

HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **SB 1742**

Montenegro Floor Amendment

Spouses of Military Veterans Tuition Scholarship Fund (Military Scholarship Fund)

1. Modifies the distribution of any unexpended and unencumbered Spouses of Military Veterans Tuition Scholarship Fund monies by requiring:
 - a) the lesser of \$500,000 or the amount of remaining monies to be deposited annually in the Spouses and Dependents of Law Enforcement Officers Tuition Scholarship Fund (LEO Scholarship Fund); then
 - b) any monies remaining after the above deposit to be deposited as prescribed in the bill in the Arizona Teachers Academy Fund, Arizona Promise Program Fund and the Arizona Community Colleges Promise Program Fund.

LEO Scholarship Fund (Retroactive to July 1, 2025)

2. Codifies the session law LEO Scholarship Fund (which is repealed on July 1, 2025) as the statutory LEO Scholarship Fund.
3. Makes the following changes to the statutory LEO Scholarship Fund as compared to the session law LEO Scholarship Fund:
 - a) specifies the statutory LEO Scholarship Fund also consists of the annual deposit from the Military Scholarship Fund described above;
 - b) adds that to be eligible to receive a tuition scholarship, an individual must:
 - i. be an Arizona resident when applying for and receiving a tuition scholarship; and
 - ii. physically present in Arizona for each semester for which the individual receives a tuition scholarship if they are enrolled in a public university.
 - c) modifies the definition of *law enforcement officer* to require that an officer be an Arizona resident who is currently employed in Arizona as a peace or correctional officer.

Amendment explanation prepared by C. Houser

Phone Number x3213

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6/26/2025

MONTENEGRO FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1742
(Reference to Senate engrossed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.

[Green underlining in brackets] indicates text added to new session law or text restoring existing law.

[GREEN STRIKEOUT IN BRACKETS] indicates new text removed from statute or previously enacted session law.

[Green strikeout in brackets] indicates text removed from existing statute, previously enacted session law or new session law.

<<Green carets>> indicate a section added to the bill.

<<Green strikeout in carets>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

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.

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

4 5. Fix tuitions and fees to be charged and differentiate the
5 tuitions and fees between institutions and between residents,
6 nonresidents, undergraduate students, graduate students, students from
7 foreign countries and students who have earned credit hours in excess of
8 the credit hour threshold. For the purposes of this paragraph, the
9 undergraduate credit hour threshold is one hundred forty-five hours for
10 students who attend a university under the jurisdiction of the board. The
11 undergraduate credit hour threshold shall be based on the actual full-time
12 equivalent student enrollment counted on the forty-fifth day of every fall
13 and spring semester, divided by two, and any budget adjustment based on
14 student enrollment shall occur in the fiscal year following the actual
15 full-time equivalent student enrollment count. The undergraduate credit
16 hour threshold shall not apply to degree programs that require credit
17 hours above the credit hour threshold, credits earned in the pursuit of up
18 to two baccalaureate degrees, credits earned in the pursuit of up to two
19 state regulated licensures or certificates, credits earned in the pursuit
20 of teaching certification, credits transferred from a private institution
21 of higher education, credits transferred from an institution of higher
22 education in another state, credits earned at another institution of
23 higher education but that are not accepted as transfer credits at the
24 university where the student is currently enrolled and credits earned by
25 students who enroll at a university under the jurisdiction of the board
26 more than twenty-four months after the end of that student's previous
27 enrollment at a public institution of higher education in this state. On
28 or before October 15 of each year, the board shall report to the joint
29 legislative budget committee the number of in-state students and
30 out-of-state students who were enrolled at universities under the
31 jurisdiction of the board during the previous fiscal year and who met or
32 exceeded the undergraduate credit hour threshold prescribed in this
33 paragraph. The amount of tuition and fees included in the operating
34 budget for the university adopted by the board as prescribed in paragraph
35 13 of this subsection ~~shall be~~ IS subject to legislative appropriation and
36 SHALL BE deposited in a separate tuition and fees subaccount for each
37 university. All other tuition and fee revenue shall be retained by each
38 university for expenditure as approved by the board in a separate local
39 tuition and fees subaccount for each university. This subaccount shall
40 consist of only tuition and fees. The universities shall not use any
41 tuition or fee revenue to fund or support an alumni association.

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

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

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

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

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

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

15 7. Pursuant to section 35-115, submit a budget request for each
16 institution under ~~its~~ THE BOARD'S jurisdiction that includes the estimated
17 tuition and fee revenue available to support the programs of the
18 institution as described in the budget request. The estimated available
19 tuition and fee revenue shall be based on the tuition and registration fee
20 rates in effect at the time the budget request is submitted with
21 adjustments for projected changes in enrollment as provided by the board.

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

25 9. Award ~~such~~ degrees and diplomas on the completion of ~~such~~ THE
26 courses and curriculum requirements ~~as it~~ THAT THE BOARD deems
27 appropriate.

28 10. Prescribe qualifications for admission of all students to the
29 universities. The board shall establish policies for guaranteed admission
30 that ensure fair and equitable access to students in this state from
31 public, private and charter schools and homeschools. For the purpose of
32 determining the qualifications of honorably discharged veterans, veterans
33 are those persons who served in the armed forces for ~~a minimum of~~ AT LEAST
34 two years and who were previously enrolled at a university or community
35 college in this state. ~~No~~ Prior failing grades received by ~~the~~ A veteran
36 at the university or community college in this state may NOT be
37 considered.

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

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

1 13. Adopt annually an operating budget for each university equal to
2 the sum of appropriated STATE general fund monies and the amount of
3 tuition and fees approved by the board and allocated to each university
4 operating budget.

5 14. In consultation with the state board of education and other
6 education groups, develop and implement a program to award honors
7 endorsements to be affixed to the high school diplomas of qualifying high
8 school pupils and to be included in the transcripts of pupils who are
9 awarded endorsements. The ARIZONA board OF REGENTS shall develop
10 application procedures and testing criteria and adopt testing instruments
11 and procedures to administer the program. In order to receive an honors
12 endorsement, a pupil must demonstrate an extraordinary level of knowledge,
13 skill and competency as measured by the testing instruments adopted by the
14 ARIZONA board OF REGENTS in mathematics, English, science and social
15 studies. Additional subjects may be added at the determination of the
16 ARIZONA board OF REGENTS. The program is voluntary for pupils.

17 15. Require the publisher of each literary and nonliterary textbook
18 used in the universities of this state to furnish to the Arizona board of
19 regents computer software in a standardized format when software becomes
20 available for nonliterary textbooks from which braille versions of the
21 textbooks may be produced.

22 16. Require universities that provide a degree in education to
23 require courses that are necessary to obtain a provisional structured
24 English immersion endorsement as prescribed by the state board of
25 education.

26 17. Acquire FOR EACH CLASSROOM United States flags ~~for each~~
27 ~~classroom~~ that are manufactured in the United States and that are at least
28 two feet by three feet, ~~and~~ hardware to appropriately display the United
29 States flags, ~~acquire~~ AND a legible copy of the Constitution of the United
30 States and the Bill of Rights. ~~;~~ THE BOARD SHALL display the flags in
31 each classroom in accordance with title 4 of the United States Code and
32 display a legible copy of the Constitution of the United States and the
33 Bill of Rights adjacent to the flag.

34 18. To facilitate the transfer of military personnel and their
35 dependents to and from the public schools of this state, pursue, in
36 cooperation with the state board of education, reciprocity agreements with
37 other states concerning the transfer credits for military personnel and
38 their dependents. A reciprocity agreement entered into pursuant to this
39 paragraph shall:

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

41 (i) The transfer of student records.

42 (ii) Awarding credit for completed coursework.

43 (iii) Permitting a student to satisfy the graduation requirements
44 prescribed in section 15-701.01 through the successful performance on

1 comparable exit-level assessment instruments administered in another
2 state.

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

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

8 20. In consultation with the community college districts in this
9 state, develop and implement common equivalencies for specific levels of
10 achievement on advanced placement examinations and international
11 baccalaureate examinations in order to award commensurate postsecondary
12 academic credits at community colleges and public universities in this
13 state.

14 21. On or before August 1 of each year, report to the joint
15 legislative budget committee the graduation rate by university campus
16 during the previous fiscal year. The board shall also report the
17 retention rate by university campus and by class, as determined by date of
18 entry during the previous fiscal year.

19 B. The ARIZONA board OF REGENTS shall adopt personnel policies for
20 all employees of the board and the universities.

21 C. In conjunction with the auditor general, the ARIZONA board OF
22 REGENTS shall develop a uniform accounting and reporting system, which
23 shall be reviewed by the joint legislative budget committee before final
24 adoption by the board. The board shall require each university to comply
25 with the uniform accounting and reporting system.

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

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

34 F. The ARIZONA board OF REGENTS may adopt policies that authorize
35 the institutions under its jurisdiction to enter into employment contracts
36 with nontenured employees for periods of more than one year but not more
37 than five years. The policies ~~shall~~ MUST prescribe ~~limitations~~ LIMITS on
38 the authority of the institutions to enter into employment contracts for
39 periods of more than one year but not more than five years, including the
40 requirement that the board approve the contracts.

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

44 H. The ARIZONA board OF REGENTS may establish a program for the
45 exchange of students between the universities under the jurisdiction of

1 the board and colleges and universities located in the state of Sonora,
2 Mexico. Notwithstanding subsection A, paragraph 5 of this section, the
3 program may provide for in-state tuition at the universities under the
4 jurisdiction of the board for fifty Sonoran students in exchange for
5 similar tuition provisions for up to fifty Arizona students enrolled or
6 seeking enrollment in Sonoran colleges or universities. The board may
7 direct the universities to work in conjunction with the Arizona-Mexico
8 commission to coordinate recruitment and admissions activities.

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

18 J. The Arizona board of regents shall use the performance funding
19 model adopted pursuant to subsection I of this section in developing and
20 submitting budget requests for the universities under ~~its~~ THE BOARD'S
21 jurisdiction.

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

- 26 1. Long-term notes and obligations.
- 27 2. Certificates of participation and other obligations pursuant to
- 28 any lease-purchase agreements.
- 29 3. Revenue bonds.
- 30 4. Bonds issued pursuant to section 15-1682.03.
- 31 5. Commercial paper issued pursuant to section 15-1696.

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

- 34 1. The aggregate level of outstanding principal and the principal
- 35 and interest payments, by type of debt or obligation.
- 36 2. An itemization, by campus and project, of the amount of yearly
- 37 principal and interest to be paid in the most recent and the next five
- 38 fiscal years.

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

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

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

4 2. THE BOARD'S EXPENDITURE PLAN FOR THE CURRENT FISCAL YEAR FOR
5 MONIES THAT THE BOARD RETAINED FROM EACH UNIVERSITY UNDER THE BOARD'S
6 JURISDICTION.

7 3. AN ACCOUNTING OF HOW THE BOARD SPENT MONIES THAT THE BOARD
8 RETAINED FROM THE UNIVERSITIES UNDER THE BOARD'S JURISDICTION IN THE
9 IMMEDIATELY PRECEDING FISCAL YEAR.

10 ~~N~~ 0. For the purposes of this section, "university debt and
11 obligations" means debt and obligations, the principal and interest of
12 which are paid in whole or in part with university monies.

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

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

17 A. The Arizona veterinary loan assistance program is established
18 within the Arizona board of regents.

19 B. The Arizona veterinary loan assistance fund is established
20 consisting of legislative appropriations. The board shall administer the
21 fund. Monies in the fund are continuously appropriated and are exempt
22 from the provisions of section 35-190 relating to lapsing of
23 appropriations. **ON NOTICE FROM THE ARIZONA BOARD OF REGENTS, THE STATE**
24 **TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY**
25 **SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE**
26 **FUND.** The board shall use monies in the fund for the purposes prescribed
27 in this section and may retain up to three percent of the monies deposited
28 in the fund for costs associated with administering the program.

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

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

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

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

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

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

42 E. At the conclusion of the four-year commitment described in
43 subsection D of this section, the board shall determine whether the
44 veterinarian satisfied the terms of the agreement described in subsection
45 D of this section. If the board determines that the veterinarian

1 satisfied the terms of the agreement described in subsection D of this
2 section, the board shall distribute to the veterinarian from the Arizona
3 veterinary loan assistance fund an amount that is equal to the amount of
4 the veterinarian's outstanding veterinary college educational loan balance
5 or \$100,000, whichever is less. The board shall distribute monies from
6 the fund subject to the availability of monies and legislative
7 appropriation and on a first-come, first-served basis. For the purposes
8 of this subsection, "educational loan balance" means the balance of the
9 principal, interest and related expenses of the educational loan.

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

15 G. The board may adopt rules for the purposes of carrying out this
16 section.

17 H. For the purposes of this section:

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

19 2. "Veterinarian" has the same meaning prescribed in section
20 32-2201.

21 3. "Veterinary college" has the same meaning prescribed in section
22 32-2201.

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

25 15-1655. Arizona teachers academy; tuition and fees
26 scholarships; fund; annual report; definitions

27 A. Eligible postsecondary institutions shall implement an Arizona
28 teachers academy to incentivize students to enter the teaching profession
29 and to commit to teach in Arizona public schools or for or in schools that
30 serve primarily public school students with disabilities, which are
31 considered public schools for the purposes of this section. The Arizona
32 board of regents, in consultation with eligible postsecondary
33 institutions, shall develop and implement centralized administrative
34 processes for the academy, including:

35 1. A marketing and promotion plan to recruit students for the
36 academy.

37 2. Data collection and reporting.

38 3. Tracking postgraduation service requirements.

39 4. Coordinating induction services.

40 5. Distributing monies in the Arizona teachers academy fund between
41 eligible postsecondary institutions.

42 6. Collecting reimbursement from individuals who fail to meet
43 service obligations.

44 B. The Arizona teachers academy may include new or existing teacher
45 preparation program pathways that are student-focused and that employ

1 proven, research-based models of best practices already being implemented.
2 Each eligible postsecondary institution may develop a portfolio of teacher
3 preparation programs to offer as part of the academy. Each eligible
4 postsecondary institution that admits students to the Arizona teachers
5 academy may give priority to senior and junior students but may not
6 exclude sophomore and ~~freshmen~~ FRESHMAN students. Programs offered as
7 part of the academy shall include accelerated models for:

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

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

13 3. Individuals seeking postbaccalaureate coursework that results in
14 professional certification.

15 4. Teachers who are currently teaching a dual enrollment course to
16 satisfy the requirements for teaching a dual enrollment course adopted by
17 a higher learning commission that accredits degree-granting postsecondary
18 educational institutions in the north central region, including this
19 state.

20 5. Students in noneducation programs to complete one or more
21 teacher preparation courses to prepare the student to receive a teaching
22 certification following graduation.

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

29 D. Each eligible postsecondary institution shall provide to each
30 student who is enrolled in the Arizona teachers academy an annual
31 scholarship up to the actual cost of tuition and fees for a maximum of two
32 academic years or four semesters for graduate university students, up to
33 the actual cost of tuition and fees for a maximum of four academic years
34 or eight semesters for undergraduate university students, up to the actual
35 cost of tuition and fees for a maximum of two academic years or four
36 semesters for community college students for tuition and fees associated
37 with the student's program of study, up to the actual cost of obtaining
38 national board certification and renewal, and up to the actual cost of
39 obtaining a teaching certificate including the actual cost of the exam,
40 after all other financial gifts, aid or grants received by that student or
41 teacher. Scholarships under this subsection are subject to all of the
42 following:

43 1. If the student does not successfully complete the academic year
44 in good academic standing, the student shall reimburse the Arizona board

1 of regents for the total amount of the scholarship for tuition and fees
2 the student received for that year.

3 2. For each academic year that the student successfully completes
4 and for which the student receives a scholarship for all tuition and fees,
5 the student must agree to teach for one full school year in a public
6 school in this state. For students who are teaching and receiving the
7 scholarship concurrently, the commitment period begins after graduation
8 from the Arizona teachers academy. For teachers WHO ARE seeking a
9 national board certification, the teaching commitment is one additional
10 year after completing the requirements of the national board certification
11 program.

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

15 4. If the scholarship does not cover remaining tuition and fee
16 costs after other aid received, the eligible postsecondary institution may
17 not charge students the remaining difference. If the scholarship amount
18 exceeds tuition and fee costs at an eligible postsecondary institution,
19 the ELIGIBLE POSTSECONDARY institution may use the remaining amount to
20 support Arizona teachers academy costs.

21 5. If the student does not fulfill the student's obligation to
22 teach in a public school, the student must reimburse the Arizona board of
23 regents for the proportional amount of the scholarship for tuition and
24 fees that the student received that corresponds to the number of school
25 years the student agreed to teach but did not teach in a public school in
26 this state.

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

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

33 E. The Arizona teachers academy fund is established consisting of
34 monies deposited pursuant to section 15-1281, subsection D, paragraph 5
35 AND SECTION 15-1809, SUBSECTION E and legislative appropriations made for
36 the purpose of administering the Arizona teachers academy. Monies in the
37 fund are continuously appropriated and are exempt from the provisions of
38 section 35-190 relating to ~~the~~ lapsing of appropriations. The Arizona
39 board of regents shall administer the fund and shall establish criteria
40 for distributing monies in the fund to eligible postsecondary institutions
41 each fiscal year to fund the costs of the academy. Monies in the fund may
42 be used only for:

43 1. Reimbursing Arizona teachers academy scholarships that cover the
44 balance of tuition and fees for undergraduate, graduate and

1 postbaccalaureate students WHO ARE enrolled in the Arizona teachers
2 academy after all other gifts and aid received.

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

5 3. Induction services for Arizona teachers academy graduates.

6 4. Implementing a marketing and promotion plan to recruit and
7 retain students in the Arizona teachers academy with particular emphasis
8 on ensuring THAT participants reflect the diversity of the THIS state's
9 student population and administering the Arizona teachers academy. Annual
10 expenditures for marketing, promoting and administering the Arizona
11 teachers academy may not exceed three percent of the monies in the fund
12 each fiscal year.

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

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

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

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

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

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

31 1. The total number of students enrolled in the Arizona teachers
32 academy at each eligible postsecondary institution by year of college
33 enrollment and the number of teachers receiving a scholarship through the
34 Arizona teachers academy for national board certification.

35 2. The percentage of students who completed each year of the
36 academy and who plan to continue to the subsequent year, delineated by
37 each teacher preparation program offered by each eligible postsecondary
38 institution as part of the Arizona teachers academy.

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

41 4. The number of teachers currently teaching in a public school in
42 this state as part of an agreement for receiving an Arizona teachers
43 academy scholarship.

44 5. The number of graduates receiving induction services.

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

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

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

5 9. The methodology for distributing any monies appropriated for the
6 Arizona teachers academy to each eligible postsecondary institution and
7 the amounts distributed to each.

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

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

15 J. For the purposes of this section:

16 1. "Eligible postsecondary ~~institutions~~ INSTITUTION" means ANY OF
17 THE FOLLOWING: ~~universities~~

18 (a) A UNIVERSITY under the jurisdiction of the Arizona board of
19 regents. ~~;~~

20 (b) A community ~~colleges~~ COLLEGE in this state that ~~offer~~ OFFERS
21 postbaccalaureate programs that lead to teacher certification and that
22 have entered into an agreement with the Arizona board of regents relative
23 to these postbaccalaureate programs. ~~;~~ ~~and colleges~~

24 (c) A COLLEGE described in subsection I of this section if the
25 college opts to participate in the Arizona teachers academy under
26 subsection I of this section.

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

32 3. "Tuition and fees" means tuition, mandatory fees and program
33 fees that are associated with a program in the Arizona teachers academy
34 leading to teacher certification and that are charged by an eligible
35 postsecondary institution.

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

38 15-1682.03. University capital improvement lease-to-own and
39 bond fund; lease-to-own and bond agreements for
40 capital improvements; joint committee on
41 capital review hearing and approval; exemption

42 A. The university capital improvement lease-to-own and bond fund is
43 established consisting of the monies provided by the Arizona board of
44 regents pursuant to this section, monies deposited pursuant to section
45 5-572 and monies appropriated by the legislature. The board shall

1 administer the fund. On notice from the board, the state treasurer shall
2 invest and divest monies in the fund as provided by section 35-313, and
3 monies earned from investment shall be credited to the fund. Monies in
4 the fund are exempt from the provisions of section 35-190 relating to
5 lapsing of appropriations.

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

10 C. ~~SUBJECT TO THE REQUIREMENTS PRESCRIBED BY SUBSECTION D OF THIS~~
11 ~~SECTION,~~ the board shall distribute monies in the fund to make payments
12 pursuant to lease-to-own and bond agreements entered into by the board
13 pursuant to this section. The board may enter into lease-to-own and bond
14 agreements for the purposes of building renewal projects and new
15 facilities. ~~New lease-to-own and bond agreements entered into pursuant to~~
16 ~~this section shall not exceed one hundred sixty-seven million six hundred~~
17 ~~seventy-one thousand two hundred dollars in fiscal year 2008-2009 and four~~
18 ~~hundred million dollars in fiscal year 2009-2010.~~ The board may enter
19 into lease-to-own and bond transactions up to a maximum of ~~eight hundred~~
20 ~~million dollars~~ \$1,125,000,000. ~~OF THE MAXIMUM OF \$1,125,000,000 IN~~
21 ~~LEASE-TO-OWN AND BOND AGREEMENTS AUTHORIZED BY THIS SECTION, THE BOARD~~
22 ~~SHALL ALLOCATE \$325,000,000 AS FOLLOWS:~~

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

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

31 ~~D. Notwithstanding section 5-572, subsection G, the amount of state~~
32 ~~lottery revenues distributed to the university capital improvement~~
33 ~~lease-to-own and bond fund in fiscal year 2009-2010 and fiscal year~~
34 ~~2010-2011 shall not exceed an amount sufficient for up to eighty per cent~~
35 ~~of the annual payments of the first one hundred sixty-seven million six~~
36 ~~hundred seventy-one thousand two hundred dollars of new lease-to-own and~~
37 ~~bond agreements entered into pursuant to this section. The full amount of~~
38 ~~state lottery revenues distributed to the university capital improvement~~
39 ~~lease-to-own and bond fund pursuant to section 5-572, subsection G shall~~
40 ~~be made available to the board for the remaining new lease-to-own and bond~~
41 ~~agreements up to eight hundred million dollars beginning in fiscal year~~
42 ~~2011-2012.~~

43 D. BEGINNING ON THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS
44 SECTION, THE BOARD SHALL SUBMIT TO THE JOINT COMMITTEE ON CAPITAL REVIEW
45 THE SCOPE, PURPOSE AND ESTIMATED COST OF EACH NEW PROJECT THAT WILL BE

1 FINANCED PURSUANT TO THIS SECTION. THE BOARD MAY NOT DISTRIBUTE MONIES
2 FOR A PROJECT THAT THE BOARD IS REQUIRED TO SUBMIT PURSUANT TO THIS
3 SUBSECTION UNTIL THE JOINT COMMITTEE ON CAPITAL REVIEW APPROVES THE
4 PROJECT BY A MAJORITY VOTE OF A QUORUM OF MEMBERS. FOR THE PURPOSES OF
5 THIS SUBSECTION, "FINANCED" MEANS FUNDED, IN WHOLE OR IN PART, BY EITHER
6 OF THE FOLLOWING:

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

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

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

15 ~~E.~~ F. In entering into lease-to-own and bond agreements pursuant
16 to this section, the board shall not obligate this state to provide any
17 additional monies from the state lottery fund above the amounts authorized
18 in this section and section 5-572, subsection ~~E~~ F. In entering into
19 lease-to-own and bond agreements pursuant to this section, the board shall
20 not obligate any state general fund monies.

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

23 15-1705. Arizona community colleges promise program;
24 eligibility; fund; definitions

25 A. If monies are appropriated to the Arizona community colleges
26 promise program fund established by subsection E of this section, each
27 district in this state shall establish and administer a community college
28 promise scholarship fund consisting of monies received pursuant to
29 subsection E of this section, grants, gifts and contributions and devises.
30 Monies in the community college promise scholarship fund are continuously
31 appropriated and may be used for providing financial assistance to
32 eligible students. Each district may use up to ten percent of the monies
33 the district receives pursuant to subsection E of this section for
34 administrative expenses and student support services. If there are
35 insufficient monies in the community college promise scholarship fund to
36 provide financial assistance to all eligible students, the district shall
37 consider the following factors when establishing scholarship priorities:

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

40 2. A student's community engagement, including participation in
41 community service projects.

42 3. Additional factors as determined by the district.

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

45 1. For an initial award:

1 (a) Qualifies for resident student status as prescribed in section
2 15-1802.01.

3 (b) Satisfies the admission standards as determined by the
4 community college.

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

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

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

9 (a) Annually completes and submits the free application for federal
10 student aid.

11 (b) Maintains enrollment at a community college.

12 (c) Maintains satisfactory academic progress.

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

15 C. Each district board or community college shall establish a
16 policy or guidelines outlining qualified expenses for which a student may
17 use monies from a financial aid award pursuant to this section. Any
18 policy or guidelines established pursuant to this subsection must allow an
19 award recipient to use the monies for any cost of attending the community
20 college and may not require the monies to be used only for tuition.

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

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

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

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

42 F. For the purposes of this section:

43 1. "Community college" has the same meaning prescribed in section
44 15-1401.

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

3 3. "District board" has the same meaning prescribed in section
4 15-1401.

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

7 15-1809. Spouses of military veterans tuition scholarship
8 fund; tuition scholarships; eligibility; rules

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

19 1. Enrolls in a university under the jurisdiction of the Arizona
20 board of regents or in a community college as defined in section 15-1401.

21 2. Is the spouse of an honorably discharged veteran of the armed
22 forces of the United States. For the purposes of proving that the
23 person's spouse is an honorably discharged veteran of the armed forces of
24 the United States as required by this paragraph:

25 (a) The person shall submit proof of the honorable discharge or
26 general discharge under honorable conditions of the person's spouse.

27 (b) The ~~Arizona~~ department of veterans' services shall verify that
28 the person is the spouse of an honorably discharged veteran.

29 3. Is entitled to classification as an in-state student under
30 section 15-1802.

31 4. Is a resident of this state at the time of applying for a
32 tuition scholarship and continues to be a resident of this state while
33 receiving a tuition scholarship under this section.

34 5. Completes and submits the free application for federal student
35 aid for each year that the person receives a tuition scholarship under
36 this section.

37 6. Complies with the standards of satisfactory academic progress as
38 established by the university or community college in which the person
39 enrolls.

40 7. Completes a family educational rights and privacy act of 1974
41 (P.L. 93-380; 88 Stat. ~~57~~ 571) release form for each university or
42 community college in which the person is enrolled to authorize the release
43 of personally identifiable information required to determine continued
44 tuition scholarship eligibility under this section.

1 B. A person who meets the requirements prescribed in subsection A
2 of this section may apply to the Arizona board of regents for a tuition
3 scholarship from the fund in a manner prescribed by the Arizona board of
4 regents. Subject to available monies, the Arizona board of regents shall
5 award an eligible person a tuition scholarship that is equal to the amount
6 of tuition and mandatory fees charged by the university or community
7 college in which the person is enrolled, reduced by the amount of any
8 federal aid scholarships or public grants and any other financial gifts,
9 grants or aid received by that person. The Arizona board of regents shall
10 verify that the person satisfies the requirements prescribed in subsection
11 A of this section before awarding a tuition scholarship. If the Arizona
12 board of regents determines that a person no longer satisfies the
13 requirements prescribed in subsection A of this section, the Arizona board
14 of regents may not award a subsequent tuition scholarship from the fund
15 until the person submits documentation showing that the person satisfies
16 all requirements prescribed in subsection A of this section.

17 C. A tuition scholarship provided pursuant to this section shall
18 be:

19 1. Limited to not more than four academic years or eight semesters.

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

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

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

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

34 [1. \$500,000 OR THE AMOUNT OF REMAINING MONIES, WHICHEVER IS LESS,
35 IN THE SPOUSES AND DEPENDENTS OF LAW ENFORCEMENT OFFICERS TUITION
36 SCHOLARSHIP FUND ESTABLISHED BY SECTION 15-1809.02.]

37 2. ANY MONIES REMAINING AFTER THE DEPOSIT PURSUANT TO PARAGRAPH 1
38 OF THIS SUBSECTION AS FOLLOWS:]

39 [1.] [(a)] THIRTY PERCENT IN THE ARIZONA TEACHERS ACADEMY FUND
40 ESTABLISHED BY SECTION 15-1655.

41 [2.] [(b)] SIXTY PERCENT IN THE ARIZONA PROMISE PROGRAM FUND
42 ESTABLISHED BY SECTION 15-1701.

43 [3.] [(c)] TEN PERCENT IN THE ARIZONA COMMUNITY COLLEGES PROMISE
44 PROGRAM FUND ESTABLISHED BY SECTION 15-1705.

1 ~~E.~~ F. The Arizona board of regents may adopt rules for the
2 purposes of administering this section.

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

5 15-1809.02. Spouses and dependents of law enforcement
6 officers tuition scholarship fund; tuition
7 scholarships; eligibility; rules; reporting
8 requirements; definition

9 [A. THE SPOUSES AND DEPENDENTS OF LAW ENFORCEMENT OFFICERS TUITION
10 SCHOLARSHIP FUND IS ESTABLISHED CONSISTING OF MONIES DEPOSITED PURSUANT TO
11 SECTION 15-1809, SUBSECTION E AND LEGISLATIVE APPROPRIATIONS. THE ARIZONA
12 BOARD OF REGENTS SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE
13 CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION
14 35-190 RELATING TO LAPSING OF APPROPRIATIONS. SUBJECT TO AVAILABLE
15 MONIES, THE ARIZONA BOARD OF REGENTS SHALL USE THE MONIES IN THE FUND TO
16 AWARD TUITION SCHOLARSHIPS TO ANY INDIVIDUAL WHO MEETS ALL OF THE
17 FOLLOWING REQUIREMENTS:

18 1. ENROLLS IN ANY OF THE FOLLOWING:

19 (a) A UNIVERSITY UNDER THE JURISDICTION OF THE ARIZONA BOARD OF
20 REGENTS.

21 (b) A COMMUNITY COLLEGE AS DEFINED IN SECTION 15-1401.

22 (c) A CAREER TECHNICAL EDUCATION PROGRAM THAT IS OFFERED TO ADULTS
23 OR AN ASSOCIATE DEGREE PROGRAM OFFERED BY A CAREER TECHNICAL EDUCATION
24 DISTRICT PURSUANT TO SECTION 15-398.

25 (d) A PRIVATE POSTSECONDARY EDUCATIONAL INSTITUTION IN THIS STATE
26 THAT IS LICENSED PURSUANT TO TITLE 32, CHAPTER 30, ARTICLE 2.

27 2. IS EITHER:

28 (a) THE SPOUSE OF A LAW ENFORCEMENT OFFICER.

29 (b) UNDER TWENTY-SEVEN YEARS OF AGE AND A DEPENDENT OF A LAW
30 ENFORCEMENT OFFICER.

31 3. IS A RESIDENT OF THIS STATE WHEN THE INDIVIDUAL BOTH:

32 (a) APPLIES FOR A TUITION SCHOLARSHIP.

33 (b) RECEIVES A TUITION SCHOLARSHIP PURSUANT TO THIS SECTION.

34 4. FOR AN INDIVIDUAL WHO IS ENROLLED IN A UNIVERSITY UNDER THE
35 JURISDICTION OF THE ARIZONA BOARD OF REGENTS, IS PHYSICALLY PRESENT IN
36 THIS STATE DURING EACH SEMESTER FOR WHICH THE INDIVIDUAL RECEIVES A
37 TUITION SCHOLARSHIP PURSUANT TO THIS SECTION.

38 B. AN INDIVIDUAL WHO MEETS THE REQUIREMENTS PRESCRIBED IN
39 SUBSECTION A OF THIS SECTION MAY APPLY TO THE ARIZONA BOARD OF REGENTS FOR
40 A TUITION SCHOLARSHIP FROM THE FUND IN A MANNER PRESCRIBED BY THE ARIZONA
41 BOARD OF REGENTS. SUBJECT TO AVAILABLE MONIES, THE ARIZONA BOARD OF
42 REGENTS SHALL AWARD AN ELIGIBLE INDIVIDUAL A TUITION SCHOLARSHIP THAT IS
43 EQUAL TO THE AMOUNT OF TUITION AND MANDATORY FEES CHARGED BY THE
44 UNIVERSITY, COMMUNITY COLLEGE OR CAREER TECHNICAL EDUCATION DISTRICT IN
45 WHICH THE INDIVIDUAL IS ENROLLED, REDUCED BY THE AMOUNT OF ANY FEDERAL AID

1 SCHOLARSHIPS OR PUBLIC GRANTS AND ANY OTHER FINANCIAL GIFTS, GRANTS OR AID
2 RECEIVED BY THAT INDIVIDUAL, EXCEPT THAT IF THE INDIVIDUAL IS ENROLLED IN
3 A PRIVATE POSTSECONDARY EDUCATIONAL INSTITUTION, THE TUITION SCHOLARSHIP
4 MAY NOT EXCEED THE REMAINDER OF THE AVERAGE IN STATE TUITION AND FEES
5 CHARGED BY UNIVERSITIES UNDER THE JURISDICTION OF THE ARIZONA BOARD OF
6 REGENTS MINUS OTHER GIFTS AND AID AWARDED TO THAT INDIVIDUAL. THE ARIZONA
7 BOARD OF REGENTS SHALL VERIFY THAT EACH INDIVIDUAL SATISFIES THE
8 REQUIREMENTS PRESCRIBED IN SUBSECTION A OF THIS SECTION BEFORE AWARDING A
9 TUITION SCHOLARSHIP. IF THE ARIZONA BOARD OF REGENTS DETERMINES THAT AN
10 INDIVIDUAL NO LONGER SATISFIES THE REQUIREMENTS PRESCRIBED IN SUBSECTION A
11 OF THIS SECTION, THE ARIZONA BOARD OF REGENTS MAY NOT DISTRIBUTE
12 ADDITIONAL MONIES FROM THE FUND TO THE INDIVIDUAL UNTIL THE INDIVIDUAL
13 SUBMITS DOCUMENTATION SHOWING THAT THE INDIVIDUAL SATISFIES ALL
14 REQUIREMENTS PRESCRIBED IN SUBSECTION A OF THIS SECTION.

15 C. A TUITION SCHOLARSHIP AWARDED PURSUANT TO THIS SECTION IS
16 SUBJECT TO THE FOLLOWING REQUIREMENTS:

17 1. A TUITION SCHOLARSHIP AWARD IS LIMITED TO NOT MORE THAN FOUR
18 ACADEMIC YEARS OR EIGHT SEMESTERS.

19 2. TUITION SCHOLARSHIP AWARD MONIES MAY BE USED ONLY FOR A CAREER
20 TECHNICAL EDUCATION DISTRICT PROGRAM CERTIFICATE OR LICENSE, A PRIVATE
21 VOCATIONAL PROGRAM AS DEFINED IN SECTION 32-3001, AN ASSOCIATE DEGREE OR A
22 BACCALAUREATE DEGREE.

23 3. TUITION SCHOLARSHIP AWARD MONIES MAY BE USED ONLY TO PAY TUITION
24 AND MANDATORY FEES AT A CAREER TECHNICAL EDUCATION DISTRICT, A PRIVATE
25 POSTSECONDARY EDUCATIONAL INSTITUTION IN THIS STATE THAT IS LICENSED
26 PURSUANT TO TITLE 32, CHAPTER 30, ARTICLE 2, A UNIVERSITY UNDER THE
27 JURISDICTION OF THE ARIZONA BOARD OF REGENTS OR A COMMUNITY COLLEGE AS
28 DEFINED IN SECTION 15-1401. IF THE INDIVIDUAL IS ENROLLED IN A CAREER
29 TECHNICAL EDUCATION DISTRICT PROGRAM AND IS NOT CHARGED TO ATTEND THE
30 CAREER TECHNICAL EDUCATION DISTRICT PROGRAM, THE ARIZONA BOARD OF REGENTS
31 MAY NOT AWARD THE INDIVIDUAL A TUITION SCHOLARSHIP PURSUANT TO THIS
32 SECTION.

33 D. THE ARIZONA BOARD OF REGENTS SHALL AWARD TUITION SCHOLARSHIPS
34 PURSUANT TO THIS SECTION ON A FIRST-COME, FIRST-SERVED BASIS. IF THERE
35 ARE INSUFFICIENT MONIES IN THE FUND, THE ARIZONA BOARD OF REGENTS MAY NOT
36 AWARD A TUITION SCHOLARSHIP TO AN ELIGIBLE INDIVIDUAL PURSUANT TO THIS
37 SECTION.

38 E. THE ARIZONA BOARD OF REGENTS MAY RELY ON A COPY OF THE LAW
39 ENFORCEMENT OFFICER'S COMMISSION CARD AND A CURRENT EMPLOYMENT
40 VERIFICATION LETTER FROM THE LAW ENFORCEMENT OFFICER'S EMPLOYER TO
41 ESTABLISH THAT AN INDIVIDUAL IS A LAW ENFORCEMENT OFFICER FOR THE PURPOSES
42 OF THIS SECTION.

43 F. THE ARIZONA BOARD OF REGENTS MAY ADOPT RULES FOR THE PURPOSES OF
44 ADMINISTERING THIS SECTION.

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

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

7 2. THE TOTAL AMOUNTS AWARDED AND AVERAGE AMOUNTS AWARDED PURSUANT
8 TO THIS SECTION BY ELIGIBLE POSTSECONDARY INSTITUTION IN THE CURRENT
9 ACADEMIC YEAR.

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

13 4. EACH LAW ENFORCEMENT AGENCY THAT EMPLOYS A LAW ENFORCEMENT
14 OFFICER WHOSE SPOUSE OR DEPENDENT, OR BOTH, RECEIVES A TUITION SCHOLARSHIP
15 PURSUANT TO THIS SECTION.

16 H. FOR THE PURPOSES OF THIS SECTION, "LAW ENFORCEMENT OFFICER"
17 MEANS AN INDIVIDUAL WHO IS A RESIDENT OF THIS STATE AND WHO IS CURRENTLY
18 EMPLOYED IN THIS STATE AS EITHER A PEACE OFFICER AS DEFINED IN SECTION
19 15-1808 OR A CORRECTIONAL OFFICER.]>>

20 ~~<<Sec. 7. Laws 2023, chapter 140, section 6, as amended by Laws~~
21 ~~2024, chapter 216, section 2, is amended to read:~~

22 ~~Sec. 6. Spouses and dependents of law enforcement officers~~
23 ~~tuition scholarship fund; tuition scholarships;~~
24 ~~eligibility; rules; reporting requirements; delayed~~
25 ~~repeal; transfer of monies; definition~~

26 ~~A. The spouses and dependents of law enforcement officers tuition~~
27 ~~scholarship fund is established consisting of legislative appropriations.~~
28 ~~The Arizona board of regents shall administer the fund. Monies in the~~
29 ~~fund are continuously appropriated and are exempt from the provisions of~~
30 ~~section 35-190, Arizona Revised Statutes, relating to lapsing of~~
31 ~~appropriations. Subject to available monies, the Arizona board of regents~~
32 ~~shall use the monies in the fund to award tuition scholarships to any~~
33 ~~individual who meets both ALL of the following requirements:~~

34 ~~1. Enrolls in any of the following:~~

35 ~~(a) A university under the jurisdiction of the Arizona board of~~
36 ~~regents.~~

37 ~~(b) A community college as defined in section 15-1401, Arizona~~
38 ~~Revised Statutes.~~

39 ~~(c) A career technical education program that is offered to adults~~
40 ~~or an associate degree program offered by a career technical education~~
41 ~~district pursuant to section 15-398, Arizona Revised Statutes.~~

42 ~~(d) A private postsecondary educational institution in this state~~
43 ~~that is licensed pursuant to title 32, chapter 30, article 2, Arizona~~
44 ~~Revised Statutes.~~

45 ~~2. Is either:~~

1 ~~(a) The spouse of a law enforcement officer.~~
2 ~~(b) Under twenty-seven years of age and a dependent of a law~~
3 ~~enforcement officer.~~
4 ~~3. IS A RESIDENT OF THIS STATE WHEN THE INDIVIDUAL BOTH:~~
5 ~~(a) APPLIES FOR A TUITION SCHOLARSHIP.~~
6 ~~(b) RECEIVES A TUITION SCHOLARSHIP PURSUANT TO THIS SECTION.~~
7 ~~4. FOR AN INDIVIDUAL WHO IS ENROLLED IN A UNIVERSITY UNDER THE~~
8 ~~JURISDICTION OF THE ARIZONA BOARD OF REGENTS, IS PHYSICALLY PRESENT IN~~
9 ~~THIS STATE DURING EACH SEMESTER FOR WHICH THE INDIVIDUAL RECEIVES A~~
10 ~~TUITION SCHOLARSHIP PURSUANT TO THIS SECTION.~~
11 ~~B. An individual who meets the requirements prescribed in~~
12 ~~subsection A of this section may apply to the Arizona board of regents for~~
13 ~~a tuition scholarship from the fund in a manner prescribed by the Arizona~~
14 ~~board of regents. Subject to available monies, the Arizona board of~~
15 ~~regents shall award an eligible individual a tuition scholarship that is~~
16 ~~equal to the amount of tuition and mandatory fees charged by the~~
17 ~~university, community college or career technical education district in~~
18 ~~which the individual is enrolled, reduced by the amount of any federal aid~~
19 ~~scholarships or public grants and any other financial gifts, grants or aid~~
20 ~~received by that individual, except that if the individual is enrolled in~~
21 ~~a private postsecondary educational institution, the tuition scholarship~~
22 ~~may not exceed the remainder of the average in-state tuition and fees~~
23 ~~charged by universities under the jurisdiction of the Arizona board of~~
24 ~~regents minus other gifts and aid awarded to that individual. The Arizona~~
25 ~~board of regents shall verify that the individual satisfies the~~
26 ~~requirements prescribed in subsection A of this section before awarding a~~
27 ~~tuition scholarship. If the Arizona board of regents determines that an~~
28 ~~individual no longer satisfies the requirements prescribed in subsection A~~
29 ~~of this section, the Arizona board of regents may not distribute~~
30 ~~additional monies from the fund to the individual until the individual~~
31 ~~submits documentation showing that the individual satisfies all~~
32 ~~requirements prescribed in subsection A of this section.~~
33 ~~C. A tuition scholarship provided pursuant to this section shall~~
34 ~~be:~~
35 ~~1. Limited to not more than four academic years or eight semesters.~~
36 ~~2. Used only for a career technical education district program~~
37 ~~certificate or license, a private vocational program as defined in section~~
38 ~~32-3001, Arizona Revised Statutes, an associate degree or a baccalaureate~~
39 ~~degree.~~

1 ~~3. Used only to pay tuition and mandatory fees at a career~~
2 ~~technical education district, a private postsecondary educational~~
3 ~~institution in this state that is licensed pursuant to title 32,~~
4 ~~chapter 30, article 2, Arizona Revised Statutes, a university under the~~
5 ~~jurisdiction of the Arizona board of regents or a community college as~~
6 ~~defined in section 15-1401, Arizona Revised Statutes. If the applicant is~~
7 ~~not charged to attend a career technical education district program, the~~
8 ~~Arizona board of regents may not award the applicant a tuition scholarship~~
9 ~~under this section.~~

10 ~~D. Tuition scholarships under this section shall be awarded on a~~
11 ~~first-come, first-served basis. If there are insufficient monies in the~~
12 ~~fund, the Arizona board of regents may not award a tuition scholarship to~~
13 ~~an eligible individual under this section.~~

14 ~~E. The Arizona board of regents may rely on a copy of the law~~
15 ~~enforcement officer's commission card and a current employment~~
16 ~~verification letter from the law enforcement officer's employer to~~
17 ~~establish that an individual is a law enforcement officer for the purposes~~
18 ~~of this section.~~

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

21 ~~G. On or before March 1, 2024 and each year thereafter, the Arizona~~
22 ~~board of regents shall report to the joint legislative budget committee~~
23 ~~and the governor's office of strategic planning and budgeting on all of~~
24 ~~the following:~~

25 ~~1. The total number of students who received a tuition scholarship~~
26 ~~under this section by eligible postsecondary institution in the current~~
27 ~~academic year.~~

28 ~~2. The total amounts awarded and average amounts awarded under this~~
29 ~~section by eligible postsecondary institution in the current academic~~
30 ~~year.~~

31 ~~3. The total number of students who received a tuition scholarship~~
32 ~~under this section and who graduated or completed a program of study by~~
33 ~~eligible postsecondary institution.~~

34 ~~4. Each law enforcement agency that employs a law enforcement~~
35 ~~officer whose spouse or dependent, or both, receives a tuition scholarship~~
36 ~~under this section.~~

37 ~~H. From and after June 30, 2025-2027, this section is repealed and~~
38 ~~all unexpended and unencumbered monies remaining in the spouses and~~
39 ~~dependents of law enforcement officers tuition scholarship fund~~
40 ~~established by this section are transferred to the state general fund.~~

41 ~~I. For the purposes of this section, "law enforcement officer"~~
42 ~~means an individual who is A RESIDENT OF THIS STATE AND WHO IS currently~~
43 ~~employed IN THIS STATE as either a peace officer as defined in section~~
44 ~~15-1808, Arizona Revised Statutes, 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
24 June 30, 2025.

25 Enroll and engross to conform
26 Amend title to conform

STEVE B. MONTENEGRO

1742FloorMONTENEGRO
06/26/2025
08:01 AM
C: VS