

REFERENCE TITLE: classical learning; tests; examinations

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SB 1497

Introduced by
Senators Werner: Angius

AN ACT

AMENDING SECTIONS 15-1626 AND 15-2402, ARIZONA REVISED STATUTES; RELATING
TO ACADEMIC ASSESSMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 15-1626, Arizona Revised Statutes, is amended to read:

15-1626. General administrative powers and duties of board; definition

A. The Arizona board of regents shall:

1. Have and exercise the powers necessary for the effective governance and administration of the institutions under the board's control. To that end, the board may adopt, and authorize each university to adopt, regulations, policies, rules or measures as are deemed necessary and may delegate in writing to the board's committees, to university presidents, or the presidents' designees, or to other entities under the board's control, any part of the board's authority ~~for the administration~~ TO ADMINISTER and ~~governance of~~ GOVERN those institutions, including those powers enumerated in section 15-1625, subsection B, paragraphs 2 and 4, paragraphs 3, 4, 8, 9, 11, 12 and 22 of this subsection and subsection B of this section. THE BOARD MAY RESCIND any delegation of authority ~~may be rescinded by the board~~ at any time in whole or in part.

2. Appoint and employ and determine the compensation of presidents with the power and authority and for the purposes in connection with the operation of the institutions as the board deems necessary.

3. Appoint and employ and determine the compensation of vice presidents, deans, professors, instructors, lecturers, fellows and the other officers and employees with the power and authority and for the purposes in connection with the operation of the institutions as the board deems necessary, or delegate the board's authority pursuant to paragraph 1 of this subsection.

4. Remove any officer or employee when the interests of education in this state so require in accordance with the board's personnel rules and policies.

5. Fix tuitions and fees to be charged and differentiate the tuitions and fees between institutions and between residents, nonresidents, undergraduate students, graduate students, students from foreign countries and students who have earned credit hours in excess of the credit hour threshold. For the purposes of this paragraph, the undergraduate credit hour threshold is one hundred forty-five hours for students who attend a university under the jurisdiction of the board. The undergraduate credit hour threshold shall be based on the actual full-time equivalent student enrollment counted on the forty-fifth day of every fall and spring semester, divided by two, and any budget adjustment based on student enrollment shall occur in the fiscal year following the actual full-time equivalent student enrollment count. The undergraduate credit hour threshold shall not apply to degree programs that require credit hours above the credit hour threshold, credits earned in the pursuit of up to two baccalaureate degrees, credits earned in the pursuit of up to two

1 state regulated licensures or certificates, credits earned in the pursuit
2 of teaching certification, credits transferred from a private institution
3 of higher education, credits transferred from an institution of higher
4 education in another state, credits earned at another institution of
5 higher education but that are not accepted as transfer credits at the
6 university where the student is currently enrolled and credits earned by
7 students who enroll at a university under the jurisdiction of the board
8 more than twenty-four months after the end of that student's previous
9 enrollment at a public institution of higher education in this state. On
10 or before October 15 of each year, the board shall report to the joint
11 legislative budget committee the number of in-state students and
12 out-of-state students who were enrolled at universities under the
13 jurisdiction of the board during the previous fiscal year and who met or
14 exceeded the undergraduate credit hour threshold prescribed in this
15 paragraph. The amount of tuition and fees included in the operating
16 budget for the university adopted by the board as prescribed in paragraph
17 13 of this subsection is subject to legislative appropriation and shall be
18 deposited in a separate tuition and fees subaccount for each university.
19 All other tuition and fee revenue shall be retained by each university for
20 expenditure as approved by the board in a separate local tuition and fees
21 subaccount for each university. This subaccount shall consist of only
22 tuition and fees. The universities shall not use any tuition or fee
23 revenue to fund or support an alumni association.

24 6. Adopt rules to govern the board's tuition and academic fee
25 setting process that provide for the following:

26 (a) At least one public hearing at each university as an
27 opportunity for students and members of the public to comment on any
28 proposed increase in tuition or fees.

29 (b) Publication of the notice of public hearing at least ten days
30 before the hearing in a newspaper of general circulation in Maricopa
31 county, Coconino county and Pima county. The notice shall include the
32 date, time and location of the public hearing.

33 (c) Public disclosure by each university of any proposed increases
34 in tuition or fees at least ten days before the public hearing.

35 (d) A roll call vote of any final board action on changes in
36 tuition, including tuition rate changes for online programs, or academic
37 fees.

38 (e) Public disclosure by the board and each university of any final
39 board action on changes in tuition or academic fees.

40 7. Pursuant to section 35-115, submit a budget request for each
41 institution under the board's jurisdiction that includes the estimated
42 tuition and fee revenue available to support the programs of the
43 institution as described in the budget request. The estimated available
44 tuition and fee revenue shall be based on the tuition and registration fee

1 rates in effect at the time the budget request is submitted with
2 adjustments for projected changes in enrollment as provided by the board.

3 8. Establish curricula and designate courses at the several
4 institutions that in the board's judgment will best serve the interests of
5 this state.

6 9. Award degrees and diplomas on the completion of the courses and
7 curriculum requirements that the board deems appropriate.

8 10. Prescribe qualifications for admission of all students to the
9 universities. The board shall establish policies for guaranteed admission
10 that ensure fair and equitable access to students in this state from
11 public, private and charter schools and homeschools. For the purpose of
12 determining the qualifications of honorably discharged veterans, veterans
13 are those persons who served in the armed forces for at least two years
14 and who were previously enrolled at a university or community college in
15 this state. Prior failing grades received by a veteran at the university
16 or community college in this state may not be considered.

17 11. Adopt any energy conservation standards adopted by the
18 department of administration for the construction of new buildings.

19 12. Employ for the time and purposes that the board requires
20 attorneys whose compensation shall be fixed and paid by the board.
21 Litigation to which the board is a party and for which self-insurance is
22 not provided may be compromised or settled at the direction of the board.

23 13. Adopt annually an operating budget for each university equal to
24 the sum of appropriated state general fund monies and the amount of
25 tuition and fees approved by the board and allocated to each university
26 operating budget.

27 14. In consultation with the state board of education and other
28 education groups, develop and implement a program to award honors
29 endorsements to be affixed to the high school diplomas of qualifying high
30 school pupils and to be included in the transcripts of pupils who are
31 awarded endorsements. The Arizona board of regents shall develop
32 application procedures and testing criteria and adopt testing instruments
33 and procedures to administer the program. In order to receive an honors
34 endorsement, a pupil must demonstrate an extraordinary level of knowledge,
35 skill and competency as measured by the testing instruments adopted by the
36 Arizona board of regents in mathematics, English, science and social
37 studies. Additional subjects may be added at the determination of the
38 Arizona board of regents. The program is voluntary for pupils.

39 15. Require the publisher of each literary and nonliterary textbook
40 used in the universities of this state to furnish to the board computer
41 software in a standardized format when software becomes available for
42 nonliterary textbooks from which braille versions of the textbooks may be
43 produced.

44 16. Require universities that provide a degree in education to
45 require courses that are necessary to obtain a provisional structured

English immersion endorsement as prescribed by the state board of education.

17. Acquire for each classroom United States flags that are manufactured in the United States and that are at least two feet by three feet, hardware to appropriately display the United States flags and a legible copy of the Constitution of the United States and the Bill of Rights. The board shall display the flags in each classroom in accordance with title 4 of the United States Code and display a legible copy of the Constitution of the United States and the Bill of Rights adjacent to the flag.

18. To facilitate the transfer of military personnel and their dependents to and from the public schools of this state, pursue, in cooperation with the state board of education, reciprocity agreements with other states concerning the transfer credits for military personnel and their dependents. A reciprocity agreement entered into pursuant to this paragraph shall:

(a) Address procedures for each of the following:

(i) The transfer of student records.

(ii) Awarding credit for completed coursework.

(iii) ~~Permitting~~ ALLOWING a student to satisfy the graduation requirements prescribed in section 15-701.01 through the successful performance on comparable exit-level assessment instruments administered in another state.

(b) Include appropriate criteria developed by the state board of education and the Arizona board of regents.

19. Require a university to publicly post notices of all of the university's employment openings, including the title and description, instructions for applying and relevant contact information.

20. In consultation with the community college districts in this state, develop and implement common equivalencies for specific levels of achievement on advanced placement examinations, CLASSICAL LEARNING TESTS, CLASSICAL BACCALAUREATE EXAMINATIONS and international baccalaureate examinations in order to award commensurate postsecondary academic credits at community colleges and public universities in this state.

21. On or before August 1 of each year, report to the joint legislative budget committee the graduation rate by university campus during the previous fiscal year. The board shall also report the retention rate by university campus and by class, as determined by date of entry during the previous fiscal year.

22. Enter into an agreement with one or more career technical education district governing boards pursuant to section 15-393, subsection K if the agreement, in the board's judgment, will serve the interests of this state.

B. The Arizona board of regents shall adopt personnel policies for all employees of the board and the universities.

1 C. In conjunction with the auditor general, the Arizona board of
2 regents shall develop a uniform accounting and reporting system, which
3 shall be reviewed by the joint legislative budget committee before final
4 adoption by the board. The board shall require each university to comply
5 with the uniform accounting and reporting system.

6 D. The Arizona board of regents may employ legal assistance in
7 procuring loans for the institutions from the United States government.
8 Fees or compensation paid for legal assistance pursuant to this subsection
9 shall not be a claim on the state general fund but shall be paid from
10 funds of the institutions.

11 E. The Arizona board of regents shall approve or disapprove any
12 contract or agreement entered into by the university of Arizona hospital
13 with the Arizona industrial development authority.

14 F. The Arizona board of regents may adopt policies that authorize
15 the institutions under its jurisdiction to enter into employment contracts
16 with nontenured employees for periods of more than one year but not more
17 than five years. The policies must prescribe limits on the authority of
18 the institutions to enter into employment contracts for periods of more
19 than one year but not more than five years, including the requirement that
20 the board approve the contracts.

21 G. The Arizona board of regents may adopt a plan or plans for
22 employee benefits that allow participation in a cafeteria plan that meets
23 the requirements of the United States internal revenue code of 1986.

24 H. The Arizona board of regents may establish a program for the
25 exchange of students between the universities under the jurisdiction of
26 the board and colleges and universities located in the state of Sonora,
27 Mexico. Notwithstanding subsection A, paragraph 5 of this section, the
28 program may provide for in-state tuition at the universities under the
29 jurisdiction of the board for fifty Sonoran students in exchange for
30 similar tuition provisions for up to fifty Arizona students enrolled or
31 seeking enrollment in Sonoran colleges or universities. The board may
32 direct the universities to work in conjunction with the Arizona-Mexico
33 commission to coordinate recruitment and admissions activities.

34 I. The Arizona board of regents, in collaboration with the
35 universities under the board's jurisdiction, shall adopt a performance
36 funding model using performance metrics that include the increase in
37 degrees awarded, the increase in completed student credit hours and the
38 increase in externally generated research and public service funding. The
39 funding formula may give added weight to degrees related to science,
40 technology, engineering and mathematics and other high-value degrees that
41 are in short supply or that are essential to this state's long-term
42 economic development strategy.

43 J. The Arizona board of regents shall use the performance funding
44 model adopted pursuant to subsection I of this section in developing and

1 submitting budget requests for the universities under the board's
2 jurisdiction.

3 K. On or before November 1 of each year, the Arizona board of
4 regents shall submit to the joint legislative budget committee and the
5 governor's office of strategic planning and budgeting a report on
6 university debt and obligations, including:

- 7 1. Long-term notes and obligations.
- 8 2. Certificates of participation and other obligations pursuant to
9 any lease-purchase agreements.
- 10 3. Revenue bonds.
- 11 4. Bonds issued pursuant to section 15-1682.03.
- 12 5. Commercial paper issued pursuant to section 15-1696.

13 L. The report submitted pursuant to subsection K of this section
14 must contain, for the most recent fiscal year:

- 15 1. The aggregate level of outstanding principal and the principal
16 and interest payments, by type of debt or obligation.
- 17 2. An itemization, by campus and project, of the amount of yearly
18 principal and interest to be paid in the most recent and the next five
19 fiscal years.

20 M. The Arizona board of regents may enter into an intergovernmental
21 agreement pursuant to section 15-1747 to manage universities under the
22 board's jurisdiction subject to the terms of the reciprocity agreement.

23 N. On or before November 1, ~~2025~~ and each year ~~thereafter~~, the
24 Arizona board of regents shall submit to the joint legislative budget
25 committee each of the following for review:

- 26 1. The amount of monies that the board retained from each
27 university under the board's jurisdiction to supplement the board's
28 operating budget.
- 29 2. The board's expenditure plan for the current fiscal year for
30 monies that the board retained from each university under the board's
31 jurisdiction.
- 32 3. An accounting of how the board spent monies that the board
33 retained from the universities under the board's jurisdiction in the
34 immediately preceding fiscal year.

35 O. For the purposes of this section, "university debt and
36 obligations" means debt and obligations, the principal and interest of
37 which are paid in whole or in part with university monies.

38 Sec. 2. Section 15-2402, Arizona Revised Statutes, is amended to
39 read:

40 15-2402. Arizona empowerment scholarship accounts; funds

41 A. Arizona empowerment scholarship accounts are established to
42 provide options for the education of students in this state.

43 B. To enroll a qualified student for an Arizona empowerment
44 scholarship account, the parent of the qualified student must sign an
45 agreement to do all of the following:

1 1. Use a portion of the Arizona empowerment scholarship account
2 monies allocated annually to provide an education for the qualified
3 student in at least the subjects of reading, grammar, mathematics, social
4 studies and science, unless the Arizona empowerment scholarship account is
5 allocated monies according to a transfer schedule other than quarterly
6 transfers pursuant to section 15-2403, subsection G.

7 2. Not enroll the qualified student in a school district or charter
8 school and release the school district from all obligations to educate the
9 qualified student. This paragraph does not:

10 (a) Relieve the school district or charter school that the
11 qualified student previously attended from the obligation to conduct an
12 evaluation pursuant to section 15-766.

13 (b) Require the qualified student to withdraw from a school
14 district or charter school before enrolling for an Arizona empowerment
15 scholarship account if the qualified student withdraws from the school
16 district or charter school before receiving any monies in the qualified
17 student's Arizona empowerment scholarship account.

18 (c) Prevent the qualified student from applying in advance for an
19 Arizona empowerment scholarship account to be funded beginning the
20 following school year, subject to section 15-2403, subsection H.

21 3. Not accept a scholarship from a school tuition organization
22 pursuant to title 43 concurrently with an Arizona empowerment scholarship
23 account for the qualified student in the same year a parent signs the
24 agreement pursuant to this section.

25 4. Use monies deposited in the qualified student's Arizona
26 empowerment scholarship account only for the following expenses of the
27 qualified student:

28 (a) Tuition or fees at a qualified school that requires all
29 teaching staff and SCHOOL personnel who have unsupervised contact with
30 students to be fingerprinted.

31 (b) Textbooks required by a qualified school.

32 (c) If the qualified student meets any of the criteria specified in
33 section 15-2401, paragraph 7, subdivision (a), item (i), (ii) or (iii) as
34 determined by a school district or by an independent third party pursuant
35 to section 15-2403, subsection J, the qualified student may use the
36 following additional services:

37 (i) Educational therapies from a licensed or accredited
38 practitioner or provider, including and up to any amount not covered by
39 insurance if the expense is partially paid by a health insurance policy
40 for the qualified student.

41 (ii) A licensed or accredited paraprofessional or educational aide.

42 (iii) Tuition for vocational and life skills education approved by
43 the department.

(iv) Associated goods and services that include educational and psychological evaluations, assistive technology rentals and braille translation goods and services approved by the department.

(d) Tutoring or teaching services provided by an individual who is not subject to disciplinary action by the state board of education for immoral or unprofessional conduct pursuant to section 15-505 or 15-534.04 or a facility that is accredited by a state, regional or national accrediting organization. The department shall ensure THAT any individual who provides tutoring or teaching services to one or more qualified students pursuant to this subdivision is not subject to disciplinary action by the state board of education. The department shall also remove any individual who is subject to disciplinary action by the state board of education from all platforms that the department provides to parents and qualified students for the purchase of goods or educational services using account monies.

(e) Curricula and supplementary materials.

(f) Tuition or fees for a nonpublic online learning program.

(g) Fees for a nationally standardized norm-referenced achievement test, an advanced placement examination, A CLASSICAL LEARNING TEST, A CLASSICAL BACCALAUREATE EXAMINATION or any ~~exams~~ EXAMINATIONS related to college or university admission.

(h) Tuition or fees at an eligible postsecondary institution.

(i) Textbooks required by an eligible postsecondary institution.

(j) Fees to manage the Arizona empowerment scholarship account.

(k) Services provided by a public school, including individual classes and extracurricular programs.

(l) Insurance or surety bond payments.

(m) Uniforms purchased from or through a qualified school.

(n) If the qualified student meets the criteria specified in section 15-2401, paragraph 7, subdivision (a), item (i), (ii) or (iii) and if the qualified student is in the second year prior to the final year of a contract executed pursuant to this article, costs associated with an annual education plan conducted by an independent evaluation team. The department shall prescribe minimum qualifications for independent evaluation teams pursuant to this subdivision and factors that teams must use to determine whether the qualified student shall be eligible to continue to receive monies pursuant to this article through the school year in which the qualified student reaches twenty-two years of age. An independent evaluation team that provides an annual education plan pursuant to this subdivision shall submit a written report that summarizes the results of the evaluation to the parent of the qualified student and to the department on or before July 31. The written report submitted by the independent evaluation team is valid for one year. If the department determines that the qualified student meets the eligibility criteria prescribed in the annual education plan, the qualified student is eligible

1 to continue to receive monies pursuant to this article until the qualified
2 student reaches twenty-two years of age, subject to annual review. A
3 parent may appeal the department's decision pursuant to title 41, chapter
4 6, article 10. As an addendum to a qualified student's final-year
5 contract, the department shall provide the following written information
6 to the parent of the qualified student:

7 (i) That the qualified student will not be eligible to continue to
8 receive monies pursuant to this article unless the results of an annual
9 education plan conducted pursuant to this subdivision demonstrate that the
10 qualified student meets the eligibility criteria prescribed in the annual
11 education plan.

12 (ii) That the parent is entitled to obtain an annual education plan
13 pursuant to this subdivision to determine whether the qualified student
14 meets the eligibility criteria prescribed in the annual education plan.

15 (iii) A list of independent evaluation teams that meet the minimum
16 qualifications prescribed by the department pursuant to this subdivision.

17 (o) Public transportation services in this state, including a
18 commuter pass for the qualified student, or transportation network
19 services as defined in section 28-9551 between the qualified student's
20 residence and a qualified school in which the qualified student is
21 enrolled.

22 (p) Computer hardware and technological devices primarily used for
23 an educational purpose. For the purposes of this subdivision, "computer
24 hardware and technological devices":

25 (i) Includes calculators, personal computers, laptops, tablet
26 devices, microscopes, telescopes and printers.

27 (ii) Does not include entertainment and other primarily
28 noneducational devices, including televisions, telephones, video game
29 consoles and accessories, and home theatre and audio equipment.

30 5. Not file an affidavit of intent to homeschool pursuant to
31 section 15-802, subsection B, paragraph 2 or 3.

32 6. Not use monies deposited in the qualified student's account for
33 any of the following:

34 (a) Computer hardware or other technological devices, except as
35 otherwise allowed under paragraph 4, subdivision (c) or (p) of this
36 subsection.

37 (b) Transportation of the pupil, except for transportation services
38 described in paragraph 4, subdivision (o) of this subsection.

39 C. In exchange for the parent's agreement pursuant to subsection B
40 of this section, the department shall transfer from the monies that would
41 otherwise be allocated to a recipient's prior school district, or if the
42 child is currently eligible to attend a preschool program for children
43 with disabilities, a kindergarten program or any of grades one through
44 twelve, the monies that the department determines would otherwise be
45 allocated to a recipient's expected school district of attendance, to the

1 treasurer for deposit into an Arizona empowerment scholarship account an
2 amount that is equivalent to ninety percent of the sum of the base support
3 level and additional assistance prescribed in sections 15-185 and 15-943
4 for that particular student if that student were attending a charter
5 school.

6 D. The department of education empowerment scholarship account fund
7 is established consisting of monies appropriated by the legislature. The
8 department shall administer the fund. Monies in the fund are subject to
9 legislative appropriation. Monies in the fund shall be used for the
10 department's costs in administering Arizona empowerment scholarship
11 accounts under this chapter. Monies in the fund are exempt from the
12 provisions of section 35-190 relating to lapsing of appropriations. If
13 the number of Arizona empowerment scholarship accounts significantly
14 increases after fiscal year 2020-2021, the department may request an
15 increase in the amount appropriated to the fund in any subsequent fiscal
16 year in the budget estimate submitted pursuant to section 35-113. The
17 department shall list monies in the fund as a separate line item in its
18 budget estimate.

19 E. The state treasurer empowerment scholarship account fund is
20 established consisting of monies appropriated by the legislature. The
21 state treasurer shall administer the fund. Monies in the fund shall be
22 used for the state treasurer's costs in administering the Arizona
23 empowerment scholarship accounts under this chapter. If the number of
24 Arizona empowerment scholarship accounts significantly increases after
25 fiscal year 2020-2021, the state treasurer may request an increase in the
26 amount appropriated to the fund in any subsequent fiscal year in the
27 budget estimate submitted pursuant to section 35-113. Monies in the fund
28 are subject to legislative appropriation. Monies in the fund are exempt
29 from the provisions of section 35-190 relating to lapsing of
30 appropriations. The state treasurer shall list monies in the fund as a
31 separate line item in its budget estimate.

32 F. A parent must renew the qualified student's Arizona empowerment
33 scholarship account on an annual basis. The department of education shall
34 verify that the parent's child is a qualified student as defined in
35 section 15-2401 or 15-2401.01 in the year for which the parent seeks to
36 renew the Arizona empowerment scholarship account. This subsection does
37 not require the department to annually verify the child's disability for
38 the purpose of section 15-2401, paragraph 7, subdivision (a), item (i),
39 (ii) or (iii), if applicable.

40 G. Notwithstanding any changes to the student's multidisciplinary
41 evaluation team plan, a student who has previously qualified for an
42 Arizona empowerment scholarship account remains eligible to apply for
43 renewal until the student finishes high school.

44 H. If a parent does not renew the qualified student's Arizona
45 empowerment scholarship account for a period of three academic years, the

1 department shall notify the parent that the qualified student's account
2 will be closed in sixty calendar days. The notification must be sent
3 ~~through~~ BY certified mail, email and telephone, if applicable. The parent
4 has sixty calendar days to renew the qualified student's Arizona
5 empowerment scholarship account. If the parent chooses not to renew or
6 does not respond ~~in~~ WITHIN sixty calendar days, the department shall close
7 the account and any remaining monies shall be returned to ~~the~~ THIS state.

8 I. A signed agreement under this section constitutes school
9 attendance required by section 15-802.

10 J. A qualified school or a provider of services purchased pursuant
11 to subsection B, paragraph 4 of this section may not share, refund or
12 rebate any Arizona empowerment scholarship account monies with the parent
13 or qualified student in any manner.

14 K. Notwithstanding subsection H of this section, on the qualified
15 student's graduation from a postsecondary institution or after any period
16 of four consecutive years after high school graduation in which the
17 student is not enrolled in an eligible postsecondary institution, but not
18 before this time as long as the account holder continues using a portion
19 of account monies for allowable expenses each year and is in good
20 standing, the qualified student's Arizona empowerment scholarship account
21 shall be closed and any remaining monies shall be returned to the state.

22 L. Monies received pursuant to this article do not constitute
23 taxable income to the parent of the qualified student.