

House Engrossed

CTEDs; ADM; apportionment; responsibilities

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

HOUSE BILL 4034

AN ACT

AMENDING SECTION 15-393, ARIZONA REVISED STATUTES; RELATING TO CAREER
TECHNICAL EDUCATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-393, Arizona Revised Statutes, is amended to
3 read:

4 15-393. Career technical education boards; report;
5 definitions

6 A. The management and control of a career technical education
7 district are vested in the career technical education ~~district governing~~
8 board, including the content and quality of the courses offered by the
9 district, the quality of teachers who provide instruction on behalf of the
10 district, the salaries of teachers who provide instruction on behalf of
11 the district, **THE FUNDING FOR THE DISTRICT'S AVERAGE DAILY MEMBERSHIP** and
12 the reimbursement of other entities for the facilities used by the
13 district. This section does not restrict a school district from offering
14 any career and technical education course that does not qualify for
15 funding as a career technical education course or career technical
16 education district program. Unless the governing boards of the school
17 districts participating in the formation of the career technical education
18 district vote to implement an alternative election system as provided in
19 subsection B of this section, the career technical education board
20 consists of five members elected from five single member districts formed
21 within the career technical education district. The single member
22 district election system shall be submitted as part of the plan for the
23 career technical education district pursuant to section 15-392 and shall
24 be established in the plan as follows:

25 1. The governing boards of the school districts participating in
26 the formation of the career technical education district shall define the
27 boundaries of the single member districts so that the single member
28 districts are as nearly equal in population as is practicable, except that
29 if the career technical education district lies in part in each of two or
30 more counties, at least one single member district may be entirely within
31 each of the counties comprising the career technical education district if
32 this district design is consistent with the obligation to equalize the
33 population among single member districts.

34 2. The boundaries of each single member district shall follow
35 election precinct boundary lines, as far as practicable, in order to avoid
36 further segmentation of the precincts.

37 3. A person who is a registered voter of this state and who has
38 been a resident of the single member district for at least one year
39 immediately preceding the date of the election is eligible for election to
40 the office of career technical education board member from the single
41 member district. The terms of office of the members of the career
42 technical education board shall be as prescribed in section 15-427,
43 subsection B. An employee of a career technical education district or the
44 spouse of an employee shall not hold membership on a governing board of a
45 career technical education district by which the employee is employed.

1 A member of one school district governing board or career technical
2 education ~~district governing~~ board is ineligible to be a candidate for
3 nomination or election to or serve simultaneously as a member of any other
4 governing board, except that a member of a governing board may be a
5 candidate for nomination or election for any other governing board if the
6 member is serving in the last year of a term of office. A member of a
7 governing board shall resign the member's seat on the governing board
8 before becoming a candidate for nomination or election to the governing
9 board of any other school district or career technical education district,
10 unless the member of the governing board is serving in the last year of a
11 term of office. Members of a career technical education ~~district~~
12 ~~governing~~ board are subject to the conflict of interest requirements
13 prescribed in section 38-503.

14 4. Nominating petitions shall be signed by the number of qualified
15 electors of the single member district as provided in section 16-322.

16 B. The governing boards of the school districts participating in
17 the formation of the career technical education district may vote to
18 implement any other alternative election system for the election of career
19 technical education ~~district~~ board members. If an alternative election
20 system is selected, it shall be submitted as part of the plan for the
21 career technical education district pursuant to section 15-392, and the
22 implementation of the system shall be as approved by the United States
23 justice department.

24 C. Career technical education districts are subject to the
25 following provisions of this title:

- 26 1. Chapter 1, articles 1, 2, 3, 4, 5 and 6.
- 27 2. Sections 15-208, 15-210, 15-213 and 15-234.
- 28 3. Articles 2, 3 and 5 of this chapter.
- 29 4. Section 15-361.
- 30 5. Chapter 4, articles 1, 2 and 5.
- 31 6. Chapter 5, articles 1 and 3.
- 32 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728,
33 15-729 and 15-730.
- 34 8. Chapter 7, article 5.
- 35 9. Chapter 8, articles 1, 3 and 4.
- 36 10. Sections 15-828 and 15-829.
- 37 11. Chapter 9, article 1, article 6, except for section 15-995, and
38 article 7.
- 39 12. Sections 15-941, 15-943.01, 15-953 and 15-973.
- 40 13. Sections 15-1101 and 15-1104.
- 41 14. Chapter 10, articles 2, 3, 4 and 8.

42 D. Notwithstanding subsection C of this section, the following
43 apply to a career technical education district:

- 44 1. A career technical education district may issue bonds for the
45 purposes specified in section 15-1021 and in chapter 4, article 5 of this

1 title to an amount in the aggregate, including the existing indebtedness,
2 not exceeding one percent of the net assessed value of the full cash value
3 of the property within the career technical education district. For the
4 purposes of this paragraph, "full cash value" and "net assessed value"
5 have the same meanings prescribed in section 42-11001.

6 2. The number of governing board members for a career technical
7 education district shall be as prescribed in subsection A of this section.

8 3. The student count for the first year of operation of a career
9 technical education district as provided in this article shall be
10 determined as follows:

11 (a) Determine the estimated student count for career technical
12 education district classes that will operate in the first year of
13 operation. This estimate shall be based on actual registration of pupils
14 as of March 30 scheduled to attend classes that will be operated by the
15 career technical education district. The student count for the school
16 district of residence of the pupils registered at the career technical
17 education district shall be adjusted. The adjustment shall cause the
18 school district of residence to reduce the student count for the pupil to
19 reflect the courses to be taken at the career technical education
20 district. The school district of residence shall review and approve the
21 adjustment of its own student count as provided in this subdivision before
22 the pupils from the school district can be added to the student count of
23 the career technical education district.

24 (b) The student count for the new career technical education
25 district shall be the student count as determined in subdivision (a) of
26 this paragraph.

27 (c) For the first year of operation, the career technical education
28 district shall revise the student count to the actual average daily
29 membership as prescribed in section 15-901, subsection A, paragraph 1 for
30 students attending classes in the career technical education district. A
31 career technical education district shall revise its student count, the
32 base support level as provided in section 15-943.02, the revenue control
33 limit as provided in section 15-944.01 and the district additional
34 assistance as provided in section 15-962.01 before May 15. A career
35 technical education district that overestimated its student count shall
36 revise its budget before May 15. A career technical education district
37 that underestimated its student count may revise its budget before May 15.

38 (d) After March 15 of the first year of operation, the school
39 district of residence shall adjust its student count by reducing it to
40 reflect the courses actually taken at the career technical education
41 district. The school district of residence shall revise its student
42 count, the base support level as provided in section 15-943, the revenue
43 control limit as provided in section 15-944 and the district additional
44 assistance as provided in section 15-962.01 prior to May 15. A district
45 that underestimated the student count for students attending the career

1 technical education district shall revise its budget before May 15. A
2 district that overestimated the student count for students attending the
3 career technical education district may revise its budget before May 15.

4 (e) The procedures for implementing this paragraph shall be as
5 prescribed in the uniform system of financial records.

6 For the purposes of this paragraph, "school district of residence" means
7 the school district that included the pupil in its average daily
8 membership for the year before the first year of operation of the career
9 technical education district and that would have included the pupil in its
10 student count for the purposes of computing its base support level for the
11 fiscal year of the first year of operation of the career technical
12 education district if the pupil had not enrolled in the career technical
13 education district.

14 4. A student includes any person enrolled in the career technical
15 education district without regard to the person's age or high school
16 graduation status, except that:

17 (a) A student in a kindergarten program or in any of grades one
18 through eight who enrolls in courses offered by the career technical
19 education district shall not be included in the career technical education
20 district's student count or average daily membership.

21 (b) A student in a kindergarten program or in any of grades one
22 through eight who is enrolled in career and technical education courses
23 shall not be funded in whole or in part with monies provided by a career
24 technical education district, except that a pupil in grade eight may be
25 funded with monies generated by the \$.05 qualifying tax rate authorized in
26 subsection F of this section.

27 (c) A student who has graduated from high school or received a
28 general equivalency diploma or who is over twenty-one years of age shall
29 not be included in the student count of the career technical education
30 district for the purposes of chapter 9, articles 3, 4 and 5 of this title.

31 5. A career technical education district may operate for more than
32 one hundred eighty days per year, or less, with the equivalent number of
33 hours of instruction.

34 6. A career technical education district may use the carryforward
35 provisions of section 15-943.01.

36 7. A school district that is part of a career technical education
37 district shall use any monies received pursuant to this article to
38 supplement and not supplant base year career and technical education
39 courses, and directly related equipment and facilities, except that a
40 school district that is part of a career technical education district and
41 that has used monies received pursuant to this article to supplant career
42 and technical education courses that were offered before the first year
43 that the school district participated in the career technical education
44 district or the first year that the school district used monies received
45 pursuant to this article or that used the monies for purposes other than

1 for career and technical education courses shall use one hundred percent
2 of the monies received pursuant to this article to supplement and not
3 supplant base year career and technical education courses. Each
4 applicable school district shall provide a report to the career technical
5 education board and the department of education outlining the required
6 maintenance of effort and how monies were used to supplement and not
7 supplant base year career and technical education courses and directly
8 related equipment and facilities. THE CAREER TECHNICAL EDUCATION BOARD
9 SHALL MONITOR HOW MONIES THAT ARE DISTRIBUTED BY THE CAREER TECHNICAL
10 EDUCATION DISTRICT PURSUANT TO THIS ARTICLE ARE USED. THE CAREER
11 TECHNICAL EDUCATION BOARD SHALL MAINTAIN ANY FINANCIAL RECORDS,
12 DOCUMENTATION OR INFORMATION THAT IS REASONABLY NECESSARY FOR THE PURPOSES
13 OF THIS PARAGRAPH. THE CAREER TECHNICAL EDUCATION BOARD SHALL SUBMIT TO
14 EACH PARTICIPATING SCHOOL DISTRICT AN ANNUAL REPORT THAT INCLUDES THE
15 AGGREGATE CAREER TECHNICAL EDUCATION DISTRICT EXPENDITURES AND THE CAREER
16 TECHNICAL EDUCATION DISTRICT EXPENDITURES THAT DIRECTLY SUPPORT CAREER
17 TECHNICAL EDUCATION COURSES OR PROGRAMS THAT ARE PROVIDED AT EACH
18 PARTICIPATING SCHOOL DISTRICT. ON REQUEST FROM A PARTICIPATING SCHOOL
19 DISTRICT, THE CAREER TECHNICAL EDUCATION BOARD SHALL PROVIDE ADDITIONAL
20 INFORMATION AND DETAILS ABOUT THE EXPENDITURES.

21 8. A career technical education district shall use any monies
22 received pursuant to this article to enhance and not supplant career and
23 technical education courses and directly related equipment and facilities.

24 9. A career technical education district or a school district that
25 is part of a career technical education district or a charter school shall
26 only include pupils in grades nine through twelve and pupils in the school
27 year immediately following graduation in the calculation of student count
28 or average daily membership if the pupils are enrolled in courses that are
29 approved jointly by the governing board of the career technical education
30 district and each participating school district or charter school for
31 satellite courses taught within the participating school district or
32 charter school, or approved solely by the career technical education
33 district for centrally located courses. Funding may be provided for not
34 more than four years for the same student. Student count and average
35 daily membership from courses that are not part of an approved program for
36 career and technical education shall not be included in student count and
37 average daily membership of a career technical education district.

38 10. A career technical education district may build, maintain and
39 provide housing facilities and support services for students who are in
40 foster care or who meet the definition of unaccompanied youth as defined
41 in the McKinney-Vento homeless assistance act (P.L. 100-77; 101 Stat. 482;
42 42 United States Code section 11434a).

43 11. NOTWITHSTANDING PARAGRAPH 7 OF THIS SUBSECTION, A SCHOOL
44 DISTRICT THAT IS PART OF A CAREER TECHNICAL EDUCATION DISTRICT MAY CARRY
45 FORWARD NOT MORE THAN TWENTY-FIVE PERCENT OF ANY MONIES RECEIVED PURSUANT

1 TO THIS ARTICLE FOR ANY PURPOSE RELATED TO CAREER TECHNICAL EDUCATION, AS
2 DETERMINED BY THE SCHOOL DISTRICT. A SCHOOL DISTRICT MAY APPLY TO THE
3 CAREER TECHNICAL EDUCATION BOARD TO USE MORE THAN TWENTY-FIVE PERCENT OF
4 ANY MONIES RECEIVED PURSUANT TO THIS ARTICLE BY SUBMITTING A CAPITAL PLAN
5 TO THE CAREER TECHNICAL EDUCATION BOARD WITH THE APPLICATION. THE SCHOOL
6 DISTRICT MAY SPEND MORE THAN TWENTY-FIVE PERCENT OF THE MONIES THAT THE
7 SCHOOL DISTRICT RECEIVES PURSUANT TO THIS ARTICLE IN ANY FISCAL YEAR ONLY
8 IF BOTH OF THE FOLLOWING REQUIREMENTS ARE MET:

9 (a) THE CAREER TECHNICAL EDUCATION BOARD APPROVES THE SCHOOL
10 DISTRICT'S CAPITAL PLAN BEFORE THE EXCESS EXPENDITURES OCCUR.

11 (b) ALL EXCESS EXPENDITURES ARE PURSUANT TO THE CAPITAL PLAN.

12 E. The career technical education board shall appoint a
13 superintendent as the executive officer of the career technical education
14 district.

15 F. Taxes may be levied for the support of the career technical
16 education district as prescribed in chapter 9, article 6 of this title,
17 except that a career technical education district shall not levy a
18 property tax pursuant to law that exceeds \$.05 per \$100 assessed valuation
19 except for bond monies pursuant to subsection D, paragraph 1 of this
20 section. Such taxes shall be obtained from a levy of taxes on the taxable
21 property used for secondary tax purposes.

22 G. The schools in the career technical education district are
23 available to all persons who reside in the career technical education
24 district and to pupils whose school district of residence within this
25 state is paying tuition on behalf of the pupils to a district of
26 attendance that is a member of the career technical education district,
27 subject to the rules for admission prescribed by the career technical
28 education board.

29 H. The career technical education board may collect tuition for
30 adult students and the attendance of pupils who are residents of school
31 districts that are not participating in the career technical education
32 district pursuant to arrangements made between the governing board of the
33 school district and the career technical education board.

34 I. The career technical education board may accept gifts, grants,
35 federal monies, tuition and other allocations of monies to erect, repair
36 and equip buildings and for the cost of operating the schools of the
37 career technical education district.

38 J. One member of the career technical education board shall be
39 selected chairperson. The chairperson shall be selected annually on a
40 rotation basis from among the participating school districts. The
41 chairperson of the career technical education board shall be a voting
42 member.

1 K. A career technical education board may enter into agreements to
2 provide for administrative, operational and educational services and
3 facilities with either:

4 1. A community college district.

5 2. A university under the jurisdiction of the Arizona board of
6 regents only if the community college district, if any, for each county in
7 which the career technical education district is located is not able to
8 offer the course or program in the next school year. For the purposes of
9 this paragraph, a community college district is not able to offer a course
10 or program if both of the following apply:

11 (a) On or before November 1 of each year, the career technical
12 education board notifies the president or chancellor of the community
13 college district in writing that the career technical education district
14 seeks to offer one or more courses or programs, or both, that are BOTH:

15 (i) Not offered through an existing agreement between the career
16 technical education board and the community college district.

17 (ii) ~~Are~~ Available through a university under the jurisdiction of
18 the Arizona board of regents.

19 (b) The president or chancellor of the community college district
20 either:

21 (i) Not later than thirty days after the president or chancellor
22 receives the notice pursuant to subdivision (a) of this paragraph,
23 notifies the superintendent of the career technical education district in
24 writing that no community college district is able to offer the course or
25 program in the next school year.

26 (ii) Fails to respond to the superintendent of the career technical
27 education district within thirty days after the president or chancellor of
28 the community college district receives the notice pursuant to subdivision
29 (a) of this paragraph.

30 L. Any agreement between ~~the governing board of~~ a career technical
31 education ~~district~~ BOARD and another career technical education ~~district~~
32 BOARD, a school district, a charter school, a university or a community
33 college district shall be in the form of an intergovernmental agreement or
34 other written contract THAT IS EXECUTED ON OR BEFORE JULY 1 OF THE FIRST
35 YEAR IN WHICH A CAREER TECHNICAL EDUCATION COURSE OR PROGRAM WILL BE
36 OFFERED AT A SATELLITE CAMPUS PURSUANT TO THE AGREEMENT OR CONTRACT. The
37 auditor general shall modify the uniform system of financial records and
38 budget forms in accordance with this subsection. The intergovernmental
39 agreement or other written contract shall completely and accurately
40 specify each of the following:

41 1. The financial provisions of the intergovernmental agreement or
42 other written contract and the format for the billing of all services.

43 2. The accountability provisions of the intergovernmental agreement
44 or other written contract.

1 3. The responsibilities of each career technical education
2 district, each school district, each charter school, each university and
3 each community college district that is a party to the intergovernmental
4 agreement or other written contract.

5 4. The type of instruction that will be provided under the
6 intergovernmental agreement or other written contract, including
7 individualized education programs pursuant to section 15-763.

8 5. The quality of ~~the instruction~~, EACH INSTRUCTOR, INCLUDING THE
9 MINIMUM QUALIFICATIONS, RELEVANT INDUSTRY EXPERIENCE AND INDUSTRY-RELEVANT
10 PROFESSIONAL DEVELOPMENT, that will be provided under the
11 intergovernmental agreement or other written contract. THE SCHOOL
12 DISTRICT, THE CHARTER SCHOOL, THE UNIVERSITY OR THE COMMUNITY COLLEGE
13 DISTRICT SHALL OVERSEE THE EVALUATION OF THE INSTRUCTOR UNLESS THE
14 INTERGOVERNMENTAL AGREEMENT OR WRITTEN CONTRACT PROVIDES OTHERWISE.

15 6. The transportation services that will be provided under the
16 intergovernmental agreement or other written contract and the manner in
17 which transportation costs will be paid.

18 7. The amount that the career technical education district will
19 contribute to a course and the amount of support required by the school
20 district, the charter school, the university or the community college.

21 ~~8. That the services provided by the career technical education~~
22 ~~district, the school district, the charter school, the university or the~~
23 ~~community college district be proportionally calculated in the cost of~~
24 ~~delivering the service.~~

25 ~~9.~~ 8. That the payment for services shall not exceed the cost of
26 the services provided. IF THE AVERAGE DAILY MEMBERSHIP THAT IS GENERATED
27 BY A SATELLITE PROGRAM OR COURSE IS INSUFFICIENT TO PAY FOR THE COSTS OF
28 DELIVERING THE PROGRAM OR COURSE AT THE SCHOOL DISTRICT OR CHARTER SCHOOL,
29 THE PARTICIPATING SCHOOL DISTRICT OR CHARTER SCHOOL MAY USE FUNDING THAT
30 IS GENERATED BY OTHER CAREER TECHNICAL EDUCATION PROGRAMS OR COURSES AND
31 THAT EXCEEDS THE COSTS OF DELIVERING THE OTHER CAREER TECHNICAL EDUCATION
32 PROGRAMS OR COURSES TO PAY FOR THE SHORTFALL.

33 ~~10.~~ 9. That the career technical education district will provide
34 the following minimum services for all member districts:

35 (a) Professional development of career and technical teachers in
36 the career technical education district who are teaching programs or
37 courses at a satellite campus.

38 (b) Ongoing evaluation and support of satellite campus programs and
39 courses to ensure quality and compliance.

40 ~~11.~~ 10. An itemized listing of other goods and services that are
41 provided to the member district and that are paid for by the retention of
42 satellite campus student funding.

1 11. THAT ANY PARTY TO THE INTERGOVERNMENTAL AGREEMENT OR WRITTEN
2 CONTRACT MAY BRING AN ACTION AGAINST ANOTHER PARTY UNDER THE AGREEMENT OR
3 CONTRACT ONLY AFTER PARTICIPATING IN GOOD FAITH IN MEDIATION THAT IS
4 ADMINISTERED BY A TRAINED AND IMPARTIAL MEDIATOR. EACH PARTY IS
5 RESPONSIBLE FOR PAYING ANY COSTS INCURRED BY THE PARTY FOR THE MEDIATION,
6 INCLUDING COSTS INCURRED FOR LEGAL REPRESENTATION, AND THE PARTY'S PRO
7 RATA SHARE OF THE MEDIATION FEES.

8 12. THAT IF A CAREER TECHNICAL EDUCATION DISTRICT AND A SCHOOL
9 DISTRICT DO NOT AGREE TO A SPECIFIED APPORTIONMENT ON OR BEFORE JULY 1,
10 THE STATE BOARD OF EDUCATION ACTING AS THE STATE BOARD OF VOCATIONAL
11 EDUCATION SHALL MEDIATE THE DISPUTE AND DETERMINE THE APPORTIONMENT FOR
12 THE SCHOOL YEAR NOT LATER THAN AUGUST 1.

13 M. A member school district or charter school may not submit
14 requests to approve or add satellite campus career technical education
15 district programs or courses directly to the career and technical
16 education division of the department of education but shall submit all
17 appropriate application documentation and materials for programs or
18 courses to the career technical education district. On approval from the
19 career technical education board, a career technical education district
20 shall only submit requests to approve or add satellite campus career
21 technical education district programs or courses directly to the career
22 and technical education division of the department of education, which
23 shall determine whether the criteria prescribed in section 15-391,
24 paragraphs 2 and 4 have been met. If the career and technical education
25 division of the department of education determines that a course does not
26 meet the criteria for approval as a career technical education course, ~~the~~
27 ~~governing board of~~ THE DIVISION SHALL PROVIDE TO the career technical
28 education ~~district~~ BOARD A WRITTEN DETERMINATION THAT INCLUDES THE REASONS
29 FOR THE DIVISION'S DETERMINATION, AND THE CAREER TECHNICAL EDUCATION BOARD
30 may appeal ~~this decision~~ THE DETERMINATION to the state board of education
31 acting as the state board of vocational education. THE CAREER TECHNICAL
32 EDUCATION BOARD AND THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE
33 DEPARTMENT OF EDUCATION SHALL ACCEPT AND CONSIDER REQUESTS PURSUANT TO
34 THIS SUBSECTION FROM JULY 1 THROUGH JUNE 30 OF EACH YEAR AND SHALL
35 DETERMINE WHETHER TO APPROVE EACH REQUEST NOT LATER THAN _____ DAYS AFTER
36 RECEIVING THE REQUEST. IF THE CAREER TECHNICAL EDUCATION BOARD DOES NOT
37 APPROVE A REQUEST, THE CAREER TECHNICAL EDUCATION BOARD SHALL PROVIDE TO
38 THE MEMBER SCHOOL DISTRICT OR CHARTER SCHOOL A WRITTEN DETERMINATION THAT
39 INCLUDES THE REASONS FOR THE CAREER TECHNICAL EDUCATION BOARD'S
40 DETERMINATION. A PARTICIPATING SCHOOL DISTRICT OR CHARTER SCHOOL MAY
41 AMEND A REQUEST THAT IS NOT APPROVED PURSUANT TO THIS SUBSECTION TO
42 ADDRESS THE REASONS FOR THE DISAPPROVAL. THE CAREER TECHNICAL EDUCATION
43 BOARD SHALL CONSIDER AN AMENDED REQUEST THAT IS SUBMITTED PURSUANT TO THIS
44 SUBSECTION IN THE SAME MANNER AS AN INITIAL REQUEST.

1 N. Notwithstanding any other law, the average daily membership for
2 a pupil who is enrolled in a career technical education course and who
3 does not meet the criteria specified in subsection P, Q or R of this
4 section shall be 0.25 for each course, except the sum of the average daily
5 membership shall not exceed the limits prescribed by subsection D, P, Q or
6 R of this section, as applicable.

7 O. If a career and technical education course or program is
8 provided on a satellite campus, the sum of the average daily membership,
9 as provided in section 15-901, subsection A, paragraph 1, for that pupil
10 in the school district or charter school and career technical education
11 district shall not exceed 1.25. ~~The school district or charter school and~~
12 ~~the career technical education district shall determine the apportionment~~
13 ~~Of the 1.25 average daily membership, A MAXIMUM OF 1.0 SHALL BE ATTRIBUTED~~
14 ~~TO THE SCHOOL DISTRICT OR CHARTER SCHOOL AND A MAXIMUM OF 0.25 SHALL BE~~
15 ~~ATTRIBUTED TO THE CAREER TECHNICAL EDUCATION DISTRICT, UNLESS OTHERWISE~~
16 ~~APPORTIONED PURSUANT TO AN INTERGOVERNMENTAL AGREEMENT. for that pupil~~
17 ~~between the school district or charter school and the career technical~~
18 ~~education district~~ THE SCHOOL DISTRICT OR CHARTER SCHOOL AND THE CAREER
19 TECHNICAL EDUCATION DISTRICT SHALL DETERMINE THE APPORTIONMENT OF THE 0.25
20 AVERAGE DAILY MEMBERSHIP PURSUANT TO A FULLY EXECUTED INTERGOVERNMENTAL
21 AGREEMENT. IN THE ABSENCE OF A FULLY EXECUTED INTERGOVERNMENTAL
22 AGREEMENT, THE SCHOOL DISTRICT OR CHARTER SCHOOL SHALL NOT REPORT AN
23 AVERAGE DAILY MEMBERSHIP FOR A SATELLITE CAMPUS COURSE OR PROGRAM, AND
24 AVERAGE DAILY MEMBERSHIP SHALL NOT BE GENERATED FOR THAT COURSE OR
25 PROGRAM. A pupil who attends a course or program at a satellite campus
26 and who is not enrolled in the school district or charter school where the
27 satellite campus is located may generate the average daily membership of
28 up to 0.25 for one hundred fifty instructional hours of enrollment for
29 instruction received during any hour of the day, during any day of the
30 week and at any time between July 1 and June 30 of each fiscal year
31 pursuant to this subsection if the pupil is enrolled in a school district
32 that is a member district in the same career technical education district.

33 P. The sum of the average daily membership of a pupil who is
34 enrolled in both the school district and career technical education course
35 or career technical education program provided by a community college or
36 university pursuant to subsection K of this section or at a centralized
37 campus shall not exceed 1.75. The average daily membership for a pupil
38 who is enrolled in a career technical education course or career technical
39 education program provided by a community college or university shall be
40 0.25 for the accumulation of every three community college or university
41 credits for which a student is enrolled in career technical education
42 courses. The member school district and the career technical education
43 district shall determine the apportionment of the average daily membership
44 and student enrollment for that pupil between the member school district
45 and the career technical education district, except that the amount

1 apportioned shall not exceed 1.0 for either entity. Notwithstanding any
2 other law, the average daily membership for a pupil who is in grade nine,
3 ten, eleven or twelve or in the school year immediately following
4 graduation and who is enrolled in a course that meets for at least one
5 hundred fifty minutes per class period at a centralized campus shall be
6 0.75. To qualify for funding pursuant to this subsection, a centralized
7 campus shall offer programs and courses to all eligible students in each
8 member district of the career technical education district. Students in
9 an approved career technical education program may generate an average
10 daily membership of up to 1.75 for instruction received during any hour of
11 the day, during any day of the week and at any time between July 1 and
12 June 30 of each fiscal year. Average daily membership shall not be
13 calculated on the one hundredth day of instruction for the purposes of
14 this section. Average daily membership shall be calculated by dividing
15 the instructional hours of enrollment by six hundred hours, except that:

16 1. At least one hundred fifty hours and less than three hundred
17 hours equals 0.25 average daily membership.

18 2. At least three hundred hours and less than four hundred fifty
19 hours equals 0.5 average daily membership.

20 3. At least four hundred fifty hours and less than six hundred
21 hours equals 0.75 average daily membership.

22 4. At least six hundred hours equals 1.0 average daily membership.

23 Q. The average daily membership for a pupil who is in grade nine,
24 ten, eleven or twelve or in the school year immediately following
25 graduation and who is enrolled in a course that meets for at least one
26 hundred fifty minutes per class period at a leased centralized campus
27 shall not exceed 0.75. Students in an approved career technical education
28 program provided by a leased centralized campus may generate an average
29 daily membership for instruction received during any hour of the day,
30 during any day of the week and at any time between July 1 and June 30 of
31 each fiscal year. Average daily membership shall be calculated by
32 dividing the instructional hours of enrollment by six hundred hours,
33 except that:

34 1. At least one hundred fifty hours and less than three hundred
35 hours equals 0.25 average daily membership.

36 2. At least three hundred hours and less than four hundred fifty
37 hours equals 0.5 average daily membership.

38 3. At least four hundred fifty hours and less than six hundred
39 hours equals 0.75 average daily membership.

40 4. At least six hundred hours equals 1.0 average daily membership.

41 R. The sum of the average daily membership, as provided in section
42 15-901, subsection A, paragraph 1, of a pupil who is enrolled in both the
43 school district and in career technical education courses provided at a
44 leased centralized campus shall not exceed 1.75 if all of the following
45 conditions are met:

1 1. The course qualifies as a career technical education course.

2 2. The course is offered to all eligible students in each member
3 district of the career technical education district and enrolls students
4 from multiple high schools.

5 3. The career technical education district program in which the
6 course is included addresses a specific industry need and has been
7 developed in cooperation with that industry, or the leased facility is a
8 state or federal asset that would otherwise be unused or underutilized.

9 4. The lease is established at fair market value if the lease is
10 executed for a facility located on the site of a member district and was
11 approved by the joint committee on capital review, except that a lease
12 that was executed or renewed before December 31, 2012 is not subject to
13 approval by the joint committee on capital review.

14 S. A student who is enrolled in an accommodation school may be
15 treated as a student of the school district in which the student
16 physically resides for the purposes of enrollment in a career technical
17 education district and shall be included in the calculation of average
18 daily membership for either the career technical education district or the
19 accommodation school, or both.

20 T. Notwithstanding any other law, the student count for a career
21 technical education district ~~shall be~~ IS equivalent to the career
22 technical education district's average daily membership. Students in an
23 approved career technical education program provided by a satellite
24 campus, centralized campus or leased centralized campus may generate an
25 average daily membership subject to the limits prescribed by subsections
26 D, N, O, P, Q and R of this section, as applicable, for instruction
27 received during any hour of the day, during any day of the week and at any
28 time between July 1 and June 30 of each fiscal year. Average daily
29 membership shall not be calculated on the one hundredth day of instruction
30 for the purposes of this section. The department may not restrict the
31 instructional time by limiting the particular days of the week or time of
32 the fiscal year for instruction to occur. **THE CAREER TECHNICAL EDUCATION
33 BOARD IS RESPONSIBLE FOR ANY FUNDING RELATED TO THE CAREER TECHNICAL
34 EDUCATION DISTRICT'S AVERAGE DAILY MEMBERSHIP.**

35 U. A school district or charter school may not prohibit or
36 discourage students who are enrolled in that school district or charter
37 school from attending courses offered by a career technical education
38 district, including requiring students to generate a full 1.0 average
39 daily membership or to enroll in more courses than are needed to graduate
40 before enrolling in and attending programs or courses offered by a career
41 technical education district.

1 V. The governing board of the career technical education district
2 may contract with any charter school that is located within the boundaries
3 of the career technical education district to allow that charter school to
4 offer career and technical education courses or programs as a satellite
5 campus.

6 W. Beginning in 2020 and every five years thereafter, the career
7 and technical education division of the department of education shall
8 review career technical education district programs and career technical
9 education courses to ensure compliance, quality and eligibility. Any
10 program or course deemed to not meet the requirements set forth by law
11 shall not be funded for the current school year and shall be removed from
12 the approved program and course list for the purposes of funding. The
13 career and technical education division may establish a staggered schedule
14 for reviewing each career technical education district.

15 X. Notwithstanding subsection D, paragraphs 4 and 9 and subsections
16 P, Q and R of this section, for a student in grade nine, funding shall be
17 provided pursuant to this section only if the student reaches the fortieth
18 day of grade eleven enrolled in an approved career technical education
19 program and meets the requirements prescribed in subsection Z of this
20 section. At that time funding shall be provided for that student for
21 grade nine and for any subsequent year in which the student is eligible
22 for funding pursuant to this section.

23 Y. On or before September 1 of each year, the office of economic
24 opportunity in collaboration with the department of education shall
25 compile an in-demand regional education list of the approved career
26 technical education programs that lead to a career path in high demand
27 with median-to-high-wage jobs in that region. The office of economic
28 opportunity shall incorporate industry feedback as part of developing the
29 in-demand regional educational list. The office of economic opportunity
30 shall submit the in-demand regional education list to the Arizona career
31 and technical education quality commission for review and approval.

32 Z. Notwithstanding subsection D, paragraphs 4 and 9 and subsections
33 P, Q and R of this section, for a student in grade nine or in the school
34 year immediately following graduation, funding shall be provided pursuant
35 to this section only if the student is enrolled in a program that was
36 included on the in-demand regional education list compiled pursuant to
37 subsection Y of this section for that student's region for the year in
38 which the student began the program.

39 AA. For the purposes of this section:

40 1. "Base year" means the complete school year in which voters of a
41 school district elected to join a career technical education district.

42 2. "Centralized campus" means a facility that is owned and operated
43 by a career technical education district to offer career technical
44 education district programs or career technical education courses.

- 1 3. "Lease" means a written agreement in which the right to occupy
2 or use real property is conveyed from one person or entity to another
3 person or entity for a specified period of time.
- 4 4. "Leased centralized campus" means a facility that is leased and
5 operated by a career technical education district to offer career
6 technical education district programs or career technical education
7 courses.
- 8 5. "Satellite campus" means a facility that is owned or operated by
9 a school district or charter school to offer career technical education
10 district programs or career technical education courses.