

REFERENCE TITLE: class size limits; policies; appropriations

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

SB 1296

Introduced by

Senators Marsh: Alston, Bowie, Gabaldon, Gonzales, Otondo, Quezada, Stahl
Hamilton; Representatives Andrade, Dalessandro, Jermaine, Liguori, Solorio

AN ACT

AMENDING TITLE 15, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTION 15-120.02; AMENDING SECTION 15-977, ARIZONA REVISED
STATUTES; APPROPRIATING MONIES; RELATING TO CLASS SIZE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 15, chapter 1, article 1, Arizona Revised
3 Statutes, is amended by adding section 15-120.02, to read:

4 15-120.02. Class size limits; policies; requirements

5 A. NOTWITHSTANDING ANY OTHER LAW, BEFORE THE 2027-2028 SCHOOL YEAR
6 THE GOVERNING BOARD OR GOVERNING BODY OF EACH LOCAL EDUCATION AGENCY IN
7 THIS STATE SHALL ADOPT A POLICY THAT PROVIDES FOR CLASS SIZES IN
8 KINDERGARTEN PROGRAMS, GRADES ONE THROUGH TWELVE AND CAREER TECHNICAL
9 EDUCATION DISTRICT PROGRAMS THAT COMPLY WITH THE FOLLOWING:

<u>GRADE LEVEL UNIT</u>	<u>AVERAGE CLASS SIZE</u>	<u>MAXIMUM CLASS SIZE</u>
K-3	18	21
4-8	22	27
9-12	25	30
CAREER TECHNICAL EDUCATION	20	25

10
11
12
13
14
15
16 B. BEGINNING IN THE 2027-2028 SCHOOL YEAR, THE GOVERNING BOARD OR
17 GOVERNING BODY OF EACH LOCAL EDUCATION AGENCY IN THIS STATE SHALL FULLY
18 IMPLEMENT THE POLICY ADOPTED PURSUANT TO SUBSECTION A OF THIS SECTION AS
19 FOLLOWS:

20 1. THE TOTAL AVERAGE CLASS SIZE FOR EACH GRADE LEVEL UNIT
21 PRESCRIBED IN SUBSECTION A OF THIS SECTION MAY NOT EXCEED THE AVERAGE
22 CLASS SIZE PRESCRIBED IN SUBSECTION A OF THIS SECTION, BUT INDIVIDUAL
23 CLASSES WITHIN THAT GRADE LEVEL UNIT MAY EXCEED THE AVERAGE CLASS SIZE.

24 2. A CLASS MAY NOT EXCEED THE MAXIMUM CLASS SIZE PRESCRIBED IN
25 SUBSECTION A OF THIS SECTION.

26 3. THE AVERAGE CLASS SIZE AND THE MAXIMUM CLASS SIZE SHALL BE BASED
27 ON REGULAR CLASSROOM TEACHING POSITIONS, EXCLUDING PRINCIPAL, ASSISTANT
28 PRINCIPAL, COUNSELOR, ELEMENTARY ART, ELEMENTARY MUSIC, ELEMENTARY
29 PHYSICAL EDUCATION, LIBRARIAN, SPECIAL EDUCATION AND OTHER SPECIALIZED
30 POSITIONS.

31 4. A LOCAL EDUCATION AGENCY MAY EXCEED THE CLASS SIZE LIMITS
32 PRESCRIBED IN SUBSECTION A OF THIS SECTION IN AREAS SUCH AS TYPEWRITING
33 AND INSTRUMENTAL AND VOCAL MUSIC CLASSES IF THE EFFECTIVENESS OF THE
34 INSTRUCTIONAL PROGRAM IS NOT IMPAIRED.

35 5. A LOCAL EDUCATION AGENCY MAY SEEK A WAIVER FROM THE
36 SUPERINTENDENT OF PUBLIC INSTRUCTION TO EXCEED THE AVERAGE CLASS SIZE IF
37 INDIVIDUAL CLASS SIZES DO NOT EXCEED THE MAXIMUM CLASS SIZE PRESCRIBED IN
38 SUBSECTION A OF THIS SECTION.

39 6. A LOCAL EDUCATION AGENCY MAY NOT ESTABLISH SPLIT-GRADE CLASSES
40 FOR THE PURPOSE OF CIRCUMVENTING THE AVERAGE CLASS SIZE AND MAXIMUM CLASS
41 SIZE PRESCRIBED IN SUBSECTION A OF THIS SECTION. THIS PARAGRAPH DOES NOT
42 PREVENT A LOCAL EDUCATION AGENCY FROM USING MULTI-AGED CLASSES.

1 7. THE GOVERNING BOARD OR GOVERNING BODY OF A LOCAL EDUCATION
2 AGENCY SHALL APPROVE THE ESTABLISHMENT OF ANY SPLIT-GRADE CLASSES FOR ANY
3 PURPOSE, EXCEPT THAT SPLIT-GRADE CLASSES MAY NOT BE ESTABLISHED FOR THE
4 PURPOSE OF CIRCUMVENTING THE REQUIREMENTS OF THIS SECTION.

5 8. THE AVERAGE CLASS SIZE SPECIFIED FOR THE GRADE LEVELS INVOLVED
6 IN SPLIT-GRADE CLASSES WILL BE THE MAXIMUM CLASS SIZE ALLOWED IN SUCH
7 CLASSES.

8 Sec. 2. Section 15-977, Arizona Revised Statutes, is amended to
9 read:

10 15-977. Classroom site fund; appropriation; definitions

11 A. The classroom site fund is established consisting of LEGISLATIVE
12 APPROPRIATIONS AND monies transferred to the fund pursuant to section
13 37-521, subsection B, section 42-5029, subsection E, paragraph 10 and
14 section 42-5029.02, subsection A. The department of education shall
15 administer the fund. School districts and charter schools may not
16 supplant existing school site funding with revenues from the fund. All
17 monies distributed from the fund are intended for use at the school
18 site. Teacher compensation distributed pursuant to this section shall
19 supplement, and not supplant, teacher compensation monies from any other
20 sources. The school district or charter school shall notify each school
21 principal of the amount available to the school by April 15 of each year.
22 The district or charter school shall request from the school's principal
23 each school's priority for the allocation of the funds available to the
24 school for each program listed under subsection H of this section. The
25 amount budgeted by the school district or charter school pursuant to this
26 section shall not be included in the allowable budget balance carryforward
27 calculated pursuant to section 15-943.01.

28 B. A school district governing board must adopt a performance based
29 compensation system at a public hearing to allocate funding from the
30 classroom site fund pursuant to subsection A of this section. Individual
31 teacher performance shall be a component of allocation for teacher
32 compensation.

33 C. A school district governing board shall vote on a performance
34 based compensation system that includes the following elements:

- 35 1. School district performance and school performance.
- 36 2. Individual teacher performance.
- 37 3. Measures of academic progress toward the academic standards
38 adopted by the state board of education.
- 39 4. Other measures of academic progress.
- 40 5. Dropout or graduation rates.
- 41 6. Attendance rates.
- 42 7. Ratings of school quality by parents.
- 43 8. Ratings of school quality by students.
- 44 9. The input of teachers and administrators.

1 10. Approval of the performance based compensation system based on
2 an affirmative vote of at least seventy percent of the teachers eligible
3 to participate in the performance based compensation system.

4 11. An appeals process for teachers who have been denied
5 performance based compensation.

6 12. Regular evaluation for effectiveness.

7 D. A performance based compensation system shall include teacher
8 professional development programs that are aligned with the elements of
9 the performance based compensation system.

10 E. A school district governing board may modify the elements
11 contained in subsection C of this section and consider additional elements
12 when adopting a performance based compensation system. A school district
13 governing board shall adopt any modifications or additional elements and
14 specify the criteria used at a public hearing.

15 F. Until December 31, 2009, each school district shall develop an
16 assessment plan for its performance based compensation system and submit
17 the plan to the department of education by December 31 of each year. A
18 copy of the performance based compensation system and assessment plan
19 adopted by the school district governing board shall be included in the
20 report submitted to the department of education.

21 G. Monies in the fund are continuously appropriated, are exempt
22 from the provisions of section 35-190 relating to lapsing of
23 appropriations and shall be distributed as follows:

24 1. By March 30 of each year, the staff of the joint legislative
25 budget committee shall determine a per pupil amount from the fund for the
26 budget year using the estimated statewide weighted count for the current
27 year pursuant to section 15-943, paragraph 2, subdivision (a) and based on
28 estimated available resources in the classroom site fund for the budget
29 year adjusted for any prior year carryforward or shortfall.

30 2. The allocation to each charter school and school district for a
31 fiscal year shall equal the per pupil amount established in paragraph 1 of
32 this subsection for the fiscal year multiplied by the weighted student
33 count for the school district or charter school for the fiscal year
34 pursuant to section 15-943, paragraph 2, subdivision (a). For the
35 purposes of this paragraph, the weighted student count for a school
36 district that serves as the district of attendance for nonresident pupils
37 shall be increased to include nonresident pupils who attend school in the
38 school district.

39 H. Monies distributed from the classroom site fund shall be spent
40 for the following purposes:

41 1. Class size reduction **FOR THE PURPOSES OF COMPLYING WITH SECTION**
42 **15-120.02.**

43 2. Teacher compensation, including a base pay and performance pay
44 component.

45 3. Assessment intervention programs.

- 1 4. Teacher development.
- 2 5. Dropout prevention programs.
- 3 6. Teacher liability insurance premiums.
- 4 7. Student support services.

5 I. The district governing board or charter school shall allocate
6 the classroom site fund monies to include, if possible, the priorities
7 identified by the principals of the schools while ensuring that the monies
8 maximize classroom opportunities and conform to the authorized
9 expenditures identified in subsection A of this section.

10 J. School districts and charter schools that receive monies from
11 the classroom site fund shall submit a report by November 15 of each year
12 to the superintendent of public instruction that provides an accounting of
13 the expenditures of monies distributed from the fund during the previous
14 fiscal year and a summary of the results of district and school programs
15 funded with monies distributed from the fund. The department of education
16 in conjunction with the auditor general shall prescribe the format of the
17 report under this subsection.

18 K. School districts and charter schools that receive monies from
19 the classroom site fund shall receive these monies monthly in an amount
20 not to exceed one-twelfth of the monies estimated pursuant to subsection G
21 of this section, except that if there are insufficient monies in the fund
22 that month to make payments, the distribution for that month shall be
23 prorated for each school district or charter school. The department of
24 education may make an additional payment in the current month for any
25 prior month or months in which school districts or charter schools
26 received a prorated payment if there are sufficient monies in the fund
27 that month for the additional payments. The state is not required to make
28 payments to a school district or charter school classroom site fund if the
29 state classroom site fund revenue collections are insufficient to meet the
30 estimated allocations to school districts and charter schools pursuant to
31 subsection G of this section.

32 L. The state education system for committed youth shall receive
33 monies from the classroom site fund in the same manner as school districts
34 and charter schools. The Arizona state schools for the deaf and the blind
35 shall receive monies from the classroom site fund in an amount that
36 corresponds to the weighted student count for the current year pursuant to
37 section 15-943, paragraph 2, subdivision (b) for each pupil enrolled in
38 the Arizona state schools for the deaf and the blind. Except as otherwise
39 provided in this subsection, the Arizona state schools for the deaf and
40 the blind and the state education system for committed youth are subject
41 to this section in the same manner as school districts and charter
42 schools.

1 M. Each school district and charter school, including school
2 districts that unify pursuant to section 15-448 or consolidate pursuant to
3 section 15-459, shall establish a local level classroom site fund to
4 receive allocations from the state level classroom site fund. The local
5 level classroom site fund shall be a budgetary controlled account.
6 Interest charges for any registered warrants for the local level classroom
7 site fund shall be a charge against the local level classroom site fund.
8 Interest earned on monies in the local level classroom site fund shall be
9 added to the local level classroom site fund as provided in section
10 15-978. This state shall not be required to make payments to a school
11 district or charter school local level classroom site fund that are in
12 addition to monies transferred to the state level classroom site fund
13 pursuant to section 37-521, subsection B, section 42-5029, subsection E,
14 paragraph 10 and section 42-5029.02, subsection A.

15 N. Monies distributed from the classroom site fund for class size
16 reduction, assessment intervention and dropout prevention programs shall
17 only be used for instructional purposes in the instruction function as
18 defined in the uniform system of financial records, except that monies
19 shall not be used for school-sponsored athletics.

20 O. IN ADDITION TO ANY OTHER APPROPRIATIONS, THE SUM OF
21 \$1,000,000,000 IS APPROPRIATED FROM THE STATE GENERAL FUND IN FISCAL YEAR
22 2026-2027 AND EACH FISCAL YEAR THEREAFTER TO THE CLASSROOM SITE FUND
23 ESTABLISHED BY THIS SECTION.

24 ~~O.~~ P. For the purposes of this section:

25 1. "Assessment intervention" means summer programs, after school
26 programs, before school programs or tutoring programs that are
27 specifically designed to ensure that pupils meet the Arizona academic
28 standards as measured by the statewide assessment prescribed by section
29 15-741.

30 2. "Class size reduction" means any maintenance and operations
31 expenditure that is designed to reduce the ratio of pupils to classroom
32 teachers, including the use of persons who serve as aides to classroom
33 teachers.

34 3. "Student support services" means any expenditure in the student
35 support services function as defined in the uniform system of financial
36 records.

37 Sec. 3. Appropriations; classroom site fund; fiscal years
38 2022-2023 through 2025-2026

39 The following sums are appropriated from the state general fund in
40 the following fiscal years to the classroom site fund established by
41 section 15-977, Arizona Revised Statutes, as amended by this act:

- 42 1. In fiscal year 2022-2023, \$200,000,000.
- 43 2. In fiscal year 2023-2024, \$400,000,000.
- 44 3. In fiscal year 2024-2025, \$600,000,000.
- 45 4. In fiscal year 2025-2026, \$800,000,000.