

REFERENCE TITLE: school districts; leases; housing development

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

# HB 2383

Introduced by  
Representatives Gress: Gillette

AN ACT

AMENDING SECTION 15-1105, ARIZONA REVISED STATUTES; RELATING TO SCHOOL FACILITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-1105, Arizona Revised Statutes, is amended to  
3 read:

4 15-1105. Lease of school property; immunity; fee schedule;  
5 use of monies; prohibition; definitions

6 A. The SCHOOL DISTRICT governing board, or the superintendent or  
7 chief administrative officer with the approval of the governing board, may  
8 lease school property, including school buildings, grounds, buses and  
9 equipment, to any person, group or organization for any lawful purpose,  
10 including ANY recreational, educational, political, economic, artistic,  
11 moral, scientific, social, religious or other civic or governmental  
12 purpose in the interest of the community, including extended day resource  
13 programs. The governing board, superintendent or chief administrative  
14 officer shall charge a reasonable use fee for the lease of the school  
15 property, which may include goods contributed or services rendered by the  
16 person, group or organization to the school district.

17 B. The governing board, or the superintendent or chief  
18 administrative officer with the approval of the governing board, may  
19 ~~permit~~ ALLOW the uncompensated use of school buildings, grounds, buses,  
20 equipment and other school property by any ~~school-related~~ SCHOOL-RELATED  
21 group, including student political organizations, or by any organization  
22 whose membership is open to the public and whose activities promote the  
23 educational function of the school district as determined in good faith by  
24 the school district's governing board, or the superintendent or chief  
25 administrative officer with the approval of the governing board, including  
26 extended day resource programs, except as provided in section 15-511.

27 C. A school district and its employees, including the governing  
28 board, superintendent or chief administrative officer, are immune from  
29 civil liability with respect to all decisions made and actions taken to  
30 allow the lease or use of school property, unless the school district or  
31 its employees are guilty of gross negligence or intentional misconduct.  
32 This subsection does not limit any other immunity provisions that are  
33 prescribed by law.

34 D. A person, group or organization that is otherwise eligible to  
35 lease school property shall not be denied use of or charged differentiated  
36 fees for school property on the basis of the person's, group's or  
37 organization's beliefs, expression of beliefs or exercise of the rights of  
38 association that are protected under the laws of this state, the  
39 Constitution of Arizona, the laws of the United States ~~or~~ AND the United  
40 States Constitution.

41 E. The governing board shall annually approve a fee schedule for  
42 the lease of school property. The fee schedule shall include a  
43 designation of the persons, groups or organizations that ~~shall~~ have  
44 uncompensated use of the school property, ~~and~~ a procedure for determining  
45 the value of goods and services being provided as compensation for the use

1 of school property. The governing board, superintendent or chief  
2 administrative officer shall require proof of liability insurance for such  
3 use or lease of school property.

4 F. Except as provided in section 15-1102, monies received for and  
5 derived from the use or lease of school property under this section shall  
6 be promptly deposited with the county treasurer, who shall credit the  
7 deposits to the civic center school fund of the respective school  
8 district. Monies placed to the credit of a civic center school fund may  
9 be ~~expended~~ SPENT for civic center school purposes by warrants drawn ~~upon~~  
10 ON AN order of the school district governing board, or the superintendent  
11 or chief administrative officer with the approval of the governing board.  
12 The civic center school fund of a school district or multiple school  
13 district civic center school program is a continuing fund not subject to  
14 reversion, except ~~upon~~ ON termination of a civic center school program.  
15 ~~Upon~~ ON termination of a civic center school program, any remaining ~~funds~~  
16 ~~shall~~ MONIES revert to the school plant fund of the school district or  
17 districts.

18 G. NOTWITHSTANDING SECTIONS 15-342, 15-491, 15-789 AND 41-5704 AND  
19 SUBSECTION A OF THIS SECTION, A SCHOOL DISTRICT GOVERNING BOARD MAY LEASE,  
20 OR APPROVE THE LEASE, OF SCHOOL PROPERTY TO ANY PERSON FOR A HOUSING  
21 DEVELOPMENT PROJECT ONLY AS ALLOWED BY SECTION 15-342, PARAGRAPH 6. THIS  
22 SUBSECTION DOES NOT RESTRICT A SCHOOL DISTRICT'S AUTHORITY TO DO ANY OF  
23 THE FOLLOWING:

- 24 1. MAINTAIN AND RENOVATE TEACHER HOUSING PURSUANT TO SECTION  
25 15-965.
- 26 2. ESTABLISH AND ADMINISTER A PERMANENT TEACHERAGE FUND PURSUANT TO  
27 SECTION 15-1106.
- 28 3. SELL PROPERTY THAT IS OWNED BY THE SCHOOL DISTRICT TO A PERSON  
29 FOR A HOUSING DEVELOPMENT PROJECT.

30 ~~G.~~ H. For the purposes of this section:

31 1. "Educational function" means ~~uses~~ A USE that ~~are~~ IS directly  
32 related to the educational mission of the school district as adopted by  
33 the school district governing board and includes parent-teacher  
34 organizations, youth organizations and school employee organizations.

35 2. "Extended day resource programs" means activities offered on  
36 school property before or after school or at times when school is not  
37 customarily in session for children who are of the age required for  
38 kindergarten programs and grades one through eight. The program may be  
39 offered for children who are of the age required for a kindergarten  
40 program or for one grade or for any combination of kindergarten programs  
41 and grades. Activities may include physical conditioning, tutoring,  
42 supervised homework or arts activities.

1           3. "Reasonable use fee" means an amount that is at least equal to  
2 the school district's cost for utilities, services, supplies or personnel  
3 that the school provides to the lessee pursuant to the terms of the lease.

4           Sec. 2. Existing leases; applicability

5           Section 15-1105, Arizona Revised Statutes, as amended by this act,  
6 applies to any lease executed, renewed or amended after the effective date  
7 of this act.