arizona teachers  
13 academy at each eligible postsecondary institution by year of college  
14 enrollment and the number of teachers receiving a scholarship through the  
15 Arizona teachers academy for national board certification.

16        2. The percentage of students who completed each year of the  
17 academy and who plan to continue to the subsequent year, delineated by  
18 each teacher preparation program offered by each eligible postsecondary  
19 institution as part of the Arizona teachers academy.

20        3. The number of teachers who completed a program of study through  
21 the Arizona teachers academy by each eligible postsecondary institution.

22        4. The number of teachers currently teaching in a public school in  
23 this state as part of an agreement for receiving an Arizona teachers  
24 academy scholarship.

25        5. The number of graduates receiving induction services.

26        6. The number of students who have defaulted on their obligation  
27 and who are in repayment agreements.

28        7. The number of students who have deferred repayment agreements.

29        8. The number of students who have completed repayment agreements.

30        9. The methodology for distributing any monies appropriated for the  
31 Arizona teachers academy to each eligible postsecondary institution and  
32 the amounts distributed to each.

33        10. The amount of unused monies in the Arizona teachers academy  
34 fund from the prior fiscal year.

35        I. A college in this state that is owned, operated or chartered by  
36 a qualifying Indian tribe on its own Indian reservation and that offers  
37 baccalaureate teacher education programs may participate in the Arizona  
38 teachers academy and receive monies from the Arizona teachers academy fund  
39 established by this section.

40        J. For the purposes of this section:

41        1. "Eligible postsecondary ~~institutions~~ INSTITUTION" means  
42 ~~universities~~ ANY OF THE FOLLOWING:

43        (a) A UNIVERSITY under the jurisdiction of the Arizona board of  
44 regents. ;

1 (b) A community ~~colleges~~ COLLEGE in this state that ~~offer~~ OFFERS  
2 postbaccalaureate programs that lead to teacher certification and that  
3 have entered into an agreement with the Arizona board of regents relative  
4 to these postbaccalaureate programs. ~~, and colleges~~

5 (c) A COLLEGE described in subsection I of this section if the  
6 college opts to participate in the Arizona teachers academy under  
7 subsection I of this section.

8 2. "School that serves primarily public school students with  
9 disabilities" means a school in which more than seventy-five percent of  
10 the students enrolled in the school are public school students who are  
11 placed at the school according to an agreement with a school, a charter  
12 school or the Arizona state schools for the deaf and the blind.

13 3. "Tuition and fees" means tuition, mandatory fees and program  
14 fees that are associated with a program in the Arizona teachers academy  
15 leading to teacher certification and that are charged by an eligible  
16 postsecondary institution.

17 Sec. 4. Section 15-1682.03, Arizona Revised Statutes, is amended to  
18 read:

19 15-1682.03. University capital improvement lease-to-own and  
20 bond fund; lease-to-own and bond agreements for  
21 capital improvements; joint committee on  
22 capital review hearing and approval; exemption

23 A. The university capital improvement lease-to-own and bond fund is  
24 established consisting of the monies provided by the Arizona board of  
25 regents pursuant to this section, monies deposited pursuant to section  
26 5-572 and monies appropriated by the legislature. The board shall  
27 administer the fund. On notice from the board, the state treasurer shall  
28 invest and divest monies in the fund as provided by section 35-313, and  
29 monies earned from investment shall be credited to the fund. Monies in  
30 the fund are exempt from the provisions of section 35-190 relating to  
31 lapsing of appropriations.

32 B. Through revenues of the state university system, the board shall  
33 annually provide monies to the fund of at least twenty ~~per cent~~ PERCENT of  
34 the aggregate annual payments of lease-to-own and bond agreements entered  
35 into by the board pursuant to this section.

36 C. SUBJECT TO THE REQUIREMENTS PRESCRIBED BY SUBSECTION D OF THIS  
37 SECTION, the board shall distribute monies in the fund to make payments  
38 pursuant to lease-to-own and bond agreements entered into by the board  
39 pursuant to this section. The board may enter into lease-to-own and bond  
40 agreements for the purposes of building renewal projects and new  
41 facilities. ~~New lease-to-own and bond agreements entered into pursuant to~~  
42 ~~this section shall not exceed one hundred sixty-seven million six hundred~~  
43 ~~seventy-one thousand two hundred dollars in fiscal year 2008-2009 and four~~  
44 ~~hundred million dollars in fiscal year 2009-2010.~~ The board may enter  
45 into lease-to-own and bond transactions up to a maximum of ~~eight hundred~~

1 ~~million dollars~~ \$1,125,000,000. OF THE MAXIMUM OF \$1,125,000,000 IN  
2 LEASE-TO-OWN AND BOND AGREEMENTS AUTHORIZED BY THIS SECTION, THE BOARD  
3 SHALL ALLOCATE \$325,000,000 AS FOLLOWS:

4 1. BEGINNING IN FISCAL YEAR 2025-2026, \$162,500,000 TO ARIZONA  
5 STATE UNIVERSITY, NORTHERN ARIZONA UNIVERSITY AND UNIVERSITY OF ARIZONA.  
6 THE BOARD SHALL ALLOCATE AT LEAST TWENTY-FIVE PERCENT BUT NOT MORE THAN  
7 FORTY-FIVE PERCENT TO EACH UNIVERSITY.

8 2. BEGINNING IN FISCAL YEAR 2026-2027, \$162,500,000 TO ARIZONA  
9 STATE UNIVERSITY, NORTHERN ARIZONA UNIVERSITY AND UNIVERSITY OF ARIZONA.  
10 THE BOARD SHALL ALLOCATE AT LEAST TWENTY-FIVE PERCENT BUT NOT MORE THAN  
11 FORTY-FIVE PERCENT TO EACH UNIVERSITY.

12 ~~D. Notwithstanding section 5-572, subsection G, the amount of state~~  
13 ~~lottery revenues distributed to the university capital improvement~~  
14 ~~lease-to-own and bond fund in fiscal year 2009-2010 and fiscal year~~  
15 ~~2010-2011 shall not exceed an amount sufficient for up to eighty per cent~~  
16 ~~of the annual payments of the first one hundred sixty-seven million six~~  
17 ~~hundred seventy-one thousand two hundred dollars of new lease-to-own and~~  
18 ~~bond agreements entered into pursuant to this section. The full amount of~~  
19 ~~state lottery revenues distributed to the university capital improvement~~  
20 ~~lease-to-own and bond fund pursuant to section 5-572, subsection G shall~~  
21 ~~be made available to the board for the remaining new lease-to-own and bond~~  
22 ~~agreements up to eight hundred million dollars beginning in fiscal year~~  
23 ~~2011-2012.~~

24 D. BEGINNING ON THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS  
25 SECTION, THE BOARD SHALL SUBMIT TO THE JOINT COMMITTEE ON CAPITAL REVIEW  
26 THE SCOPE, PURPOSE AND ESTIMATED COST OF EACH NEW PROJECT THAT WILL BE  
27 FINANCED PURSUANT TO THIS SECTION. THE BOARD MAY NOT DISTRIBUTE MONIES  
28 FOR A PROJECT THAT THE BOARD IS REQUIRED TO SUBMIT PURSUANT TO THIS  
29 SUBSECTION UNTIL THE JOINT COMMITTEE ON CAPITAL REVIEW APPROVES THE  
30 PROJECT BY A MAJORITY VOTE OF A QUORUM OF MEMBERS. FOR THE PURPOSES OF  
31 THIS SUBSECTION, "FINANCED" MEANS FUNDED, IN WHOLE OR IN PART, BY EITHER  
32 OF THE FOLLOWING:

33 1. PAYMENTS PURSUANT TO LEASE-TO-OWN AGREEMENTS ENTERED INTO BY THE  
34 BOARD PURSUANT TO THIS SECTION.

35 2. THE PROCEEDS OF ONE OR MORE BOND AGREEMENTS ENTERED INTO BY THE  
36 BOARD PURSUANT TO THIS SECTION.

37 E. THE JOINT COMMITTEE ON CAPITAL REVIEW MUST HEAR AND APPROVE OR  
38 DISAPPROVE A PROJECT SUBMITTED PURSUANT TO SUBSECTION D OF THIS SECTION  
39 NOT LATER THAN THE COMMITTEE'S SECOND MEETING AFTER THE PROJECT IS  
40 SUBMITTED TO THE COMMITTEE.

41 ~~E.~~ F. In entering into lease-to-own and bond agreements pursuant  
42 to this section, the board shall not obligate this state to provide any  
43 additional monies from the state lottery fund above the amounts authorized  
44 in this section and section 5-572, subsection ~~G~~ F. In entering into

1 lease-to-own and bond agreements pursuant to this section, the board shall  
2 not obligate any state general fund monies.

3 Sec. 5. Section 15-1705, Arizona Revised Statutes, is amended to  
4 read:

5 15-1705. Arizona community colleges promise program;  
6 eligibility; fund; definitions

7 A. If monies are appropriated to the Arizona community colleges  
8 promise program fund established by subsection E of this section, each  
9 district in this state shall establish and administer a community college  
10 promise scholarship fund consisting of monies received pursuant to  
11 subsection E of this section, grants, gifts and contributions and devises.  
12 Monies in the community college promise scholarship fund are continuously  
13 appropriated and may be used for providing financial assistance to  
14 eligible students. Each district may use up to ten percent of the monies  
15 the district receives pursuant to subsection E of this section for  
16 administrative expenses and student support services. If there are  
17 insufficient monies in the community college promise scholarship fund to  
18 provide financial assistance to all eligible students, the district shall  
19 consider the following factors when establishing scholarship priorities:

20 1. Socioeconomic factors that pose barriers to student success, as  
21 determined by the district.

22 2. A student's community engagement, including participation in  
23 community service projects.

24 3. Additional factors as determined by the district.

25 B. A student is eligible for a financial aid award pursuant to this  
26 section if the student:

27 1. For an initial award:

28 (a) Qualifies for resident student status as prescribed in section  
29 15-1802.01.

30 (b) Satisfies the admission standards as determined by the  
31 community college.

32 (c) Completes and submits the free application for federal student  
33 aid and meets the income eligibility criteria for a federal pell grant.

34 (d) Is admitted to and enrolled in the community college.

35 2. To maintain eligibility after receiving an initial award:

36 (a) Annually completes and submits the free application for federal  
37 student aid.

38 (b) Maintains enrollment at a community college.

39 (c) Maintains satisfactory academic progress.

40 (d) Complies with the standards related to maintenance of  
41 eligibility adopted by the district, district board or community college.

42 C. Each district board or community college shall establish a  
43 policy or guidelines outlining qualified expenses for which a student may  
44 use monies from a financial aid award pursuant to this section. Any  
45 policy or guidelines established pursuant to this subsection must allow an

1 award recipient to use the monies for any cost of attending the community  
2 college and may not require the monies to be used only for tuition.

3 D. A district shall reduce a student's financial aid award pursuant  
4 to this section by the amount of any other federal aid scholarship, public  
5 grant and public aid received by the student from or through the community  
6 college in which the student is enrolled, including local scholarship  
7 programs, except that the award may not be reduced by the amount of  
8 federal grants received by the student from the department of child safety  
9 pursuant to the Arizona education and training voucher program.

10 E. The Arizona community colleges promise program fund is  
11 established consisting of MONIES DEPOSITED PURSUANT TO SECTION 15-1809,  
12 SUBSECTION E AND legislative appropriations. The Arizona board of regents  
13 shall administer the fund. Monies in the fund are continuously  
14 appropriated and exempt from section 35-190 relating to lapsing of  
15 appropriations. The Arizona board of regents shall distribute monies in  
16 the fund to each district as follows:

17 1. Twenty percent of the monies appropriated for each fiscal year  
18 shall be divided equally among all districts in this state.

19 2. Eighty percent of the monies appropriated for each fiscal year  
20 shall be divided proportionately among all districts in this state based  
21 on each district's full-time equivalent student enrollment relative to the  
22 statewide audited full-time equivalent student enrollment for the  
23 preceding fiscal year, as prescribed in section 15-1466.01.

24 F. For the purposes of this section:

25 1. "Community college" has the same meaning prescribed in section  
26 15-1401.

27 2. "District" means a community college district established  
28 pursuant to sections 15-1402 and 15-1403.

29 3. "District board" has the same meaning prescribed in section  
30 15-1401.

31 Sec. 6. Section 15-1809, Arizona Revised Statutes, is amended to  
32 read:

33 15-1809. Spouses of military veterans tuition scholarship  
34 fund; tuition scholarships; eligibility; rules

35 A. The spouses of military veterans tuition scholarship fund is  
36 established consisting of legislative appropriations. The Arizona board  
37 of regents shall administer the fund. Monies in the fund are continuously  
38 appropriated and are exempt from the provisions of section 35-190 relating  
39 to lapsing of appropriations. ON NOTICE FROM THE ARIZONA BOARD OF  
40 REGENTS, THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS  
41 PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE  
42 CREDITED TO THE FUND. Subject to available monies, the Arizona board of  
43 regents shall use the monies in the fund to award tuition scholarships to  
44 any person who meets all of the following requirements:



1        1. Enrolls in a university under the jurisdiction of the Arizona  
2 board of regents or in a community college as defined in section 15-1401.  
3        2. Is the spouse of an honorably discharged veteran of the armed  
4 forces of the United States. For the purposes of proving that the  
5 person's spouse is an honorably discharged veteran of the armed forces of  
6 the United States as required by this paragraph:  
7        (a) The person shall submit proof of the honorable discharge or  
8 general discharge under honorable conditions of the person's spouse.  
9        (b) The ~~Arizona~~ department of veterans' services shall verify that  
10 the person is the spouse of an honorably discharged veteran.  
11        3. Is entitled to classification as an in-state student under  
12 section 15-1802.  
13        4. Is a resident of this state at the time of applying for a  
14 tuition scholarship and continues to be a resident of this state while  
15 receiving a tuition scholarship under this section.  
16        5. Completes and submits the free application for federal student  
17 aid for each year that the person receives a tuition scholarship under  
18 this section.  
19        6. Complies with the standards of satisfactory academic progress as  
20 established by the university or community college in which the person  
21 enrolls.  
22        7. Completes a family educational rights and privacy act of 1974  
23 (P.L. 93-380; 88 Stat. ~~57~~ 571) release form for each university or  
24 community college in which the person is enrolled to authorize the release  
25 of personally identifiable information required to determine continued  
26 tuition scholarship eligibility under this section.  
27        B. A person who meets the requirements prescribed in subsection A  
28 of this section may apply to the Arizona board of regents for a tuition  
29 scholarship from the fund in a manner prescribed by the Arizona board of  
30 regents. Subject to available monies, the Arizona board of regents shall  
31 award an eligible person a tuition scholarship that is equal to the amount  
32 of tuition and mandatory fees charged by the university or community  
33 college in which the person is enrolled, reduced by the amount of any  
34 federal aid scholarships or public grants and any other financial gifts,  
35 grants or aid received by that person. The Arizona board of regents shall  
36 verify that the person satisfies the requirements prescribed in subsection  
37 A of this section before awarding a tuition scholarship. If the Arizona  
38 board of regents determines that a person no longer satisfies the  
39 requirements prescribed in subsection A of this section, the Arizona board  
40 of regents may not award a subsequent tuition scholarship from the fund  
41 until the person submits documentation showing that the person satisfies  
42 all requirements prescribed in subsection A of this section.  
43        C. A tuition scholarship provided pursuant to this section shall  
44 be:  
45        1. Limited to not more than four academic years or eight semesters.

1        2. Used only for a certificate, an associate degree or a  
2 baccalaureate degree.

3        3. Used only to pay tuition and mandatory fees at a university  
4 under the jurisdiction of the Arizona board of regents or at a community  
5 college as defined in section 15-1401.

6        D. Tuition scholarships under this section shall be awarded on a  
7 first-come, first-served basis. If there are insufficient monies in the  
8 fund, the Arizona board of regents may not award a tuition scholarship to  
9 an eligible person under this section.

10       E. ON OR BEFORE JUNE 30 OF EACH YEAR, IF THERE ARE ANY UNEXPENDED  
11 AND UNENCUMBERED MONIES REMAINING IN THE FUND AFTER SCHOLARSHIPS ARE  
12 AWARDED PURSUANT TO THIS SECTION AND SURPLUS MONIES ARE DISTRIBUTED  
13 PURSUANT TO SECTION 15-1808, THE ARIZONA BOARD OF REGENTS SHALL DEPOSIT  
14 THE REMAINING MONIES AS FOLLOWS:

15       1. \$500,000 OR THE AMOUNT OF REMAINING MONIES, WHICHEVER IS LESS,  
16 IN THE SPOUSES AND DEPENDENTS OF LAW ENFORCEMENT OFFICERS TUITION  
17 SCHOLARSHIP FUND ESTABLISHED BY SECTION 15-1809.02.

18       2. ANY MONIES REMAINING AFTER THE DEPOSIT PURSUANT TO PARAGRAPH 1  
19 OF THIS SUBSECTION AS FOLLOWS:

20       (a) THIRTY PERCENT IN THE ARIZONA TEACHERS ACADEMY FUND ESTABLISHED  
21 BY SECTION 15-1655.

22       (b) SIXTY PERCENT IN THE ARIZONA PROMISE PROGRAM FUND ESTABLISHED  
23 BY SECTION 15-1701.

24       (c) TEN PERCENT IN THE ARIZONA COMMUNITY COLLEGES PROMISE PROGRAM  
25 FUND ESTABLISHED BY SECTION 15-1705.

26       ~~F.~~ F. The Arizona board of regents may adopt rules for the  
27 purposes of administering this section.

28       Sec. 7. Title 15, chapter 14, article 1, Arizona Revised Statutes,  
29 is amended by adding section 15-1809.02, to read:

30       15-1809.02. Spouses and dependents of law enforcement  
31       officers tuition scholarship fund; tuition  
32       scholarships; eligibility; rules; reporting  
33       requirements; definition

34       A. THE SPOUSES AND DEPENDENTS OF LAW ENFORCEMENT OFFICERS TUITION  
35 SCHOLARSHIP FUND IS ESTABLISHED CONSISTING OF MONIES DEPOSITED PURSUANT TO  
36 SECTION 15-1809, SUBSECTION E AND LEGISLATIVE APPROPRIATIONS. THE ARIZONA  
37 BOARD OF REGENTS SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE  
38 CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION  
39 35-190 RELATING TO LAPSING OF APPROPRIATIONS. SUBJECT TO AVAILABLE  
40 MONIES, THE ARIZONA BOARD OF REGENTS SHALL USE THE MONIES IN THE FUND TO  
41 AWARD TUITION SCHOLARSHIPS TO ANY INDIVIDUAL WHO MEETS ALL OF THE  
42 FOLLOWING REQUIREMENTS:

43       1. ENROLLS IN ANY OF THE FOLLOWING:

44       (a) A UNIVERSITY UNDER THE JURISDICTION OF THE ARIZONA BOARD OF  
45 REGENTS.

1 (b) A COMMUNITY COLLEGE AS DEFINED IN SECTION 15-1401.  
2 (c) A CAREER TECHNICAL EDUCATION PROGRAM THAT IS OFFERED TO ADULTS  
3 OR AN ASSOCIATE DEGREE PROGRAM OFFERED BY A CAREER TECHNICAL EDUCATION  
4 DISTRICT PURSUANT TO SECTION 15-398.  
5 (d) A PRIVATE POSTSECONDARY EDUCATIONAL INSTITUTION IN THIS STATE  
6 THAT IS LICENSED PURSUANT TO TITLE 32, CHAPTER 30, ARTICLE 2.  
7 2. IS EITHER:  
8 (a) THE SPOUSE OF A LAW ENFORCEMENT OFFICER.  
9 (b) UNDER TWENTY-SEVEN YEARS OF AGE AND A DEPENDENT OF A LAW  
10 ENFORCEMENT OFFICER.  
11 3. IS A RESIDENT OF THIS STATE WHEN THE INDIVIDUAL BOTH:  
12 (a) APPLIES FOR A TUITION SCHOLARSHIP.  
13 (b) RECEIVES A TUITION SCHOLARSHIP PURSUANT TO THIS SECTION.  
14 4. FOR AN INDIVIDUAL WHO IS ENROLLED IN A UNIVERSITY UNDER THE  
15 JURISDICTION OF THE ARIZONA BOARD OF REGENTS, IS PHYSICALLY PRESENT IN  
16 THIS STATE DURING EACH SEMESTER FOR WHICH THE INDIVIDUAL RECEIVES A  
17 TUITION SCHOLARSHIP PURSUANT TO THIS SECTION.  
18 B. AN INDIVIDUAL WHO MEETS THE REQUIREMENTS PRESCRIBED IN  
19 SUBSECTION A OF THIS SECTION MAY APPLY TO THE ARIZONA BOARD OF REGENTS FOR  
20 A TUITION SCHOLARSHIP FROM THE FUND IN A MANNER PRESCRIBED BY THE ARIZONA  
21 BOARD OF REGENTS. SUBJECT TO AVAILABLE MONIES, THE ARIZONA BOARD OF  
22 REGENTS SHALL AWARD AN ELIGIBLE INDIVIDUAL A TUITION SCHOLARSHIP THAT IS  
23 EQUAL TO THE AMOUNT OF TUITION AND MANDATORY FEES CHARGED BY THE  
24 UNIVERSITY, COMMUNITY COLLEGE OR CAREER TECHNICAL EDUCATION DISTRICT IN  
25 WHICH THE INDIVIDUAL IS ENROLLED, REDUCED BY THE AMOUNT OF ANY FEDERAL AID  
26 SCHOLARSHIPS OR PUBLIC GRANTS AND ANY OTHER FINANCIAL GIFTS, GRANTS OR AID  
27 RECEIVED BY THAT INDIVIDUAL, EXCEPT THAT IF THE INDIVIDUAL IS ENROLLED IN  
28 A PRIVATE POSTSECONDARY EDUCATIONAL INSTITUTION, THE TUITION SCHOLARSHIP  
29 MAY NOT EXCEED THE REMAINDER OF THE AVERAGE IN STATE TUITION AND FEES  
30 CHARGED BY UNIVERSITIES UNDER THE JURISDICTION OF THE ARIZONA BOARD OF  
31 REGENTS MINUS OTHER GIFTS AND AID AWARDED TO THAT INDIVIDUAL. THE ARIZONA  
32 BOARD OF REGENTS SHALL VERIFY THAT EACH INDIVIDUAL SATISFIES THE  
33 REQUIREMENTS PRESCRIBED IN SUBSECTION A OF THIS SECTION BEFORE AWARDING A  
34 TUITION SCHOLARSHIP. IF THE ARIZONA BOARD OF REGENTS DETERMINES THAT AN  
35 INDIVIDUAL NO LONGER SATISFIES THE REQUIREMENTS PRESCRIBED IN SUBSECTION A  
36 OF THIS SECTION, THE ARIZONA BOARD OF REGENTS MAY NOT DISTRIBUTE  
37 ADDITIONAL MONIES FROM THE FUND TO THE INDIVIDUAL UNTIL THE INDIVIDUAL  
38 SUBMITS DOCUMENTATION SHOWING THAT THE INDIVIDUAL SATISFIES ALL  
39 REQUIREMENTS PRESCRIBED IN SUBSECTION A OF THIS SECTION.  
40 C. A TUITION SCHOLARSHIP AWARDED PURSUANT TO THIS SECTION IS  
41 SUBJECT TO THE FOLLOWING REQUIREMENTS:  
42 1. A TUITION SCHOLARSHIP AWARD IS LIMITED TO NOT MORE THAN FOUR  
43 ACADEMIC YEARS OR EIGHT SEMESTERS.  
44 2. TUITION SCHOLARSHIP AWARD MONIES MAY BE USED ONLY FOR A CAREER  
45 TECHNICAL EDUCATION DISTRICT PROGRAM CERTIFICATE OR LICENSE, A PRIVATE

1 VOCATIONAL PROGRAM AS DEFINED IN SECTION 32-3001, AN ASSOCIATE DEGREE OR A  
2 BACCALAUREATE DEGREE.

3 3. TUITION SCHOLARSHIP AWARD MONIES MAY BE USED ONLY TO PAY TUITION  
4 AND MANDATORY FEES AT A CAREER TECHNICAL EDUCATION DISTRICT, A PRIVATE  
5 POSTSECONDARY EDUCATIONAL INSTITUTION IN THIS STATE THAT IS LICENSED  
6 PURSUANT TO TITLE 32, CHAPTER 30, ARTICLE 2, A UNIVERSITY UNDER THE  
7 JURISDICTION OF THE ARIZONA BOARD OF REGENTS OR A COMMUNITY COLLEGE AS  
8 DEFINED IN SECTION 15-1401. IF THE INDIVIDUAL IS ENROLLED IN A CAREER  
9 TECHNICAL EDUCATION DISTRICT PROGRAM AND IS NOT CHARGED TO ATTEND THE  
10 CAREER TECHNICAL EDUCATION DISTRICT PROGRAM, THE ARIZONA BOARD OF REGENTS  
11 MAY NOT AWARD THE INDIVIDUAL A TUITION SCHOLARSHIP PURSUANT TO THIS  
12 SECTION.

13 D. THE ARIZONA BOARD OF REGENTS SHALL AWARD TUITION SCHOLARSHIPS  
14 PURSUANT TO THIS SECTION ON A FIRST-COME, FIRST-SERVED BASIS. IF THERE  
15 ARE INSUFFICIENT MONIES IN THE FUND, THE ARIZONA BOARD OF REGENTS MAY NOT  
16 AWARD A TUITION SCHOLARSHIP TO AN ELIGIBLE INDIVIDUAL PURSUANT TO THIS  
17 SECTION.

18 E. THE ARIZONA BOARD OF REGENTS MAY RELY ON A COPY OF THE LAW  
19 ENFORCEMENT OFFICER'S COMMISSION CARD AND A CURRENT EMPLOYMENT  
20 VERIFICATION LETTER FROM THE LAW ENFORCEMENT OFFICER'S EMPLOYER TO  
21 ESTABLISH THAT AN INDIVIDUAL IS A LAW ENFORCEMENT OFFICER FOR THE PURPOSES  
22 OF THIS SECTION.

23 F. THE ARIZONA BOARD OF REGENTS MAY ADOPT RULES FOR THE PURPOSES OF  
24 ADMINISTERING THIS SECTION.

25 G. ON OR BEFORE MARCH 1 EACH YEAR, THE ARIZONA BOARD OF REGENTS  
26 SHALL REPORT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S  
27 OFFICE OF STRATEGIC PLANNING AND BUDGETING ON ALL OF THE FOLLOWING:

28 1. THE TOTAL NUMBER OF STUDENTS WHO RECEIVED A TUITION SCHOLARSHIP  
29 PURSUANT TO THIS SECTION BY ELIGIBLE POSTSECONDARY INSTITUTION IN THE  
30 CURRENT ACADEMIC YEAR.

31 2. THE TOTAL AMOUNTS AWARDED AND AVERAGE AMOUNTS AWARDED PURSUANT  
32 TO THIS SECTION BY ELIGIBLE POSTSECONDARY INSTITUTION IN THE CURRENT  
33 ACADEMIC YEAR.

34 3. THE TOTAL NUMBER OF STUDENTS WHO RECEIVED A TUITION SCHOLARSHIP  
35 PURSUANT TO THIS SECTION AND WHO GRADUATED OR COMPLETED A PROGRAM OF STUDY  
36 BY ELIGIBLE POSTSECONDARY INSTITUTION.

37 4. EACH LAW ENFORCEMENT AGENCY THAT EMPLOYS A LAW ENFORCEMENT  
38 OFFICER WHOSE SPOUSE OR DEPENDENT, OR BOTH, RECEIVES A TUITION SCHOLARSHIP  
39 PURSUANT TO THIS SECTION.

40 H. FOR THE PURPOSES OF THIS SECTION, "LAW ENFORCEMENT OFFICER"  
41 MEANS AN INDIVIDUAL WHO IS A RESIDENT OF THIS STATE AND WHO IS CURRENTLY  
42 EMPLOYED IN THIS STATE AS EITHER A PEACE OFFICER AS DEFINED IN SECTION  
43 15-1808 OR A CORRECTIONAL OFFICER.

1       Sec. 8. Financial aid trust fund: required state match:  
2               reduction

3       Notwithstanding section 15-1642, subsection C, Arizona Revised  
4 Statutes, for fiscal year 2025-2026, each dollar raised pursuant to the  
5 surcharge on student registration fees assessed pursuant to section  
6 15-1642, subsection A, Arizona Revised Statutes, may be matched by less  
7 than \$2 appropriated by the legislature.

8       Sec. 9. Community college districts; state aid for science,  
9               technology, engineering and mathematics and  
10              workforce programs

11       Notwithstanding section 15-1464, subsection A, paragraph 3, Arizona  
12 Revised Statutes, state aid for science, technology, engineering and  
13 mathematics and workforce programs for community college districts for  
14 fiscal year 2025-2026 is as specified in the general appropriations act.

15       Sec. 10. Community college districts; operating state aid;  
16               eligibility; limits

17       Notwithstanding section 15-1466, Arizona Revised Statutes, operating  
18 state aid for community college districts for fiscal year 2025-2026 is as  
19 specified in the general appropriations act.

20       Sec. 11. Retroactivity

21       Sections 15-1650.06, 15-1655, 15-1705 and 15-1809, Arizona Revised  
22 Statutes, as amended by this act, and section 15-1809.02, Arizona Revised  
23 Statutes, as added by this act, apply retroactively to from and after June  
24 30, 2025.

APPROVED BY THE GOVERNOR JUNE 27, 2025.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 27, 2025.