

House Engrossed

school districts; superintendents; benefits; restrictions

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

# HOUSE BILL 2381

AN ACT

AMENDING SECTION 15-503, ARIZONA REVISED STATUTES; RELATING TO SCHOOL EMPLOYEES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-503, Arizona Revised Statutes, is amended to  
3 read:

4 15-503. Superintendents, principals, head teachers and school  
5 psychologists; terms of employment; evaluation;  
6 contract delivery and acceptance; nonretention  
7 notice

8 A. ~~The~~ A SCHOOL DISTRICT governing board may:

9 1. Employ a superintendent or principal, or both. If the governing  
10 board employs a superintendent, the governing board shall determine the  
11 qualifications for the superintendent by action taken at a public meeting.  
12 The governing board shall require a superintendent to have a valid  
13 fingerprint clearance card that is issued pursuant to title 41, chapter  
14 12, article 3.1.

15 2. Appoint a head teacher.

16 3. Jointly with another governing board employ a superintendent or  
17 a principal, or both. If the governing board jointly employs a  
18 superintendent, the governing boards shall jointly determine the  
19 qualifications for the superintendent by action taken at a public meeting.  
20 The governing boards shall require a superintendent to have a valid  
21 fingerprint clearance card that is issued pursuant to title 41, chapter  
22 12, article 3.1.

23 B. The term of employment of superintendents may be for any period  
24 not exceeding three years, except that if the superintendent's contract  
25 with the school district is for multiple years pursuant to this  
26 subsection, the school district shall not offer to extend or renegotiate  
27 the contract ~~until no~~ earlier than fifteen months before the ~~expiration of~~  
28 ~~the~~ contract EXPIRES. The term of employment of principals may be for any  
29 period not exceeding three years, except that if the principal's contract  
30 with the school district is for multiple years the school district shall  
31 not offer to extend or negotiate the contract until May of the year  
32 preceding the final year of the contract. The school district governing  
33 board or the CHARTER SCHOOL governing body ~~of the charter school~~ shall  
34 communicate the superintendent's or principal's duties with respect to the  
35 classroom site fund established by section 15-977.

36 C. The governing board shall establish systems for the evaluation  
37 of the performance of principals and other school administrators and  
38 certificated school psychologists in the school district. In ~~the~~  
39 ~~development~~ DEVELOPING and ~~adoption of~~ ADOPTING these performance  
40 evaluation systems, the governing board shall avail itself of the advice  
41 of its administrators and certificated school psychologists. Each  
42 evaluation shall include recommendations as to areas of improvement in the  
43 performance of the certificated school psychologist if the performance of  
44 the certificated school psychologist warrants improvement. After  
45 transmittal of an assessment, a governing board designee shall confer with

1 the certificated school psychologist to make specific recommendations as  
2 to areas of improvement in the certificated school psychologist's  
3 performance. The governing board designee shall provide assistance and  
4 opportunities for the certificated school psychologist to improve  
5 performance and shall follow up with the certificated school psychologist  
6 after a reasonable period of time for the purpose of ascertaining that the  
7 certificated school psychologist is demonstrating adequate  
8 performance. The evaluation process for certificated school psychologists  
9 shall include appeal procedures for certificated school psychologists who  
10 disagree with the evaluation of their performance, if the evaluation is  
11 for use as criteria for establishing compensation or dismissal.

12 D. On or before May 15 each year, the governing board shall offer a  
13 contract for the next school year to each certified administrator and  
14 certificated school psychologist who is in the last year of the person's  
15 contract unless, on or before April 15, the governing board, a member of  
16 the board acting on behalf of the governing board or the superintendent of  
17 the school district gives notice to the administrator or certificated  
18 school psychologist of the governing board's intention not to offer a new  
19 contract. If the governing board has called for an override election for  
20 the third Tuesday in May as provided in section 15-481, the governing  
21 board shall offer a contract for the next school year to each certified  
22 administrator or certificated school psychologist who is in the last year  
23 of the person's contract on or before June 15 unless, ~~no~~ NOT later than  
24 five days after the override election excluding Saturday, Sunday and legal  
25 holidays, the governing board, a member of the governing board acting on  
26 behalf of the governing board or the superintendent of the school district  
27 gives notice to the administrator or the certificated school psychologist  
28 of the governing board's intention not to offer a new contract. The  
29 administrator's or the certificated school psychologist's acceptance of  
30 the contract shall be indicated within thirty days after the date of the  
31 written contract or the offer is revoked. The administrator or  
32 certificated school psychologist accepts the contract by signing the  
33 contract and returning it to the governing board or by making a written  
34 instrument that accepts the terms of the contract and delivering the  
35 written instrument to the governing board.

36 E. Notice of the governing board's intention not to reemploy the  
37 administrator or certificated school psychologist shall be made by  
38 delivering the notice personally to the administrator or the certificated  
39 school psychologist or by sending the notice by certified mail, postmarked  
40 on or before the applicable deadline prescribed in subsection D of this  
41 section, and directed to the administrator or the certificated school  
42 psychologist at the person's place of residence as recorded in the school  
43 district records.

44 F. The governing board shall make available the evaluation and  
45 performance classification of each principal in the school district to

1 school districts and charter schools that are inquiring about the  
2 performance of the principal for hiring purposes.

3 G. NOTWITHSTANDING ANY OTHER LAW, IF A SCHOOL DISTRICT EMPLOYS A  
4 SUPERINTENDENT, AN ASSOCIATE SUPERINTENDENT OR AN ASSISTANT SUPERINTENDENT  
5 PURSUANT TO THIS SECTION, THE SCHOOL DISTRICT MAY OFFER OR PROVIDE AN  
6 EMPLOYMENT BENEFIT, INCLUDING LIFE INSURANCE, A MOTOR VEHICLE ALLOWANCE, A  
7 CELL PHONE ALLOWANCE AND EMPLOYER CONTRIBUTIONS TO A RETIREMENT PLAN, TO  
8 THE SUPERINTENDENT ONLY IF THE SCHOOL DISTRICT OFFERS OR PROVIDES THE  
9 EMPLOYMENT BENEFIT ON SUBSTANTIALLY EQUAL TERMS TO ALL EMPLOYEES OF THE  
10 SCHOOL DISTRICT. IF A SCHOOL DISTRICT ALLOWS A SUPERINTENDENT DESCRIBED  
11 IN THIS SUBSECTION TO RECEIVE A MOTOR VEHICLE ALLOWANCE, THE  
12 SUPERINTENDENT IS INELIGIBLE TO RECEIVE REIMBURSEMENT FOR TRAVEL THAT IS  
13 ATTRIBUTABLE TO MILEAGE AND THE SUPERINTENDENT MAY USE A MOTOR VEHICLE  
14 THAT IS OWNED OR LEASED BY THE SCHOOL DISTRICT ONLY TO TRANSPORT STUDENTS,  
15 EMPLOYEES OR LEARNING MATERIALS TO OR FROM A SCHOOL OR SCHOOL-RELATED  
16 ACTIVITY. THIS SUBSECTION DOES NOT PREVENT A SUPERINTENDENT DESCRIBED IN  
17 THIS SUBSECTION FROM BEING A PASSENGER IN A MOTOR VEHICLE THAT IS OWNED OR  
18 LEASED BY THE SCHOOL DISTRICT FOR THE PURPOSE OF CARPOOLING.