

House Engrossed

school facilities oversight board; members

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

HOUSE BILL 2378

AN ACT

AMENDING SECTION 41-5701.02, 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 41-5701.02, Arizona Revised Statutes, is amended
3 to read:

4 41-5701.02. School facilities oversight board; members;
5 conflict of interest; violation;
6 classification; change orders; notification

7 A. The school facilities oversight board is established within the
8 division consisting of the following members who are appointed by the
9 governor pursuant to section 38-211 in such a manner as to provide for
10 approximate geographic balance and approximate balance between public and
11 private members:

12 1. One member who represents a statewide organization of taxpayers.

13 2. One member who is a registered professional architect **AND WHOSE**
14 **BUSINESS DOES NOT INCLUDE SCHOOL CONSTRUCTION.**

15 3. One member with knowledge and experience in school facilities
16 management in a public school system.

17 4. One member who is a registered professional engineer **AND WHOSE**
18 **BUSINESS DOES NOT INCLUDE SCHOOL CONSTRUCTION.**

19 5. Two members who are owners or officers of a private construction
20 company, who have knowledge of and experience in constructing large
21 commercial or government buildings and whose businesses do not include
22 school construction.

23 6. One person who represents the business community.

24 B. In addition to the members appointed pursuant to subsection A of
25 this section:

26 1. The superintendent of public instruction or the superintendent's
27 designee shall serve as an advisory nonvoting member of the school
28 facilities oversight board.

29 2. The director of the department of administration or the
30 director's designee shall serve as an advisory nonvoting member of the
31 school facilities oversight board.

32 C. Members of the school facilities oversight board serve four-year
33 terms. The school facilities oversight board shall meet as often as the
34 members deem necessary. A majority of the members constitutes a quorum
35 for the transaction of business.

36 D. The unexcused absence of a member for more than three
37 consecutive meetings is justification for removal by a majority vote of
38 the board. If the member is removed, notice shall be given of the removal
39 pursuant to section 38-292.

40 E. The governor shall fill a vacancy by appointment of a qualified
41 person as provided in subsection A of this section.

42 F. Members of the board who are employed by government entities are
43 not eligible to receive compensation. Members of the board who are not
44 employed by government entities are entitled to payment of \$150 for each
45 meeting attended, prorated for partial days spent for each meeting, up to

1 \$2,500 each year. All members are eligible for reimbursement of expenses
2 pursuant to title 38, chapter 4, article 2. These expenses and the
3 payment of compensation are payable to a member from monies appropriated
4 to the board from the new school facilities fund.

5 G. Members and employees of the school facilities oversight board
6 are subject to title 38, chapter 3, article 8.

7 H. In addition to the requirements prescribed in subsection G of
8 this section, employees of the school facilities oversight board may not
9 have a direct or indirect financial interest in any property purchased,
10 facility constructed or contract financed with monies made available by
11 the board or any other public monies. A person who knowingly violates
12 this subsection is guilty of a class 1 misdemeanor.

13 I. The division shall establish policies and procedures relating to
14 building renewal grant change orders that include the following:

15 1. The division shall approve or reject a change order within two
16 business days.

17 2. If a school district approves work referenced in a change order
18 before the division approves the change order, the school district is
19 responsible for the cost and construction of the project.

20 J. The division shall establish policies and procedures to ensure
21 that it notifies school districts in a uniform manner and at least
22 annually of the services and funding that are available from the board and
23 the division for facility construction, renovation and repair projects.
24 The division shall update and post this information on its website on or
25 before July 1 of each year.

26 K. The division shall establish and maintain a list of the persons
27 who are responsible for facilities management at each school district in
28 this state. A school district shall promptly notify the division of any
29 change to persons who are responsible for facilities management at that
30 school district. The division shall update and post this information on
31 its website on or before July 1 of each year.

32 L. Members of the school facilities oversight board may not
33 solicit, accept or provide gifts that are prohibited by state law.

34 Sec. 2. Retention of members

35 Notwithstanding section 41-5701.02, Arizona Revised Statutes, as
36 amended by this act, all persons serving as members of the school
37 facilities oversight board on the effective date of this act may continue
38 to serve until the expiration of their normal terms. All subsequent
39 appointments shall be as prescribed by statute.