

REFERENCE TITLE: K-3 reading plan; cash balances

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

# HB 4041

Introduced by  
Representative Gress

AN ACT

AMENDING SECTION 15-211, ARIZONA REVISED STATUTES; RELATING TO THE STATE BOARD OF EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-211, Arizona Revised Statutes, is amended to  
3 read:

4 15-211. K-3 reading program; dyslexia specialist; dyslexia  
5 training; receipt and use of monies; additional  
6 funding; budget increase; annual report

7 A. The department of education shall administer a K-3 reading  
8 program to improve the reading proficiency of pupils in kindergarten  
9 programs and grades one, two and three in the public schools of this  
10 state.

11 B. The department of education shall designate a dyslexia  
12 specialist for the department to provide school districts and charter  
13 schools with support and resources that are necessary to assist students  
14 with dyslexia.

15 C. ~~On or before July 1, 2022,~~ Each school district and charter  
16 school shall ensure that at least one kindergarten through third grade  
17 teacher, literacy coach or literacy specialist in each school has received  
18 training related to dyslexia that complies with the requirements  
19 prescribed in section 15-219.

20 D. Each school district and charter school shall submit to the  
21 department of education a plan for improving the reading proficiency of  
22 the school district's or the charter school's pupils in kindergarten  
23 programs and grades one, two and three. The plan ~~shall~~ MUST include  
24 baseline data on the reading proficiency of the school district's or the  
25 charter school's pupils in kindergarten programs and grades one, two and  
26 three and a budget for spending monies from both the K-3 support level  
27 weight and the K-3 reading support level weight established in section  
28 15-943. Each school district and charter school shall annually submit to  
29 the department of education on or before October 1 an updated K-3 reading  
30 program plan that includes data on program expenditures and results.

31 E. School districts and charter schools shall use monies generated  
32 by the K-3 reading support level weight established in section 15-943 only  
33 on instructional purposes based on the plan submitted pursuant to  
34 subsection D of this section intended to improve reading proficiency for  
35 pupils in kindergarten programs and grades one, two and three with  
36 particular emphasis on pupils in kindergarten programs and grades one and  
37 two.

38 F. Each school district and charter school that is assigned a  
39 letter grade of C, D or F pursuant to section 15-241 or that has more than  
40 ten percent of its pupils in grade three who do not demonstrate sufficient  
41 reading skills as established by the state board of education according to  
42 the reading portion of the statewide assessment shall receive monies  
43 generated by the K-3 reading support level weight established in section  
44 15-943 only after the K-3 reading program plan of the school district or  
45 charter school has been submitted, reviewed and recommended for approval

1 by the department of education and approved by the state board. The state  
2 board must give approval to a school district or charter school before any  
3 portion of the monies generated by the K-3 reading support level weight  
4 may be distributed to the school district or charter school pursuant to  
5 this subsection.

6 G. Pupils in a charter school that is in its first year of  
7 operation and that is sponsored by the state board of education, the state  
8 board for charter schools, a university under the jurisdiction of the  
9 Arizona board of regents, a community college district or a group of  
10 community college districts are eligible for the K-3 reading support level  
11 weight.

12 H. A SCHOOL DISTRICT THAT HAS AN ENDING CASH BALANCE IN THE  
13 MAINTENANCE AND OPERATIONS FUND AND UNRESTRICTED CAPITAL OUTLAY FUND  
14 REPORTED IN THE SCHOOL DISTRICT'S ANNUAL FINANCIAL REPORT FOR THE  
15 IMMEDIATELY PRECEDING SCHOOL YEAR PURSUANT TO SECTION 15-904 THAT EXCEEDS  
16 THE AMOUNT THAT THE SCHOOL DISTRICT BUDGETED FROM BUDGET BALANCES FOR THE  
17 CURRENT YEAR PURSUANT TO SECTION 15-947, SUBSECTION C, PARAGRAPH 2,  
18 SUBDIVISION (a), ITEM (i) AND SUBSECTION D, PARAGRAPH 4 MAY ADOPT A BUDGET  
19 FOR THE BUDGET YEAR THAT EXCEEDS THE GENERAL BUDGET LIMIT WITHOUT AN  
20 ELECTION CONDUCTED PURSUANT TO SECTION 15-481 IN AN AMOUNT THAT DOES NOT  
21 EXCEED TWENTY PERCENT OF THE DIFFERENCE BETWEEN THE ENDING CASH BALANCES  
22 AND THE BUDGET BALANCE CARRYFORWARDS IF THE SCHOOL DISTRICT HAS MORE THAN  
23 THIRTY PERCENT OF ITS PUPILS IN GRADE THREE WHO DO NOT DEMONSTRATE  
24 SUFFICIENT READING SKILLS AS ESTABLISHED BY THE STATE BOARD OF EDUCATION  
25 ACCORDING TO THE READING PORTION OF THE STATEWIDE ASSESSMENT. THE AMOUNT  
26 ADOPTED PURSUANT TO THIS SUBSECTION SHALL BE FUNDED BY MONIES FROM THE  
27 MAINTENANCE AND OPERATIONS FUND AND UNRESTRICTED CAPITAL OUTLAY FUND THAT  
28 WERE NOT INCLUDED IN THE BUDGET FOR THE CURRENT YEAR. THE SCHOOL DISTRICT  
29 SHALL USE MONIES BUDGETED PURSUANT TO THIS SUBSECTION ONLY FOR  
30 INSTRUCTIONAL PURPOSES BASED ON THE PLAN SUBMITTED PURSUANT TO SUBSECTION  
31 D OF THIS SECTION. THE SCHOOL DISTRICT SHALL USE MONIES PURSUANT TO THIS  
32 SUBSECTION TO SUPPLEMENT AND NOT SUPPLANT MONIES FROM ANY OTHER SOURCE  
33 THAT ARE USED FOR EXPENDITURES BASED ON THE PLAN SUBMITTED PURSUANT TO  
34 SUBSECTION D OF THIS SECTION.

35 ~~H.~~ I. The department of education shall solicit gifts, grants and  
36 donations from any lawful public or private source ~~in order~~ to provide  
37 additional funding for the K-3 reading program.

38 ~~I.~~ J. The state board of education may establish rules and  
39 policies for the K-3 reading program, including:

40 1. The proper use of monies in accordance with ~~subsection~~  
41 SUBSECTIONS E AND H of this section.

42 2. The distribution of monies by the department of education in  
43 accordance with subsection D of this section.

44 3. The compliance of reading proficiency plans submitted pursuant  
45 to subsection D of this section with section 15-704.

1           ~~+~~ K. Pursuant to subsection ~~I~~ J of this section, the department  
2 of education shall develop program implementation guidance for school  
3 districts and charter schools to assist schools in administering an  
4 effective K-3 evidence-based reading program plan. This guidance shall  
5 include identifying and recommending appropriate program expenditures,  
6 providing technical oversight and assistance for annually updating reading  
7 program plans, selecting and adopting evidence-based reading curricula and  
8 providing and promoting teacher professional development that is based on  
9 evidence-based reading research. The department shall prioritize supports  
10 and interventions, including enrollment in reading trainings and  
11 professional development, for school districts and charter schools that  
12 have the highest percentage of pupils who do not demonstrate sufficient  
13 reading skills as established by the state board of education. The  
14 department shall deposit any monies received for offering reading  
15 trainings or professional development, including coaching, in the  
16 department of education professional development revolving fund  
17 established by section 15-237.01.

18           ~~K~~ L. On or before December 15, the department of education shall  
19 submit an annual report on the K-3 reading program to the governor, the  
20 president of the senate and the speaker of the house of representatives  
21 and shall provide a copy of this annual report to the secretary of state,  
22 the state board of education and the chairpersons of the education  
23 committees of the senate and the house of representatives. The report  
24 ~~shall~~ MUST contain all of the following:

25           1. Information on the improvement of K-3 reading in this state,  
26 including achievement data statewide and achievement data at the school  
27 district and charter school level. The information pursuant to this  
28 paragraph ~~shall~~ MUST include data and information on continued proficiency  
29 on the statewide assessment in subsequent grades.

30           2. A description of the activities of the department to support  
31 school districts and charter schools in improving K-3 reading.

32           3. Specific findings on methods by which the department may  
33 continue to improve support and assistance for school districts and  
34 charter schools in the administration of K-3 reading program plans.

35           4. Information and data on K-3 reading program plans throughout  
36 this state and the expenditure of K-3 reading monies by school districts  
37 and charter schools.

38           5. Data reported pursuant to section 15-701, subsection A,  
39 paragraph 2, subdivision (d).