

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

CHAPTER 317
HOUSE BILL 2866

AN ACT

AMENDING SECTION 15-185, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 15-217, 15-217.01, 15-217.02 AND 15-217.03; AMENDING TITLE 15, CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 15-249.17 AND 15-249.18; AMENDING SECTION 15-393, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 136, SECTION 1; AMENDING SECTIONS 15-901, 15-910, 15-913.01, 15-943 AND 15-945, ARIZONA REVISED STATUTES; REPEALING SECTION 15-952, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-953, 15-961 AND 15-971, ARIZONA REVISED STATUTES; REPEALING SECTION 15-994, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-1371 AND 15-1372, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 19, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-2405; AMENDING SECTION 37-521, ARIZONA REVISED STATUTES; AMENDING SECTION 41-1276, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2022, CHAPTER 171, SECTION 1; AMENDING SECTIONS 41-5731 AND 42-17051, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO KINDERGARTEN THROUGH GRADE TWELVE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-185, Arizona Revised Statutes, is amended to
3 read:

4 15-185. Charter schools; financing; civil penalties;
5 transportation; definition

6 A. A school district is not financially responsible for any charter
7 school that is sponsored by the state board of education, the state board
8 for charter schools, a university under the jurisdiction of the Arizona
9 board of regents, a community college district or a group of community
10 college districts.

11 B. Financial provisions for a charter school that is sponsored by
12 the state board of education, the state board for charter schools, a
13 university, a community college district or a group of community college
14 districts are as follows:

15 1. The charter school shall calculate a base support level as
16 prescribed in section 15-943, except that:

17 (a) Section 15-941 does not apply to these charter schools.

18 (b) The small school weights prescribed in section 15-943,
19 paragraph 1 apply if a charter holder holds one charter for one or more
20 school sites and the average daily membership for the school sites are
21 combined for the calculation of the small school weight. The small school
22 weight shall not be applied individually to a charter holder if one or
23 more of the following conditions exist and the combined average daily
24 membership derived from the following conditions is greater than six
25 hundred:

26 (i) The organizational structure or management agreement of the
27 charter holder requires the charter holder or charter school to contract
28 with a specific management company.

29 (ii) The governing body of the charter holder has identical
30 membership to another charter holder in this state.

31 (iii) The charter holder is a subsidiary of a corporation that has
32 other subsidiaries that are charter holders in this state.

33 (iv) The charter holder holds more than one charter in this state.

34 (c) Notwithstanding subdivision (b) of this paragraph, for fiscal
35 years 2015-2016 and 2016-2017, the department of education shall reduce by
36 thirty-three percent the amount provided by the small school weight for
37 charter schools prescribed in subdivision (b) of this paragraph.

38 2. Notwithstanding paragraph 1 of this subsection, the student
39 count shall be determined initially using an estimated student count based
40 on actual registration of pupils before the beginning of the school year.
41 Notwithstanding section 15-1042, subsection F, student level data
42 submitted to the department may be used to determine estimated student
43 counts. After the first forty days, one hundred days or two hundred days
44 in session, as applicable, the charter school shall revise the student
45 count to be equal to the actual average daily membership, as defined in

1 section 15-901, of the charter school. Before the fortieth day, one
2 hundredth day or two hundredth day in session, as applicable, the state
3 board of education, the state board for charter schools, the sponsoring
4 university, the sponsoring community college district or the sponsoring
5 group of community college districts may require a charter school to
6 report periodically regarding pupil enrollment and attendance, and the
7 department of education may revise its computation of equalization
8 assistance based on the report. A charter school shall revise its student
9 count, base support level and charter additional assistance before May 15.
10 A charter school that overestimated its student count shall revise its
11 budget before May 15. A charter school that underestimated its student
12 count may revise its budget before May 15.

13 3. A charter school may use section 15-855 for the purposes of this
14 section. The charter school and the department of education shall
15 prescribe procedures for determining average daily membership.

16 4. Equalization assistance for the charter school shall be
17 determined by adding the amount of the base support level and charter
18 additional assistance. The amount of the charter additional assistance is
19 ~~\$1,897.90~~ \$1,985.58 per student count in preschool programs for children
20 with disabilities, kindergarten programs and grades one through eight and
21 ~~\$2,211.97~~ \$2,314.16 per student count in grades nine through twelve.

22 5. The state board of education shall apportion state aid from the
23 appropriations made for such purposes to the state treasurer for
24 disbursement to the charter schools in each county in an amount as
25 determined by this paragraph. The apportionments shall be made as
26 prescribed in section 15-973, subsection B.

27 6. The charter school shall not charge tuition for pupils who
28 reside in this state, levy taxes or issue bonds. A charter school may
29 admit pupils who are not residents of this state and shall charge tuition
30 for those pupils in the same manner prescribed in section 15-823.

31 7. Not later than noon on the day preceding each apportionment date
32 established by paragraph 5 of this subsection, the superintendent of
33 public instruction shall furnish to the state treasurer an abstract of the
34 apportionment and shall certify the apportionment to the department of
35 administration, which shall draw its warrant in favor of the charter
36 schools for the amount apportioned.

37 C. If a pupil is enrolled in both a charter school and a public
38 school that is not a charter school, the sum of the daily membership,
39 which includes enrollment as prescribed in section 15-901, subsection A,
40 paragraph 1, subdivisions (a) and (b) and daily attendance as prescribed
41 in section 15-901, subsection A, paragraph 5, for that pupil in the school
42 district and the charter school shall not exceed 1.0. If a pupil is
43 enrolled in both a charter school and a public school that is not a
44 charter school, the department of education shall direct the average daily
45 membership to the school with the most recent enrollment date. On

1 validation of actual enrollment in both a charter school and a public
2 school that is not a charter school and if the sum of the daily membership
3 or daily attendance for that pupil is greater than 1.0, the sum shall be
4 reduced to 1.0 and shall be apportioned between the public school and the
5 charter school based on the percentage of total time that the pupil is
6 enrolled or in attendance in the public school and the charter school.
7 The uniform system of financial records shall include guidelines to
8 apportion the pupil enrollment and attendance as provided in this section.

9 D. Charter schools are allowed to accept grants and gifts to
10 supplement their state funding, but it is not the intent of the charter
11 school law to require taxpayers to pay twice to educate the same pupils.
12 The base support level for a charter school or for a school district
13 sponsoring a charter school shall be reduced by an amount equal to the
14 total amount of monies received by a charter school from a federal or
15 state agency if the federal or state monies are intended for the basic
16 maintenance and operations of the school. The superintendent of public
17 instruction shall estimate the amount of the reduction for the budget year
18 and shall revise the reduction to reflect the actual amount before May 15
19 of the current year. If the reduction results in a negative amount, the
20 negative amount shall be used in computing all budget limits and
21 equalization assistance, except that:

22 1. Equalization assistance shall not be less than zero.

23 2. For a charter school sponsored by the state board of education,
24 the state board for charter schools, a university, a community college
25 district or a group of community college districts, the total of the base
26 support level and the charter additional assistance shall not be less than
27 zero.

28 E. If a charter school was a district public school in the prior
29 year and sponsored by the state board of education, the state board for
30 charter schools, a university, a community college district or a group of
31 community college districts, the reduction in subsection D of this section
32 applies. The reduction to the base support level of the charter school
33 shall equal the sum of the base support level and the charter additional
34 assistance received in the current year for those pupils who were enrolled
35 in the traditional public school in the prior year and are now enrolled in
36 the charter school in the current year.

37 F. Equalization assistance for charter schools shall be provided as
38 a single amount based on average daily membership without categorical
39 distinctions between maintenance and operations or capital.

40 G. At the request of a charter school, the county school
41 superintendent of the county where the charter school is located may
42 provide the same educational services to the charter school as prescribed
43 in section 15-308, subsection A. The county school superintendent may
44 charge a fee to recover costs for providing educational services to
45 charter schools.

1 H. If the sponsor of the charter school determines at a public
2 meeting that the charter school is not in compliance with federal law,
3 with the laws of this state or with its charter, the sponsor of a charter
4 school may submit a request to the department of education to withhold up
5 to ten percent of the monthly apportionment of state aid that would
6 otherwise be due the charter school. The department shall adjust the
7 charter school's apportionment accordingly. The sponsor shall provide
8 written notice to the charter school at least seventy-two hours before the
9 meeting and shall allow the charter school to respond to the allegations
10 of noncompliance at the meeting before the sponsor makes a final
11 determination to notify the department of education of noncompliance. The
12 charter school shall submit a corrective action plan to the sponsor on a
13 date specified by the sponsor at the meeting. The corrective action plan
14 shall be designed to correct deficiencies at the charter school and to
15 ensure that the charter school promptly returns to compliance. When the
16 sponsor determines that the charter school is in compliance, the
17 department shall restore the full amount of state aid payments to the
18 charter school.

19 I. In addition to the withholding of state aid payments pursuant to
20 subsection H of this section, the sponsor of a charter school may impose a
21 civil penalty of \$1,000 per occurrence if a charter school fails to comply
22 with the fingerprinting requirements prescribed in section 15-183,
23 subsection C or section 15-512. The sponsor of a charter school shall not
24 impose a civil penalty if it is the first time the charter school is out
25 of compliance with the fingerprinting requirements and if the charter
26 school provides proof within forty-eight hours after written notification
27 that an application for the appropriate fingerprint check has been
28 received by the department of public safety. The sponsor of the charter
29 school shall obtain proof that the charter school has been notified, and
30 the notification shall identify the date of the deadline and shall be
31 signed by both parties. The sponsor of a charter school shall
32 automatically impose a civil penalty of \$1,000 per occurrence if the
33 sponsor determines that the charter school subsequently violates the
34 fingerprinting requirements. Civil penalties pursuant to this subsection
35 shall be assessed by requesting the department of education to reduce the
36 amount of state aid that the charter school would otherwise receive by an
37 amount equal to the civil penalty. The amount of state aid withheld shall
38 revert to the state general fund at the end of the fiscal year.

39 J. A charter school may receive and spend monies distributed by the
40 department of education pursuant to section 42-5029, subsection E, section
41 42-5029.02, subsection A and section 37-521, subsection B.

42 K. If a school district transports or contracts to transport pupils
43 to the Arizona state schools for the deaf and the blind during any fiscal
44 year, the school district may transport or contract with a charter school
45 to transport sensory impaired pupils during that same fiscal year to a

1 charter school if requested by the parent of the pupil and if the distance
2 from the pupil's place of actual residence within the school district to
3 the charter school is less than the distance from the pupil's place of
4 actual residence within the school district to the campus of the Arizona
5 state schools for the deaf and the blind.

6 L. Notwithstanding any other law, a university under the
7 jurisdiction of the Arizona board of regents, a community college district
8 or a group of community college districts shall not include any student in
9 the student count of the university, community college district or group
10 of community college districts for state funding purposes if that student
11 is enrolled in and attending a charter school sponsored by the university,
12 community college district or group of community college districts.

13 M. The governing body of a charter school shall transmit a copy of
14 its proposed budget or the summary of the proposed budget and a notice of
15 the public hearing to the department of education for posting on the
16 department of education's website not later than ten days before the
17 hearing and meeting. If the charter school maintains a website, the
18 charter school governing body shall post on its website a copy of its
19 proposed budget or the summary of the proposed budget and a notice of the
20 public hearing.

21 N. The governing body of a charter school shall collaborate with
22 the private organization that is approved by the state board of education
23 pursuant to section 15-792.02 to provide approved board examination
24 systems for the charter school.

25 O. If allowed by federal law, a charter school may opt out of
26 federal grant opportunities if the charter holder or the appropriate
27 governing body of the charter school determines that the federal
28 requirements impose unduly burdensome reporting requirements.

29 P. For the purposes of this section, "monies intended for the basic
30 maintenance and operations of the school" means monies intended to provide
31 support for the educational program of the school, except that it does not
32 include supplemental assistance for a specific purpose or title VIII of
33 the elementary and secondary education act of 1965 monies. The auditor
34 general shall determine which federal or state monies meet this
35 definition.

36 Sec. 2. Title 15, chapter 2, article 1, Arizona Revised Statutes,
37 is amended by adding sections 15-217, 15-217.01, 15-217.02 and 15-217.03,
38 to read:

39 15-217. Performance measures; adult education and workforce
40 development programs

41 A. ON OR BEFORE JULY 1, 2024, THE STATE BOARD OF EDUCATION, IN
42 COOPERATION WITH THE DEPARTMENT OF EDUCATION, SHALL ADOPT PERFORMANCE
43 MEASURES TO EVALUATE THE PERFORMANCE OF ADULT EDUCATION AND WORKFORCE
44 DEVELOPMENT PROGRAMS ESTABLISHED UNDER SECTIONS 15-217.01, 15-217.02 AND
45 15-217.03. THE PERFORMANCE MEASURES SHALL INCLUDE:

- 1 1. MEASUREMENTS OF ADULT LEARNER PROGRESS TOWARD EARNING A HIGH
2 SCHOOL DIPLOMA OR HIGH SCHOOL EQUIVALENCY DIPLOMA.
- 3 2. THE NUMBER OF HIGH SCHOOL DIPLOMAS OR HIGH SCHOOL EQUIVALENCY
4 DIPLOMAS EARNED.
- 5 3. THE NUMBER OF INDUSTRY-RECOGNIZED CREDENTIALS EARNED.
- 6 4. THE NUMBER OF ADULT LEARNERS OR GRADUATES WHO HAVE MATRICULATED
7 AT AN INSTITUTION OF HIGHER LEARNING OR POSTSECONDARY EDUCATIONAL
8 INSTITUTION.
- 9 5. THE NUMBER OF ADULT LEARNERS OR GRADUATES WHO HAVE NEWLY
10 ACQUIRED EMPLOYMENT, WHO ARE NOW EARNING HIGHER WAGES OR WHO HAVE OBTAINED
11 A BETTER JOB OR A PROMOTION.
- 12 6. OTHER RELEVANT MEASURES AS ADOPTED BY THE STATE BOARD OF
13 EDUCATION, IN COOPERATION WITH THE DEPARTMENT OF EDUCATION.
- 14 B. THE PERFORMANCE MEASURES ADOPTED BY THE STATE BOARD OF EDUCATION
15 PURSUANT TO THIS SECTION SHALL BOTH:
- 16 1. ALLOW FOR A COMPARABLE EVALUATION ACROSS ADULT EDUCATION AND
17 WORKFORCE DEVELOPMENT PROGRAMS.
- 18 2. TAKE INTO CONSIDERATION THE VARIETY OF LEARNING LEVELS OF ADULT
19 LEARNERS ENTERING THE PROGRAMS.
- 20 15-217.01. Continuing high school and workforce training
21 program; service providers; program schools;
22 requirements; reporting; enrollment limits;
23 rules
- 24 A. THE STATE BOARD OF EDUCATION SHALL ESTABLISH A CONTINUING HIGH
25 SCHOOL AND WORKFORCE TRAINING PROGRAM THAT PROVIDES ADULT LEARNERS WITH
26 ALTERNATIVE STUDY SERVICES AND THAT LEADS TO THE ISSUANCE OF A HIGH SCHOOL
27 DIPLOMA AND INDUSTRY-RECOGNIZED CREDENTIALS. THE DEPARTMENT OF EDUCATION
28 SHALL ADMINISTER THE PROGRAM. THE STATE BOARD OF EDUCATION SHALL
29 AUTHORIZE ELIGIBLE SERVICE PROVIDERS TO PARTICIPATE IN THE CONTINUING HIGH
30 SCHOOL AND WORKFORCE TRAINING PROGRAM AND TO ESTABLISH A PROGRAM SCHOOL IN
31 PARTNERSHIP WITH A SCHOOL DISTRICT OR NONPROFIT CHARTER SCHOOL.
- 32 B. TO BE ELIGIBLE TO PARTICIPATE IN THE CONTINUING HIGH SCHOOL AND
33 WORKFORCE TRAINING PROGRAM, A SERVICE PROVIDER MUST MEET BOTH OF THE
34 FOLLOWING:
- 35 1. BE A NONPROFIT CORPORATION THAT IS QUALIFIED AS TAX-EXEMPT
36 PURSUANT TO SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE OR BE AN ADULT
37 EDUCATION PROVIDER THAT IS APPROVED BY THE DIVISION OF ADULT EDUCATION
38 WITHIN THE DEPARTMENT OF EDUCATION.
- 39 2. DEMONSTRATE AT LEAST A TEN-YEAR HISTORY OF PROVIDING WORKFORCE
40 TRAINING AND CAREER SERVICES IN THIS STATE TO PERSONS WHO ARE AT LEAST
41 EIGHTEEN YEARS OF AGE AND WHOSE EDUCATIONAL AND TRAINING OPPORTUNITIES
42 HAVE BEEN LIMITED BY EDUCATIONAL DISADVANTAGES, DISABILITIES OR OTHER
43 BARRIERS TO EDUCATION, SUCH AS LACK OF RELIABLE AND AFFORDABLE
44 TRANSPORTATION, LACK OF CHILD CARE OR FOOD INSECURITY.

1 C. A HIGH SCHOOL DIPLOMA MAY BE ISSUED PURSUANT TO THIS SECTION
2 ONLY TO AN ADULT LEARNER WHO MEETS ALL THE GRADUATION REQUIREMENTS OF
3 SECTION 15-701.01 AND THE STATE BOARD OF EDUCATION.

4 D. A PROGRAM SCHOOL SHALL MEET ALL APPLICABLE LEGAL REQUIREMENTS
5 PRESCRIBED IN THIS TITLE FOR A PUBLIC SCHOOL, INCLUDING REQUIREMENTS FOR
6 STUDENT ASSESSMENTS AND SPECIAL EDUCATION SERVICES AND PROHIBITIONS
7 AGAINST ADMISSION LIMITS BASED ON ETHNICITY, NATIONAL ORIGIN, GENDER,
8 INCOME LEVEL, DISABLING CONDITION, ENGLISH LANGUAGE PROFICIENCY OR
9 ATHLETIC ABILITY.

10 E. NOTWITHSTANDING ANY OTHER LAW, THE DEPARTMENT OF EDUCATION SHALL
11 DISTRIBUTE MONIES TO AN APPROVED PROGRAM SCHOOL AS FOLLOWS:

12 1. THE PROGRAM SCHOOL SHALL RECEIVE \$7,700 PER FULL-TIME STUDENT
13 ENROLLED IN THE PROGRAM SCHOOL. PART-TIME STUDENTS SHALL BE FUNDED IN
14 PROPORTION TO THE NUMBER OF ENROLLED COURSES OR HOURS OF INSTRUCTION.

15 2. THE PROGRAM SCHOOL IS ELIGIBLE TO RECEIVE FUNDING FOR ANY ADULT
16 LEARNER REGARDLESS OF AGE.

17 3. THE PROGRAM SCHOOL IS NOT ELIGIBLE FOR ANY OTHER SCHOOL FINANCE
18 FORMULA FUNDING FOR ADULT LEARNERS ENROLLED IN THE PROGRAM SCHOOL,
19 INCLUDING ANY OF THE FOLLOWING:

20 (a) TRANSPORTATION FUNDING PURSUANT TO SECTION 15-945.

21 (b) ARIZONA ONLINE INSTRUCTION FUNDING PURSUANT TO SECTION 15-808.

22 (c) BASE SUPPORT LEVEL FUNDING PURSUANT TO SECTION 15-943.

23 (d) ADDITIONAL ASSISTANCE.

24 F. THE DEPARTMENT OF EDUCATION SHALL DEVELOP APPLICATION PROCEDURES
25 FOR THE CONTINUING HIGH SCHOOL AND WORKFORCE TRAINING PROGRAM. THE
26 SERVICE PROVIDER SHALL SUBMIT THE APPLICATION ON BEHALF OF THE PROGRAM
27 SCHOOL. AN APPLICATION SUBMITTED PURSUANT TO THIS SECTION MUST INCLUDE
28 ALL OF THE FOLLOWING:

29 1. A DESCRIPTION OF THE SERVICE PROVIDER'S PARTNERSHIP WITH A
30 SCHOOL DISTRICT OR NONPROFIT CHARTER SCHOOL.

31 2. A DESCRIPTION OF THE PROGRAM SCHOOL'S ADMINISTRATIVE STRUCTURE,
32 PROGRAM ACTIVITIES, PROGRAM STAFF, BUDGET AND SPECIFIC CURRICULUM THAT IS
33 ALIGNED WITH THE STATE ACADEMIC STANDARDS.

34 3. THE PROGRAM SCHOOL'S ACADEMIC CALENDAR AND A SCHEDULE DESCRIBING
35 THE PROGRAM SCHOOL'S LENGTH OF SCHOOL DAY, PROGRAM SEQUENCE,
36 MULTIDISCIPLINARY COURSES, PACE AND INSTRUCTIONAL ACTIVITIES, OR ANY
37 COMBINATION OF THESE ITEMS.

38 4. CONFIRMATION OF THE PROGRAM SCHOOL'S LOCATION AND A DESCRIPTION
39 OF THE PROGRAM SCHOOL'S FACILITY, INCLUDING ALL OF THE FOLLOWING:

40 (a) ACCESSIBILITY.

41 (b) AVAILABLE CLASSROOM SPACE.

42 (c) CHILD CARE SPACE.

43 (d) HEALTH AND SAFETY REQUIREMENTS.

1 5. A DESCRIPTION OF SPECIFIC ACADEMIC, BEHAVIORAL AND EMOTIONAL
2 SUPPORT SERVICES THE SERVICE PROVIDER WILL OFFER TO ADULT LEARNERS WHO
3 ENROLL IN THE PROGRAM SCHOOL.

4 6. A DESCRIPTION OF THE ADULT LEARNER AND FAMILY SUPPORTS THAT THE
5 PROGRAM SCHOOL WILL PROVIDE AT NO COST TO ADULT LEARNERS, INCLUDING ALL OF
6 THE FOLLOWING:

7 (a) ON-SITE CHILD CARE FOR DEPENDENTS OF ENROLLED ADULT LEARNERS
8 WHILE THE ADULT LEARNER IS ON SITE.

9 (b) LOCAL TRANSPORTATION ASSISTANCE FOR ADULT LEARNERS WITH A
10 VERIFIABLE NEED.

11 (c) CAREER AND HIGHER EDUCATION COUNSELING.

12 (d) JOB PLACEMENT ASSISTANCE.

13 7. A DESCRIPTION OF THE AVAILABLE COUNSELING SERVICES THAT ASSIST
14 ADULT LEARNERS IN OVERCOMING BARRIERS TO EDUCATIONAL SUCCESS, INCLUDING
15 ANY OF THE FOLLOWING:

16 (a) EDUCATIONAL DISADVANTAGES.

17 (b) HOMELESSNESS.

18 (c) CRIMINAL HISTORY.

19 (d) DISABLING CONDITIONS.

20 8. A DESCRIPTION OF THE CAREER TECHNICAL EDUCATION INSTRUCTION THE
21 PROGRAM SCHOOL WILL PROVIDE. CAREER TECHNICAL EDUCATION INSTRUCTION AND
22 COURSES MUST LEAD TO INDUSTRY-RECOGNIZED CREDENTIALS OR RESULT IN AN ADULT
23 LEARNER EARNING COURSE CREDITS FROM A UNIVERSITY OR COMMUNITY COLLEGE. A
24 SERVICE PROVIDER MAY PARTNER WITH A COMMUNITY COLLEGE DISTRICT OR CAREER
25 TECHNICAL EDUCATION DISTRICT TO PROVIDE CAREER TECHNICAL EDUCATION
26 INSTRUCTION.

27 9. A DESCRIPTION OF SPECIFIC PROGRAM OUTCOMES, GOALS AND METRICS
28 THE PROGRAM SCHOOL WILL USE TO DETERMINE ADULT LEARNER SUCCESS.

29 10. THE PROJECTED NUMBER OF ADULT LEARNERS THE PROGRAM SCHOOL WILL
30 ENROLL.

31 G. THE STATE BOARD OF EDUCATION, IN CONSULTATION WITH THE
32 DEPARTMENT OF EDUCATION, SHALL EVALUATE APPLICATIONS SUBMITTED FOR THE
33 CONTINUING HIGH SCHOOL AND WORKFORCE TRAINING PROGRAM AND APPROVE PROGRAM
34 SCHOOLS THAT DEMONSTRATE, THROUGH EVIDENCE OR OTHER DOCUMENTATION, THE
35 ABILITY TO PROVIDE ADULT LEARNERS WITH THE INSTRUCTION AND SUPPORT THAT
36 LEAD TO A HIGH SCHOOL DIPLOMA AND ONE OR MORE INDUSTRY-RECOGNIZED
37 CREDENTIALS. THE FOLLOWING APPLY TO APPROVAL OF A PROGRAM SCHOOL'S
38 PARTICIPATION IN THE CONTINUING HIGH SCHOOL AND WORKFORCE TRAINING
39 PROGRAM:

40 1. INITIAL APPROVAL SHALL BE FOR A PERIOD OF NOT MORE THAN TWO
41 SCHOOL YEARS.

42 2. RENEWAL OF APPROVAL SHALL BE FOR A PERIOD OF NOT MORE THAN FOUR
43 SCHOOL YEARS AND IS CONTINGENT ON SPECIFIC PERFORMANCE EXPECTATIONS,
44 INCLUDING STUDENT PROGRESSION, GRADUATION RATES AND EARNING OF
45 INDUSTRY-RECOGNIZED CREDENTIALS.

1 3. IF AN APPROVED SERVICE PROVIDER FAILS TO MEET ANY REQUIREMENTS
2 OF THIS SECTION OR ANY RULES ADOPTED BY THE STATE BOARD, THE STATE BOARD
3 SHALL IMMEDIATELY INITIATE A PROCESS TO BRING THE PROGRAM SCHOOL INTO
4 COMPLIANCE OR TO REVOKE THE PROGRAM SCHOOL'S AUTHORIZATION TO PARTICIPATE
5 IN THE CONTINUING HIGH SCHOOL AND WORKFORCE TRAINING PROGRAM.
6 H. AN APPROVED PROGRAM SCHOOL PARTICIPATING IN THE CONTINUING HIGH
7 SCHOOL AND WORKFORCE TRAINING PROGRAM SHALL ANNUALLY REPORT THE FOLLOWING
8 INFORMATION TO THE DEPARTMENT OF EDUCATION:
9 1. THE NUMBER OF ADULT LEARNERS ENROLLED IN THE PROGRAM SCHOOL.
10 2. THE GRADUATION RATE OF ADULT LEARNERS ENROLLED IN THE PROGRAM
11 SCHOOL.
12 3. THE AVERAGE PROGRESS OF ADULT LEARNERS TOWARD MEETING GRADUATION
13 REQUIREMENTS.
14 4. THE NUMBER AND TYPE OF INDUSTRY-RECOGNIZED CREDENTIALS EARNED BY
15 ADULT LEARNERS ENROLLED IN THE PROGRAM SCHOOL.
16 5. THE NUMBER OF ADULT LEARNERS WHO HAVE NEWLY ACQUIRED PROFICIENCY
17 IN THE ENGLISH LANGUAGE.
18 6. A DESCRIPTIVE SUMMARY OF THE ACADEMIC, BEHAVIORAL AND EMOTIONAL
19 SUPPORT SERVICES THE SERVICE PROVIDER OFFERS TO ADULT LEARNERS IN THE
20 PROGRAM SCHOOL.
21 7. THE INFORMATION REQUIRED BY THE PERFORMANCE MEASURES ADOPTED BY
22 THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-217.
23 I. ON OR BEFORE OCTOBER 30, 2025 AND ON OR BEFORE OCTOBER 30 OF
24 EACH YEAR THEREAFTER, EACH PROGRAM SCHOOL SHALL SUBMIT A REPORT REGARDING
25 THE CONTINUING HIGH SCHOOL AND WORKFORCE TRAINING PROGRAM TO THE
26 DEPARTMENT OF EDUCATION.
27 J. ON OR BEFORE DECEMBER 15, 2025 AND ON OR BEFORE DECEMBER 15 OF
28 EACH YEAR THEREAFTER, THE DEPARTMENT OF EDUCATION SHALL SUBMIT AN ANNUAL
29 REPORT EVALUATING THE EFFECTIVENESS OF THE CONTINUING HIGH SCHOOL AND
30 WORKFORCE TRAINING PROGRAM TO THE GOVERNOR, THE PRESIDENT OF THE SENATE,
31 THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE STATE BOARD OF
32 EDUCATION. THE DEPARTMENT SHALL PROVIDE A COPY OF THE REPORT TO THE
33 SECRETARY OF STATE.
34 K. THE STATE BOARD OF EDUCATION MAY APPROVE PROGRAM SCHOOLS WITH A
35 TOTAL PROJECTED FULL-TIME ENROLLMENT OF:
36 1. IN FISCAL YEAR 2022-2023, NOT MORE THAN SIX HUNDRED.
37 2. IN FISCAL YEAR 2023-2024, NOT MORE THAN ONE THOUSAND.
38 3. IN FISCAL YEAR 2024-2025 AND EACH FISCAL YEAR THEREAFTER, NOT
39 MORE THAN ONE THOUSAND FOUR HUNDRED.
40 L. IF THE TOTAL FULL-TIME ENROLLMENT REQUESTED BY APPROVED PROGRAM
41 SCHOOLS IS GREATER THAN THE AMOUNTS PRESCRIBED IN SUBSECTION K OF THIS
42 SECTION, THE STATE BOARD OF EDUCATION MAY DIRECT THE DEPARTMENT OF
43 EDUCATION TO PRIORITIZE FUNDING DISTRIBUTION TO PROGRAM SCHOOLS
44 DEMONSTRATING THE HIGHEST PERFORMANCE. NEW PROGRAM SCHOOLS SHALL BE

1 PRIORITIZED BASED ON THE SERVICES AND SUPPORTS FOR ADULT LEARNERS AS
2 OUTLINED IN THEIR APPLICATIONS.

3 M. A PROGRAM SCHOOL MAY NOT EITHER:

4 1. CONDUCT ADVERTISING OR MARKETING CAMPAIGNS DIRECTED AT STUDENTS
5 WHO ARE CURRENTLY ENROLLED IN A SCHOOL DISTRICT OR CHARTER SCHOOL, OR
6 UNDERTAKE ANY OTHER ACTIVITY THAT ENCOURAGES STUDENTS WHO ARE CURRENTLY
7 ENROLLED IN A SCHOOL DISTRICT OR CHARTER SCHOOL TO STOP ATTENDING SCHOOL
8 IN ORDER TO ENROLL IN A PROGRAM SCHOOL.

9 2. ENROLL A STUDENT WHO WAS ENROLLED IN A SCHOOL DISTRICT OR
10 CHARTER SCHOOL WITHIN THE PRECEDING THIRTY DAYS.

11 N. THE STATE BOARD OF EDUCATION MAY ADOPT RULES TO CARRY OUT THE
12 PURPOSES OF THIS SECTION.

13 O. THE DEPARTMENT OF EDUCATION SHALL PROVIDE ADEQUATE STAFF SUPPORT
14 FOR THE STATE BOARD OF EDUCATION TO COMPLY WITH THIS SECTION.

15 15-217.02. Adult workforce diploma program; fund; program
16 providers; requirements; annual reports;
17 definitions

18 A. THE ADULT WORKFORCE DIPLOMA PROGRAM IS ESTABLISHED WITHIN THE
19 STATE BOARD OF EDUCATION TO ASSIST A PERSON WHO IS AT LEAST TWENTY-ONE
20 YEARS OF AGE IN EARNING A HIGH SCHOOL DIPLOMA AND DEVELOPING CRITICAL
21 EMPLOYABILITY AND CAREER AND TECHNICAL SKILLS TO PREPARE THE PERSON FOR
22 EMPLOYMENT. THE DEPARTMENT OF EDUCATION SHALL ADMINISTER THE
23 PROGRAM. THE PROGRAM MAY BE DELIVERED IN A CAMPUS-BASED, ONLINE OR
24 BLENDED MODALITY.

25 B. THE ADULT WORKFORCE DIPLOMA PROGRAM FUND IS ESTABLISHED
26 CONSISTING OF LEGISLATIVE APPROPRIATIONS, GIFTS, GRANTS AND OTHER
27 DONATIONS. THE DEPARTMENT OF EDUCATION SHALL ADMINISTER THE FUND. THE
28 DEPARTMENT OF EDUCATION SHALL USE MONIES IN THE FUND TO PAY APPROVED
29 PROGRAM PROVIDERS AS PRESCRIBED IN SUBSECTION E OF THIS SECTION. MONIES
30 IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE
31 PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

32 C. ON OR BEFORE AUGUST 15 OF EACH YEAR, TO BE APPROVED TO
33 PARTICIPATE IN THE PROGRAM, AN ELIGIBLE PROGRAM PROVIDER SHALL SUBMIT TO
34 THE STATE BOARD OF EDUCATION ON A FORM THAT IS DEVELOPED BY THE BOARD
35 INFORMATION SHOWING THAT THE ELIGIBLE PROGRAM PROVIDER MEETS ALL OF THE
36 FOLLOWING REQUIREMENTS:

37 1. IS OPERATING A REGIONALLY ACCREDITED HIGH SCHOOL
38 DIPLOMA-GRANTING ENTITY.

39 2. HAS THE ABILITY TO DEVELOP A LEARNING PLAN FOR EACH STUDENT THAT
40 INTEGRATES GRADUATION REQUIREMENTS AND CAREER GOALS.

41 3. PROVIDES A COURSE CATALOG THAT INCLUDES ALL COURSES THAT ARE
42 NECESSARY TO MEET GRADUATION REQUIREMENTS.

43 4. HAS THE ABILITY TO PROVIDE ALL OF THE FOLLOWING:

44 (a) REMEDIATION OPPORTUNITIES IN LITERACY AND NUMERACY.

45 (b) CAREER PATHWAYS COURSEWORK.

1 (c) PREPARATION FOR INDUSTRY-RECOGNIZED CREDENTIALS AND STACKABLE
2 CREDENTIALS.

3 (d) CAREER PLACEMENT SERVICES.

4 (e) ACADEMIC SKILLS INTAKE ASSESSMENTS AND TRANSCRIPT EVALUATIONS.

5 D. ON OR BEFORE OCTOBER 15 OF EACH YEAR, THE STATE BOARD OF
6 EDUCATION, IN CONSULTATION WITH THE DEPARTMENT OF EDUCATION, SHALL PLACE
7 ALL QUALIFIED PROGRAM PROVIDERS THAT SUBMIT THE FORM PURSUANT TO
8 SUBSECTION C OF THIS SECTION ON AN APPROVED PROGRAM PROVIDERS
9 LIST. APPROVED PROGRAM PROVIDERS SHALL BEGIN ENROLLING STUDENTS ON OR
10 BEFORE NOVEMBER 15 OF EACH YEAR. APPROVED PROGRAM PROVIDERS MAINTAIN
11 APPROVAL STATUS UNLESS THE APPROVED PROGRAM PROVIDER IS REMOVED FROM THE
12 APPROVED PROGRAM PROVIDERS LIST PURSUANT TO SUBSECTION J OF THIS SECTION.

13 E. THE DEPARTMENT OF EDUCATION SHALL PAY APPROVED PROGRAM PROVIDERS
14 THE FOLLOWING AMOUNTS FOR EACH STUDENT WHO COMPLETES THE FOLLOWING
15 MILESTONES:

16 1. \$250 FOR EACH COMPLETED HALF UNIT OF HIGH SCHOOL CREDIT.

17 2. \$250 FOR EACH COMPLETED EMPLOYABILITY SKILLS CERTIFICATION.

18 3. \$250 FOR EACH EARNED INDUSTRY-RECOGNIZED CREDENTIAL OR STACKABLE
19 CREDENTIAL THAT REQUIRES NOT MORE THAN FIFTY HOURS OF TRAINING.

20 4. \$500 FOR EACH EARNED INDUSTRY-RECOGNIZED CREDENTIAL OR STACKABLE
21 CREDENTIAL THAT REQUIRES AT LEAST FIFTY HOURS BUT NOT MORE THAN ONE
22 HUNDRED HOURS OF TRAINING.

23 5. \$750 FOR EACH EARNED INDUSTRY-RECOGNIZED CREDENTIAL OR STACKABLE
24 CREDENTIAL THAT REQUIRES MORE THAN ONE HUNDRED HOURS OF TRAINING.

25 6. \$1,000 FOR EACH EARNED HIGH SCHOOL DIPLOMA.

26 F. APPROVED PROGRAM PROVIDERS SHALL SUBMIT MONTHLY INVOICES TO THE
27 DEPARTMENT OF EDUCATION NOT LATER THAN THE TENTH CALENDAR DAY OF EACH
28 MONTH FOR MILESTONES MET IN THE PREVIOUS CALENDAR MONTH. THE DEPARTMENT
29 OF EDUCATION SHALL PAY APPROVED PROGRAM PROVIDERS IN THE ORDER IN WHICH
30 INVOICES ARE SUBMITTED UNTIL ALL AVAILABLE MONIES ARE EXHAUSTED. THE
31 DEPARTMENT OF EDUCATION SHALL PROVIDE A WRITTEN UPDATE TO THE APPROVED
32 PROGRAM PROVIDERS ON OR BEFORE THE LAST CALENDAR DAY OF EACH MONTH,
33 INCLUDING THE AGGREGATE TOTAL DOLLARS THAT HAVE BEEN PAID TO APPROVED
34 PROGRAM PROVIDERS TO DATE AND THE ESTIMATED NUMBER OF ENROLLMENTS STILL
35 AVAILABLE FOR THE PROGRAM YEAR.

36 G. ON OR BEFORE OCTOBER 30 OF EACH YEAR, EACH APPROVED PROGRAM
37 PROVIDER SHALL REPORT THE FOLLOWING TO THE DEPARTMENT OF EDUCATION:

38 1. THE TOTAL NUMBER OF STUDENTS WHO WERE FUNDED THROUGH THE
39 PROGRAM.

40 2. THE TOTAL NUMBER OF EARNED CREDITS.

41 3. THE TOTAL NUMBER OF EARNED INDUSTRY-RECOGNIZED CREDENTIALS OR
42 STACKABLE CREDENTIALS EARNED FOR EACH TIER OF FUNDING.

43 4. THE TOTAL NUMBER OF STUDENTS WHO GRADUATED THROUGH THE PROGRAM.

44 5. THE INFORMATION REQUIRED BY THE PERFORMANCE MEASURES ADOPTED BY
45 THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-217.

1 H. THE DEPARTMENT OF EDUCATION SHALL COMPILE THE REPORTS RECEIVED
2 FROM EACH APPROVED PROGRAM PROVIDER UNDER SUBSECTION G OF THIS SECTION
3 AND, ON OR BEFORE DECEMBER 15 OF EACH YEAR, SHALL PROVIDE AN ANNUAL REPORT
4 TO THE GOVERNOR, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF
5 REPRESENTATIVES AND THE STATE BOARD OF EDUCATION AND PROVIDE A COPY OF
6 THIS REPORT TO THE SECRETARY OF STATE.

7 I. BEGINNING WITH THE END OF THE SECOND FISCAL YEAR OF THE PROGRAM,
8 THE STATE BOARD OF EDUCATION, IN COOPERATION WITH THE DEPARTMENT OF
9 EDUCATION, SHALL REVIEW DATA FROM EACH APPROVED PROGRAM PROVIDER TO ENSURE
10 THAT EACH APPROVED PROGRAM PROVIDER IS ACHIEVING MINIMUM PROGRAM
11 PERFORMANCE STANDARDS, INCLUDING:

- 12 1. A GRADUATION RATE OF AT LEAST FIFTY PERCENT.
- 13 2. AN AVERAGE COST PER GRADUATE OF \$7,000 OR LESS.

14 J. THE STATE BOARD OF EDUCATION, MAY DEVELOP A PROCESS TO BRING AN
15 APPROVED PROGRAM PROVIDER INTO COMPLIANCE. THE STATE BOARD OF EDUCATION
16 SHALL REVOKE AN APPROVED PROGRAM PROVIDER'S AUTHORIZATION TO PARTICIPATE
17 IN THE PROGRAM IF THE APPROVED PROGRAM PROVIDER DOES NOT COMPLY WITH THE
18 REQUIREMENTS OF THIS SECTION WITHIN TWO YEARS.

19 K. THE DEPARTMENT OF EDUCATION SHALL PROVIDE ADEQUATE STAFF SUPPORT
20 FOR THE STATE BOARD OF EDUCATION TO COMPLY WITH THIS SECTION.

21 L. FOR THE PURPOSES OF THIS SECTION:

22 1. "ACADEMIC SKILLS INTAKE ASSESSMENT" MEANS A CRITERION-REFERENCED
23 ASSESSMENT OF NUMERACY AND LITERACY SKILLS WITH HIGH RELIABILITY AND
24 VALIDITY THAT IS DETERMINED BY THIRD-PARTY RESEARCH AND THAT MAY BE
25 ADMINISTERED IN PERSON OR ONLINE.

26 2. "ACCREDITED PROVIDER" MEANS AN ENTITY THAT IS CURRENTLY
27 ACCREDITED BY ONE OF THE SEVEN REGIONAL ACCREDITATION ORGANIZATIONS OR ANY
28 SUCCESSOR ENTITY.

29 3. "APPROVED PROGRAM PROVIDER" MEANS A PUBLIC, NONPROFIT OR OTHER
30 ENTITY THAT MEETS THE REQUIREMENTS OF THIS SECTION AND THAT DOES NOT
31 RECEIVE FEDERAL OR STATE FUNDING OR PRIVATE TUITION FOR A STUDENT WHO IS
32 FUNDED THROUGH THE PROGRAM.

33 4. "AVERAGE COST PER GRADUATE" MEANS THE TOTAL PROGRAM FUNDING
34 DISPERSED TO AN APPROVED PROGRAM PROVIDER DIVIDED BY THE TOTAL NUMBER OF
35 GRADUATES FOR A COHORT CALCULATED TWELVE MONTHS AFTER THE CLOSE OF THE
36 COHORT.

37 5. "CAREER PATHWAYS COURSEWORK" MEANS ONE OR MORE COURSES THAT
38 ALIGN WITH THE SKILL NEEDS OF INDUSTRIES IN THE ECONOMY OF THIS STATE OR
39 REGION AND THAT ASSIST STUDENTS TO ENTER OR ADVANCE WITHIN A SPECIFIC
40 OCCUPATION OR OCCUPATIONAL CLUSTER.

41 6. "CAREER PLACEMENT SERVICES" MEANS SERVICES THAT ARE DESIGNED TO
42 ASSIST STUDENTS IN OBTAINING EMPLOYMENT, INCLUDING CAREER INTEREST
43 SELF-ASSESSMENTS, JOB SEARCH SKILLS, RÉSUMÉ DEVELOPMENT AND MOCK
44 INTERVIEWS.

- 1 7. "COHORT" MEANS THE STUDENTS WHO ENTER THE PROGRAM BETWEEN JULY 1
2 AND JUNE 30 OF EACH PROGRAM YEAR.
- 3 8. "EMPLOYABILITY SKILLS CERTIFICATION" MEANS A CERTIFICATE EARNED
4 BY DEMONSTRATING PROFESSIONAL NONTECHNICAL SKILLS THROUGH ASSESSMENT AND
5 MUST INCLUDE THE PROGRAM STANDARDS OF THE UNITED STATES DEPARTMENT OF
6 LABOR'S "SKILLS TO PAY THE BILLS: MASTERING SOFT SKILLS FOR WORKPLACE
7 SUCCESS".
- 8 9. "GRADUATE" MEANS A STUDENT WHO HAS SUCCESSFULLY COMPLETED ALL
9 STATE AND APPROVED PROGRAM PROVIDER REQUIREMENTS TO EARN A HIGH SCHOOL
10 DIPLOMA.
- 11 10. "GRADUATION RATE" MEANS THE TOTAL NUMBER OF GRADUATES FROM A
12 COHORT DIVIDED BY THE TOTAL NUMBER OF STUDENTS FROM THE SAME COHORT
13 CALCULATED TWELVE MONTHS AFTER THE CLOSE OF THE COHORT.
- 14 11. "GRADUATION REQUIREMENTS" MEANS COURSE AND CREDIT REQUIREMENTS
15 NEEDED TO EARN A HIGH SCHOOL DIPLOMA FROM AN APPROVED PROGRAM PROVIDER.
- 16 12. "HIGH SCHOOL DIPLOMA" MEANS A DIPLOMA THAT IS ISSUED BY AN
17 ACCREDITED PROVIDER AND THAT IS RECOGNIZED AS A SECONDARY SCHOOL DIPLOMA
18 BY THIS STATE.
- 19 13. "INDUSTRY-RECOGNIZED CREDENTIAL" MEANS AN EDUCATION-RELATED OR
20 WORK-RELATED CREDENTIAL THAT VERIFIES AN INDIVIDUAL'S QUALIFICATION OR
21 COMPETENCE AND THAT IS ISSUED BY A THIRD PARTY WITH THE RELEVANT AUTHORITY
22 TO ISSUE THE CREDENTIAL.
- 23 14. "LEARNING PLAN" MEANS A DOCUMENTED PLAN THAT BOTH:
24 (a) IS DESIGNED TO PREPARE A STUDENT TO SUCCEED IN THE PROGRAM AND
25 THE STUDENT'S FUTURE ENDEAVORS.
26 (b) IDENTIFIES THE COURSES AND CREDITS THAT ARE NEEDED FOR A
27 STUDENT TO COMPLETE THE PROGRAM AND THAT ARE APPROVED PROGRAM PROVIDER
28 GRADUATION REQUIREMENTS.
- 29 15. "MILESTONES" MEANS OBJECTIVE MEASURES OF PROGRESS FOR WHICH
30 PAYMENT IS MADE TO AN APPROVED PROGRAM PROVIDER UNDER THIS SECTION,
31 INCLUDING EARNED UNITS OF HIGH SCHOOL CREDIT, EARNED INDUSTRY-RECOGNIZED
32 CREDENTIALS AND EARNED HIGH SCHOOL DIPLOMAS.
- 33 16. "PROGRAM" MEANS THE ADULT WORKFORCE DIPLOMA PROGRAM.
- 34 17. "STACKABLE CREDENTIAL" MEANS A THIRD-PARTY CREDENTIAL THAT IS
35 PART OF A SEQUENCE OF CREDENTIALS THAT CAN BE ACCUMULATED OVER TIME TO
36 BUILD UP AN INDIVIDUAL'S QUALIFICATIONS TO ADVANCE ALONG A CAREER PATHWAY.
- 37 18. "STUDENT" MEANS A PARTICIPANT IN THE PROGRAM WHO IS AT LEAST
38 TWENTY-ONE YEARS OF AGE, WHO IS A RESIDENT OF THIS STATE AND WHO HAS NOT
39 EARNED A HIGH SCHOOL DIPLOMA.
- 40 19. "TRANSCRIPT EVALUATION" MEANS A DOCUMENTED SUMMARY OF CREDITS
41 THAT WERE EARNED IN PREVIOUS PUBLIC OR PRIVATE ACCREDITED HIGH SCHOOLS
42 COMPARED WITH PROGRAM AND APPROVED PROGRAM PROVIDER GRADUATION
43 REQUIREMENTS.
- 44 20. "UNIT OF HIGH SCHOOL CREDIT" MEANS A CREDIT THAT IS AWARDED
45 BASED ON A STUDENT'S DEMONSTRATION THAT THE STUDENT HAS SUCCESSFULLY MET

1 THE CONTENT EXPECTATIONS FOR THE CREDIT AREA AS DEFINED BY SUBJECT AREA
2 STANDARDS, EXPECTATIONS OR GUIDELINES.

3 15-217.03. Community college adult education workforce
4 development program; fund; program schools;
5 annual reports

6 A. THE COMMUNITY COLLEGE ADULT EDUCATION WORKFORCE DEVELOPMENT
7 PROGRAM IS ESTABLISHED WITHIN THE STATE BOARD OF EDUCATION, TO BE
8 ADMINISTERED BY THE DEPARTMENT OF EDUCATION, TO PROVIDE ADULT LEARNERS
9 WITH INTEGRATED EDUCATION AND TRAINING PROGRAMS AND ADDITIONAL STUDY AND
10 SUPPORT SERVICES THAT LEAD TO THE ISSUANCE OF BOTH OF THE FOLLOWING:

- 11 1. A HIGH SCHOOL DIPLOMA OR HIGH SCHOOL EQUIVALENCY DIPLOMA.
- 12 2. AN INDUSTRY-RECOGNIZED CREDENTIAL OR COMMUNITY COLLEGE DEGREE.

13 B. TO BE ELIGIBLE TO PARTICIPATE IN THE PROGRAM, THE PROGRAM
14 APPLICANT MUST BE A COMMUNITY COLLEGE DISTRICT THAT IS ESTABLISHED
15 PURSUANT TO SECTION 15-1402, THAT PROVIDES HIGH SCHOOL DIPLOMAS OR HIGH
16 SCHOOL EQUIVALENCY DIPLOMAS AND THAT PROVIDES WORKFORCE TRAINING THAT
17 LEADS TO INDUSTRY-RECOGNIZED CREDENTIALS OR WORKFORCE OR DEGREE PROGRAMS,
18 INCLUDING WORKFORCE PROGRAMS ACCREDITED BY A REGIONAL ACCREDITING BODY
19 RECOGNIZED BY THE UNITED STATES DEPARTMENT OF EDUCATION. IF A PROGRAM
20 APPLICANT MEETS THE REQUIREMENTS OF THIS SUBSECTION, THE DEPARTMENT OF
21 EDUCATION SHALL DISTRIBUTE MONIES TO THE PROGRAM APPLICANT AS PRESCRIBED
22 IN SUBSECTION C OF THIS SECTION.

23 C. THE COMMUNITY COLLEGE ADULT EDUCATION WORKFORCE DEVELOPMENT
24 PROGRAM FUND IS ESTABLISHED CONSISTING OF LEGISLATIVE APPROPRIATIONS AND
25 ANY OTHER MONIES. THE DEPARTMENT OF EDUCATION SHALL ADMINISTER THE FUND.
26 MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE
27 PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.
28 NOTWITHSTANDING ANY OTHER LAW, A PROGRAM SCHOOL SHALL BE FUNDED AS
29 FOLLOWS:

30 1. THE PROGRAM SCHOOL MAY RECEIVE UP TO \$3,000 PER FULL-TIME
31 STUDENT IN THE PROGRAM EACH FISCAL YEAR. PART-TIME STUDENTS SHALL BE
32 FUNDED IN PROPORTION TO THE NUMBER OF ENROLLED COURSES OR HOURS OF
33 INSTRUCTION.

34 2. THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE FUND MONIES TO ALL
35 PROGRAM SCHOOLS THAT MEET THE CRITERIA PRESCRIBED IN SUBSECTION B OF THIS
36 SECTION IN A PROPORTIONAL MANNER BASED ON THE NUMBER OF ADULT LEARNERS
37 EACH PROGRAM SCHOOL SERVES.

38 D. A PROGRAM SCHOOL SHALL USE MONIES RECEIVED UNDER THIS SECTION TO
39 SUPPLEMENT AND NOT SUPPLANT CURRENT PROGRAM OFFERINGS. IN ADDITION TO ANY
40 MONIES RECEIVED FROM THE FUND, A PROGRAM SCHOOL MAY ACCEPT AND SPEND
41 FEDERAL MONIES AND PRIVATE GRANTS, GIFTS, CONTRIBUTIONS AND DEVISES TO
42 ASSIST THE PROGRAM SCHOOL IN CARRYING OUT THE PURPOSES OF THIS SECTION. A
43 PROGRAM SCHOOL SHALL USE MONIES RECEIVED UNDER SUBSECTION C OF THIS
44 SECTION FOR ADULT LEARNERS TO PARTICIPATE IN A HIGH SCHOOL DIPLOMA OR HIGH
45 SCHOOL EQUIVALENCY DIPLOMA PROGRAM THAT ALSO OFFERS AN INDUSTRY-RECOGNIZED

1 CREDENTIAL OR COMMUNITY COLLEGE DEGREE. A PORTION OF MONIES MAY BE USED
2 FOR ADDITIONAL SUPPORT SERVICES TO ENSURE THE SUCCESS OF ADULT LEARNERS IN
3 THE PROGRAM, INCLUDING THE FOLLOWING:

4 1. TRANSPORTATION ASSISTANCE FOR ADULT LEARNERS WITH A DEMONSTRATED
5 NEED.

6 2. CHILD CARE SERVICES FOR DEPENDENTS OF ADULT LEARNERS WHILE THE
7 ADULT LEARNER IS ON-SITE.

8 3. COLLEGE AND CAREER COUNSELING.

9 4. JOB PLACEMENT ASSISTANCE.

10 E. FOR EACH YEAR THAT MONIES ARE APPROPRIATED BY THE LEGISLATURE TO
11 THE FUND ESTABLISHED BY SUBSECTION C OF THIS SECTION, ON OR BEFORE OCTOBER
12 30, EACH PARTICIPATING COMMUNITY COLLEGE SHALL SUBMIT A REPORT REGARDING
13 THE COMMUNITY COLLEGE ADULT EDUCATION WORKFORCE DEVELOPMENT PROGRAM TO THE
14 DEPARTMENT OF EDUCATION. THE DEPARTMENT OF EDUCATION SHALL COMPILE THE
15 REPORTS RECEIVED FROM EACH PARTICIPATING COMMUNITY COLLEGE AND, ON OR
16 BEFORE DECEMBER 15 OF EACH YEAR, SHALL PROVIDE AN ANNUAL REPORT TO THE
17 GOVERNOR, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF
18 REPRESENTATIVES AND THE STATE BOARD OF EDUCATION AND SHALL PROVIDE A COPY
19 OF THIS REPORT TO THE SECRETARY OF STATE. EACH REPORT SHALL INCLUDE, AT A
20 MINIMUM, ALL OF THE FOLLOWING INFORMATION FOR EACH PARTICIPATING COMMUNITY
21 COLLEGE FOR THE PRECEDING SCHOOL YEAR:

22 1. THE NUMBER OF ADULT LEARNERS ENROLLED IN THE PROGRAM.

23 2. THE COMPLETION RATE OF HIGH SCHOOL DIPLOMAS AND HIGH SCHOOL
24 EQUIVALENCY DIPLOMAS EARNED BY ADULT LEARNERS ENROLLED IN THE PROGRAM.

25 3. THE AVERAGE PROGRESS OF ADULT LEARNERS TOWARD MEETING COMPLETION
26 CRITERIA.

27 4. THE NUMBER AND TYPE OF INDUSTRY-RECOGNIZED CREDENTIALS,
28 COMMUNITY COLLEGE DEGREE CREDITS AND COMMUNITY COLLEGE DEGREES EARNED BY
29 ADULT LEARNERS ENROLLED IN THE PROGRAM.

30 5. A DESCRIPTIVE SUMMARY OF THE COMMUNITY COLLEGE ADULT EDUCATION
31 WORKFORCE DEVELOPMENT PROGRAM OFFERED.

32 6. THE NUMBER OF ADULT LEARNERS WHO HAVE NEWLY ACQUIRED PROFICIENCY
33 IN THE ENGLISH LANGUAGE.

34 7. THE INFORMATION REQUIRED BY THE PERFORMANCE MEASURES ADOPTED BY
35 THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-217.

36 F. THE STATE BOARD OF EDUCATION, IN COOPERATION WITH THE DEPARTMENT
37 OF EDUCATION, MAY REQUEST INFORMATION FROM ANY PROGRAM APPLICANT OR
38 PROGRAM SCHOOL FOR THE PURPOSES OF DETERMINING PROGRAM ELIGIBILITY AND
39 FUNDING DISTRIBUTIONS UNDER THIS SECTION.

40 G. THE STATE BOARD OF EDUCATION, IN COOPERATION WITH THE DEPARTMENT
41 OF EDUCATION, MAY DEVELOP A PROCESS TO BRING A PROGRAM SCHOOL INTO
42 COMPLIANCE OR REVOKE THE PROGRAM SCHOOL'S AUTHORIZATION TO PARTICIPATE IN
43 THE PROGRAM, AT THE DISCRETION OF THE STATE BOARD OF EDUCATION.

44 H. THE DEPARTMENT OF EDUCATION SHALL PROVIDE ADEQUATE STAFF SUPPORT
45 FOR THE STATE BOARD OF EDUCATION TO COMPLY WITH THIS SECTION.

1 Sec. 3. Title 15, chapter 2, article 2, Arizona Revised Statutes,
2 is amended by adding sections 15-249.17 and 15-249.18, to read:

3 15-249.17. Code writers initiative program; grants; annual
4 report

5 A. THE CODE WRITERS INITIATIVE PROGRAM IS ESTABLISHED WITHIN THE
6 DEPARTMENT OF EDUCATION TO PROVIDE GRANTS ON A COMPETITIVE BASIS PURSUANT
7 TO TITLE 41, CHAPTER 24, ARTICLE 1 FOR THE PURPOSES PRESCRIBED IN THIS
8 SECTION. THE INDIAN EDUCATION ADVISORY COUNCIL IN THE DEPARTMENT OF
9 EDUCATION SHALL EVALUATE GRANT APPLICATIONS AND MAKE AWARD RECOMMENDATIONS
10 TO THE DEPARTMENT. THE DEPARTMENT SHALL MAXIMIZE AVAILABLE FUNDING BY
11 AWARING GRANTS TO PARTICIPANTS THAT WILL LEVERAGE STATE MONIES BY
12 SECURING GIFTS, GRANTS AND DONATIONS FROM OTHER SOURCES.

13 B. GRANTEES IN THE CODE WRITERS INITIATIVE PROGRAM SHALL:

14 1. INTRODUCE A COMPUTER CODE WRITING CURRICULUM FOR STUDENTS IN
15 GRADES NINE THROUGH TWELVE.

16 2. DELIVER A TECHNOLOGY-FOCUSED EDUCATION TO NATIVE AMERICAN
17 STUDENTS THAT WILL PREPARE THE STUDENTS FOR THE GLOBAL ECONOMY. THE
18 INSTRUCTION MAY BE OFFERED THROUGH AFTER-SCHOOL PROGRAMMING.

19 3. INSTRUCT NATIVE AMERICAN STUDENTS IN COMPUTER CODE WRITING AND
20 WORK WITH INDUSTRY PARTNERS TO DEVELOP INTERNSHIPS AND PROGRAMS THAT WILL
21 BE MADE AVAILABLE TO STUDENTS WHO COMPLETE THE PROGRAM CURRICULUM.

22 4. INSTRUCT TEACHERS AND ADMINISTRATORS IN A TECHNOLOGY-FOCUSED
23 CURRICULUM.

24 5. DEVELOP ASSESSMENT METRICS TO MEASURE PROGRESS TO BE USED TO
25 DETERMINE THE INITIATIVE'S EFFECTIVENESS.

26 6. INSTALL AUDIOVISUAL DISTANCE LEARNING EQUIPMENT AT KEY DELIVERY
27 POINTS TO MAXIMIZE THE NUMBER OF PROGRAM PARTICIPANTS.

28 7. DETERMINE THE IMPACTS FROM THE INITIATIVE'S CURRICULUM AND
29 TEACHER INSTRUCTION ON STUDENTS' STANDARDIZED TEST SCORES AND GRADUATION
30 RATES.

31 8. ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, SUBMIT AN ANNUAL REPORT
32 TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF
33 REPRESENTATIVES, THE INDIAN EDUCATION ADVISORY COUNCIL AND THE DEPARTMENT
34 OF EDUCATION CONTAINING DETAILED INFORMATION RELATING TO THE REQUIREMENTS
35 OF THIS SUBSECTION FOR THE MOST RECENT SCHOOL YEAR.

36 15-249.18. Invest in postsecondary success program; vendor;
37 fund; rules

38 A. THE INVEST IN POSTSECONDARY SUCCESS PROGRAM IS ESTABLISHED. THE
39 DEPARTMENT OF EDUCATION SHALL ADMINISTER THE PROGRAM.

40 B. THE INVEST IN POSTSECONDARY SUCCESS PROGRAM SHALL CONTRACT WITH
41 A VENDOR THAT IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(c)(3)
42 OF THE INTERNAL REVENUE CODE AND THAT IS SELECTED THROUGH A REQUEST FOR
43 PROPOSALS. THE VENDOR SHALL PROVIDE STUDENT SUPPORT TO PROGRAM
44 PARTICIPANTS UNDER THIS SECTION. THE VENDOR SELECTED PURSUANT TO THIS
45 SUBSECTION MUST MEET ALL OF THE FOLLOWING REQUIREMENTS:

1 1. HAVE ADMINISTERED EACH OF THE FOLLOWING FOR AT LEAST FIVE
2 PREVIOUS ACADEMIC YEARS:

3 (a) COLLEGE MATCH SAVINGS ACCOUNTS IN WHICH A STUDENT'S
4 CONTRIBUTIONS ARE MATCHED BY \$8 FOR EACH DOLLAR THE STUDENT DEPOSITS PER
5 ACADEMIC YEAR. THE COLLEGE MATCH SAVINGS ACCOUNTS DESCRIBED IN THIS
6 SUBDIVISION MUST BE IN THE FORM OF A CUSTODIAL ACCOUNT OR 529 PLAN.

7 (b) FINANCIAL CAPABILITY TRAINING THAT ADDRESSES BUDGETING,
8 MANAGING STUDENT DEBT, SAVINGS, DEBIT MANAGEMENT, CREDIT CARD USE,
9 RETIREMENT READINESS AND CREDIT REPORTS.

10 (c) WORKFORCE READINESS TRAINING THAT ADDRESSES BUSINESSES
11 MENTORING, JOB SHADOWING, INTERVIEWING AND RESUME SKILLS AND CAREER
12 EXPLORATION.

13 2. HAVE SERVED AT LEAST TWO THOUSAND STUDENTS IN THE PAST TEN
14 YEARS.

15 3. CURRENTLY SUPPORT MULTIPLE STUDENT PATHWAYS BY PARTNERING WITH
16 INSTITUTIONS OF HIGHER EDUCATION, INCLUDING COMMUNITY COLLEGES,
17 UNIVERSITIES AND CAREER AND TECHNICAL EDUCATION PROGRAMS.

18 C. TO PARTICIPATE IN THE PROGRAM, STUDENTS MAY APPLY TO THE
19 DEPARTMENT OF EDUCATION IN A MANNER PRESCRIBED BY THE DEPARTMENT. THE
20 DEPARTMENT SHALL ESTABLISH PROGRAM ELIGIBILITY CRITERIA. EACH PROGRAM
21 PARTICIPANT SHALL OPEN A COLLEGE MATCH SAVINGS ACCOUNT WITH THE VENDOR
22 THAT IS SELECTED PURSUANT TO SUBSECTION B OF THIS SECTION.

23 D. THE VENDOR SELECTED PURSUANT TO SUBSECTION B OF THIS SECTION
24 SHALL ADMINISTER COLLEGE MATCH SAVINGS ACCOUNTS FOR PROGRAM PARTICIPANTS
25 AND PROVIDE PROGRAM PARTICIPANTS WITH FINANCIAL CAPABILITY TRAINING AND
26 WORKFORCE READINESS TRAINING AS DESCRIBED IN SUBSECTION B, PARAGRAPH 1 OF
27 THIS SECTION.

28 E. THE INVEST IN POSTSECONDARY SUCCESS PROGRAM FUND IS ESTABLISHED
29 CONSISTING OF LEGISLATIVE APPROPRIATIONS. THE DEPARTMENT OF EDUCATION
30 SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY
31 APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING
32 TO LAPSING OF APPROPRIATIONS. THE DEPARTMENT SHALL USE MONIES IN THE FUND
33 FOR THE PURPOSES OF ADMINISTERING THE PROGRAM AND FOR DISTRIBUTING MONIES
34 TO THE VENDOR SELECTED PURSUANT TO SUBSECTION B OF THIS SECTION. THE
35 VENDOR SHALL USE ANY MONIES RECEIVED FROM THE FUND FOR THE PURPOSES OF
36 THIS SECTION.

37 F. THE DEPARTMENT OF EDUCATION MAY ADOPT RULES FOR THE PURPOSES OF
38 THIS SECTION.

39 Sec. 4. Section 15-393, Arizona Revised Statutes, as amended by
40 Laws 2022, chapter 136, section 1, is amended to read:

41 15-393. Career technical education district governing board:
42 report; definitions

43 A. The management and control of a career technical education
44 district are vested in the career technical education district governing
45 board, including the content and quality of the courses offered by the

1 district, the quality of teachers who provide instruction on behalf of the
2 district, the salaries of teachers who provide instruction on behalf of
3 the district and the reimbursement of other entities for the facilities
4 used by the district. This section does not restrict a school district
5 from offering any career and technical education course that does not
6 qualify for funding as a career technical education course or career
7 technical education district program. Unless the governing boards of the
8 school districts participating in the formation of the career technical
9 education district vote to implement an alternative election system as
10 provided in subsection B of this section, the career technical education
11 board consists of five members elected from five single member districts
12 formed within the career technical education district. The single member
13 district election system shall be submitted as part of the plan for the
14 career technical education district pursuant to section 15-392 and shall
15 be established in the plan as follows:

16 1. The governing boards of the school districts participating in
17 the formation of the career technical education district shall define the
18 boundaries of the single member districts so that the single member
19 districts are as nearly equal in population as is practicable, except that
20 if the career technical education district lies in part in each of two or
21 more counties, at least one single member district may be entirely within
22 each of the counties comprising the career technical education district if
23 this district design is consistent with the obligation to equalize the
24 population among single member districts.

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

28 3. A person who is a registered voter of this state and who has
29 been a resident of the single member district for at least one year
30 immediately preceding the date of the election is eligible for election to
31 the office of career technical education board member from the single
32 member district. The terms of office of the members of the career
33 technical education board shall be as prescribed in section 15-427,
34 subsection B. An employee of a career technical education district or the
35 spouse of an employee shall not hold membership on a governing board of a
36 career technical education district by which the employee is employed. A
37 member of one school district governing board or career technical
38 education district governing board is ineligible to be a candidate for
39 nomination or election to or serve simultaneously as a member of any other
40 governing board, except that a member of a governing board may be a
41 candidate for nomination or election for any other governing board if the
42 member is serving in the last year of a term of office. A member of a
43 governing board shall resign the member's seat on the governing board
44 before becoming a candidate for nomination or election to the governing
45 board of any other school district or career technical education district,

1 unless the member of the governing board is serving in the last year of a
2 term of office. Members of a career technical education district
3 governing board are subject to the conflict of interest requirements
4 prescribed in section 38-503.

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

7 B. The governing boards of the school districts participating in
8 the formation of the career technical education district may vote to
9 implement any other alternative election system for the election of career
10 technical education district board members. If an alternative election
11 system is selected, it shall be submitted as part of the plan for the
12 career technical education district pursuant to section 15-392, and the
13 implementation of the system shall be as approved by the United States
14 justice department.

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

- 17 1. Chapter 1, articles 1 through 6.
- 18 2. Sections 15-208, 15-210, 15-213 and 15-234.
- 19 3. Articles 2, 3 and 5 of this chapter.
- 20 4. Section 15-361.
- 21 5. Chapter 4, articles 1, 2 and 5.
- 22 6. Chapter 5, articles 1 and 3.
- 23 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728,
24 15-729 and 15-730.
- 25 8. Chapter 7, article 5.
- 26 9. Chapter 8, articles 1, 3 and 4.
- 27 10. Sections 15-828 and 15-829.
- 28 11. Chapter 9, article 1, article 6, except for section 15-995, and
29 article 7.
- 30 12. Sections 15-941, 15-943.01, ~~15-952~~, 15-953 and 15-973.
- 31 13. Sections 15-1101 and 15-1104.
- 32 14. Chapter 10, articles 2, 3, 4 and 8.

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

35 1. A career technical education district may issue bonds for the
36 purposes specified in section 15-1021 and in chapter 4, article 5 of this
37 title to an amount in the aggregate, including the existing indebtedness,
38 not exceeding one percent of the net assessed value of the full cash value
39 of the property within the career technical education district. For the
40 purposes of this paragraph, "full cash value" and "net assessed value"
41 have the same meanings prescribed in section 42-11001.

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

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

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

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

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

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

42 (e) The procedures for implementing this paragraph shall be as
43 prescribed in the uniform system of financial records.
44 For the purposes of this paragraph, "school district of residence" means
45 the school district that included the pupil in its average daily

1 membership for the year before the first year of operation of the career
2 technical education district and that would have included the pupil in its
3 student count for the purposes of computing its base support level for the
4 fiscal year of the first year of operation of the career technical
5 education district if the pupil had not enrolled in the career technical
6 education district.

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

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

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

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

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

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

29 7. A school district that is part of a career technical education
30 district shall use any monies received pursuant to this article to
31 supplement and not supplant base year career and technical education
32 courses, and directly related equipment and facilities, except that a
33 school district that is part of a career technical education district and
34 that has used monies received pursuant to this article to supplant career
35 and technical education courses that were offered before the first year
36 that the school district participated in the career technical education
37 district or the first year that the school district used monies received
38 pursuant to this article or that used the monies for purposes other than
39 for career and technical education courses shall use one hundred percent
40 of the monies received pursuant to this article to supplement and not
41 supplant base year career and technical education courses. Each
42 applicable school district shall provide a report to the career technical
43 education board and the department of education outlining the required
44 maintenance of effort and how monies were used to supplement and not

1 supplant base year career and technical education courses and directly
2 related equipment and facilities.

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

6 9. A career technical education district or a school district that
7 is part of a career technical education district or a charter school shall
8 only include pupils in grades nine through twelve and pupils in the school
9 year immediately following graduation in the calculation of student count
10 or average daily membership if the pupils are enrolled in courses that are
11 approved jointly by the governing board of the career technical education
12 district and each participating school district or charter school for
13 satellite courses taught within the participating school district or
14 charter school, or approved solely by the career technical education
15 district for centrally located courses. Funding may be provided for not
16 more than four years for the same student. Student count and average
17 daily membership from courses that are not part of an approved program for
18 career and technical education shall not be included in student count and
19 average daily membership of a career technical education district.

20 E. The career technical education board shall appoint a
21 superintendent as the executive officer of the career technical education
22 district.

23 F. Taxes may be levied for the support of the career technical
24 education district as prescribed in chapter 9, article 6 of this title,
25 except that a career technical education district shall not levy a
26 property tax pursuant to law that exceeds \$.05 per \$100 assessed valuation
27 except for bond monies pursuant to subsection D, paragraph 1 of this
28 section. ~~Except for the taxes levied pursuant to section 15-994,~~ Such
29 taxes shall be obtained from a levy of taxes on the taxable property used
30 for secondary tax purposes.

31 G. The schools in the career technical education district are
32 available to all persons who reside in the career technical education
33 district and to pupils whose school district of residence within this
34 state is paying tuition on behalf of the pupils to a district of
35 attendance that is a member of the career technical education district,
36 subject to the rules for admission prescribed by the career technical
37 education board.

38 H. The career technical education board may collect tuition for
39 adult students and the attendance of pupils who are residents of school
40 districts that are not participating in the career technical education
41 district pursuant to arrangements made between the governing board of the
42 school district and the career technical education board.

43 I. The career technical education board may accept gifts, grants,
44 federal monies, tuition and other allocations of monies to erect, repair

1 and equip buildings and for the cost of operating the schools of the
2 career technical education district.

3 J. One member of the career technical education board shall be
4 selected chairman. The chairman shall be selected annually on a rotation
5 basis from among the participating school districts. The chairman of the
6 career technical education board shall be a voting member.

7 K. A career technical education board and a community college
8 district may enter into agreements to provide for administrative,
9 operational and educational services and facilities.

10 L. Any agreement between the governing board of a career technical
11 education district and another career technical education district, a
12 school district, a charter school or a community college district shall be
13 in the form of an intergovernmental agreement or other written contract.
14 The auditor general shall modify the uniform system of financial records
15 and budget forms in accordance with this subsection. The
16 intergovernmental agreement or other written contract shall completely and
17 accurately specify each of the following:

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

20 2. The accountability provisions of the intergovernmental agreement
21 or other written contract.

22 3. The responsibilities of each career technical education
23 district, each school district, each charter school and each community
24 college district that is a party to the intergovernmental agreement or
25 other written contract.

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

29 5. The quality of the instruction that will be provided under the
30 intergovernmental agreement or other written contract.

31 6. The transportation services that will be provided under the
32 intergovernmental agreement or other written contract and the manner in
33 which transportation costs will be paid.

34 7. The amount that the career technical education district will
35 contribute to a course and the amount of support required by the school
36 district, the charter school or the community college.

37 8. That the services provided by the career technical education
38 district, the school district, the charter school or the community college
39 district be proportionally calculated in the cost of delivering the
40 service.

41 9. That the payment for services shall not exceed the cost of the
42 services provided.

43 10. That the career technical education district will provide the
44 following minimum services for all member districts:

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

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

6 11. An itemized listing of other goods and services that are
7 provided to the member district and that are paid for by the retention of
8 satellite campus student funding.

9 M. A member school district or charter school may not submit
10 requests to approve or add satellite campus career technical education
11 district programs or courses directly to the career and technical
12 education division of the department of education, but shall submit all
13 appropriate application documentation and materials for programs or
14 courses to the career technical education district. On approval from the
15 career technical education board, a career technical education district
16 shall only submit requests to approve or add satellite campus career
17 technical education district programs or courses directly to the career
18 and technical education division of the department of education, which
19 shall determine whether the criteria prescribed in section 15-391,
20 paragraphs 2 and 4 have been met. If the career and technical education
21 division of the department of education determines that a course does not
22 meet the criteria for approval as a career technical education course, the
23 governing board of the career technical education district may appeal this
24 decision to the state board of education acting as the state board of
25 vocational education.

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

32 O. If a career and technical education course or program is
33 provided on a satellite campus, the sum of the average daily membership,
34 as provided in section 15-901, subsection A, paragraph 1, for that pupil
35 in the school district or charter school and career technical education
36 district shall not exceed 1.25. The school district or charter school and
37 the career technical education district shall determine the apportionment
38 of the average daily membership for that pupil between the school district
39 or charter school and the career technical education district. A pupil
40 who attends a course or program at a satellite campus and who is not
41 enrolled in the school district or charter school where the satellite
42 campus is located may generate the average daily membership of up to 0.25
43 for one hundred fifty instructional hours of enrollment for instruction
44 received during any hour of the day, during any day of the week and at any
45 time between July 1 and June 30 of each fiscal year pursuant to this

1 subsection if the pupil is enrolled in a school district that is a member
2 district in the same career technical education district.

3 P. The sum of the average daily membership of a pupil who is
4 enrolled in both the school district and career technical education course
5 or career technical education program provided by a community college
6 pursuant to subsection K of this section or at a centralized campus shall
7 not exceed 1.75. The average daily membership for a pupil who is enrolled
8 in a career technical education course or career technical education
9 program provided by a community college shall be 0.25 for the accumulation
10 of every three community college credits for which a student is enrolled
11 in career technical education courses. The member school district and the
12 career technical education district shall determine the apportionment of
13 the average daily membership and student enrollment for that pupil between
14 the member school district and the career technical education district,
15 except that the amount apportioned shall not exceed 1.0 for either entity.
16 Notwithstanding any other law, the average daily membership for a pupil
17 who is in grade nine, ten, eleven or twelve or in the school year
18 immediately following graduation and who is enrolled in a course that
19 meets for at least one hundred fifty minutes per class period at a
20 centralized campus shall be 0.75. To qualify for funding pursuant to this
21 subsection, a centralized campus shall offer programs and courses to all
22 eligible students in each member district of the career technical
23 education district. Students in an approved career technical education
24 program may generate an average daily membership of up to 1.75 for
25 instruction received during any hour of the day, during any day of the
26 week and at any time between July 1 and June 30 of each fiscal
27 year. Average daily membership shall not be calculated on the one
28 hundredth day of instruction for the purposes of this section. Average
29 daily membership shall be calculated by dividing the instructional hours
30 of enrollment by six hundred hours, except that:

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

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

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

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

38 Q. The average daily membership for a pupil who is in grade nine,
39 ten, eleven or twelve or in the school year immediately following
40 graduation and who is enrolled in a course that meets for at least one
41 hundred fifty minutes per class period at a leased centralized campus
42 shall not exceed 0.75. Students in an approved career technical education
43 program provided by a leased centralized campus may generate an average
44 daily membership for instruction received during any hour of the day,
45 during any day of the week and at any time between July 1 and June 30 of

1 each fiscal year. Average daily membership shall be calculated by
2 dividing the instructional hours of enrollment by six hundred hours,
3 except that:

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

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

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

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

11 R. The sum of the average daily membership, as provided in section
12 15-901, subsection A, paragraph 1, of a pupil who is enrolled in both the
13 school district and in career technical education courses provided at a
14 leased centralized campus shall not exceed 1.75 if all of the following
15 conditions are met:

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

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

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

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

29 S. A student who is enrolled in an accommodation school may be
30 treated as a student of the school district in which the student
31 physically resides for the purposes of enrollment in a career technical
32 education district and shall be included in the calculation of average
33 daily membership for either the career technical education district or the
34 accommodation school, or both.

35 T. Notwithstanding any other law, the student count for a career
36 technical education district shall be equivalent to the career technical
37 education district's average daily membership. Students in an approved
38 career technical education program provided by a satellite campus,
39 centralized campus or leased centralized campus may generate an average
40 daily membership subject to the limits prescribed by subsections D, N, O,
41 P, Q and R of this section, as applicable, for instruction received during
42 any hour of the day, during any day of the week and at any time between
43 July 1 and June 30 of each fiscal year. Average daily membership shall
44 not be calculated on the one hundredth day of instruction for the purposes
45 of this section. The department may not restrict the instructional time

1 by limiting the particular days of the week or time of the fiscal year for
2 instruction to occur.

3 U. A school district or charter school may not prohibit or
4 discourage students who are enrolled in that school district or charter
5 school from attending courses offered by a career technical education
6 district, including requiring students to generate a full 1.0 average
7 daily membership or to enroll in more courses than are needed to graduate
8 before enrolling in and attending programs or courses offered by a career
9 technical education district.

10 V. The governing board of the career technical education district
11 may contract with any charter school that is located within the boundaries
12 of the career technical education district to allow that charter school to
13 offer career and technical education courses or programs as a satellite
14 campus.

15 W. Beginning in 2020 and every five years thereafter, the career
16 and technical education division of the department of education shall
17 review career technical education district programs and career technical
18 education courses to ensure compliance, quality and eligibility. Any
19 program or course deemed to not meet the requirements set forth by law
20 shall not be funded for the current school year and shall be removed from
21 the approved program and course list for the purposes of funding. The
22 career and technical education division may establish a staggered schedule
23 for reviewing each career technical education district.

24 X. Notwithstanding subsection D, paragraphs 4 and 9 and subsections
25 P, Q and R of this section, for a student in grade nine, funding shall be
26 provided pursuant to this section only if the student reaches the fortieth
27 day of grade eleven enrolled in an approved career technical education
28 program and meets the requirements prescribed in subsection Z of this
29 section. At that time funding shall be provided for that student for
30 grade nine and for any subsequent year in which the student is eligible
31 for funding pursuant to this section.

32 Y. On or before September 1 of each year, the office of economic
33 opportunity in collaboration with the department of education shall
34 compile an in-demand regional education list of the approved career
35 technical education programs that lead to a career path in high demand
36 with median-to-high-wage jobs in that region. The office of economic
37 opportunity shall incorporate industry feedback as part of developing the
38 in-demand regional educational list. The office of economic opportunity
39 shall submit the in-demand regional education list to the Arizona career
40 and technical education quality commission for review and approval.

41 Z. Notwithstanding subsection D, paragraphs 4 and 9 and subsections
42 P, Q and R of this section, for a student in grade nine or in the school
43 year immediately following graduation, funding shall be provided pursuant
44 to this section only if the student is enrolled in a program that was
45 included on the in-demand regional education list compiled pursuant to

1 subsection Y of this section for that student's region for the year in
2 which the student began the program.

3 AA. For the purposes of this section:

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

6 2. "Centralized campus" means a facility that is owned and operated
7 by a career technical education district to offer career technical
8 education district programs or career technical education courses.

9 3. "Lease" means a written agreement in which the right to occupy
10 or use real property is conveyed from one person or entity to another
11 person or entity for a specified period of time.

12 4. "Leased centralized campus" means a facility that is leased and
13 operated by a career technical education district to offer career
14 technical education district programs or career technical education
15 courses.

16 5. "Satellite campus" means a facility that is owned or operated by
17 a school district or charter school to offer career technical education
18 district programs or career technical education courses.

19 Sec. 5. Section 15-901, Arizona Revised Statutes, is amended to
20 read:

21 15-901. Definitions

22 A. In this title, unless the context otherwise requires:

23 1. "Average daily membership" means the total enrollment of
24 fractional students and full-time students, minus withdrawals, of each
25 school day through the first one hundred days or two hundred days in
26 session, as applicable, for the current year. Withdrawals include
27 students who are formally withdrawn from schools and students who are
28 absent for ten consecutive school days, except for excused absences
29 identified by the department of education. For the purposes of this
30 section, school districts and charter schools shall report student absence
31 data to the department of education at least once every sixty days in
32 session. For computation purposes, the effective date of withdrawal shall
33 be retroactive to the last day of actual attendance of the student or
34 excused absence. A school district or charter school may satisfy any of
35 the time and hours requirements prescribed in this subsection in any
36 manner prescribed in the school district's or charter school's
37 instructional time model adopted under section 15-901.08.

38 (a) "Fractional student" means:

39 (i) For common schools, a preschool child who is enrolled in a
40 program for preschool children with disabilities of at least three hundred
41 sixty minutes each week that meets at least two hundred sixteen hours over
42 the minimum number of days or a kindergarten student who is at least five
43 years of age before January 1 of the school year and enrolled in a school
44 kindergarten program that meets at least three hundred fifty-six hours for
45 a one hundred eighty-day school year, or the instructional hours

1 prescribed in this section. In computing the average daily membership,
2 preschool children with disabilities and kindergarten students shall be
3 counted as one-half of a full-time student. For common schools, a
4 part-time student is a student enrolled for less than the total time for a
5 full-time student as defined in this section. A part-time common school
6 student shall be counted as one-fourth, one-half or three-fourths of a
7 full-time student if the student is enrolled in an instructional program
8 that is at least one-fourth, one-half or three-fourths of the time a
9 full-time student is enrolled as defined in subdivision (b) of this
10 paragraph. The hours in which a student is scheduled to attend a common
11 school during the regular school day shall be included in the calculation
12 of the average daily membership for that student.

13 (ii) For high schools, a part-time student who is enrolled in less
14 than four subjects that count toward graduation as defined by the state
15 board of education, each of which, if taught each school day for the
16 minimum number of days required in a school year, would meet a minimum of
17 one hundred twenty-three hours a year, or the equivalent, in a recognized
18 high school. The average daily membership of a part-time high school
19 student shall be 0.75 if the student is enrolled in an instructional
20 program of three subjects that meet at least five hundred forty hours for
21 a one hundred eighty-day school year, or the instructional hours
22 prescribed in this section. The average daily membership of a part-time
23 high school student shall be 0.5 if the student is enrolled in an
24 instructional program of two subjects that meet at least three hundred
25 sixty hours for a one hundred eighty-day school year, or the instructional
26 hours prescribed in this section. The average daily membership of a
27 part-time high school student shall be 0.25 if the student is enrolled in
28 an instructional program of one subject that meets at least one hundred
29 eighty hours for a one hundred eighty-day school year, or the
30 instructional hours prescribed in this section. The hours in which a
31 student is scheduled to attend a high school during the regular school day
32 shall be included in the calculation of the average daily membership for
33 that student.

34 (b) "Full-time student" means:

35 (i) For common schools, a student who is at least six years of age
36 before January 1 of a school year, who has not graduated from the highest
37 grade taught in the school district and who is regularly enrolled in a
38 course of study required by the state board of education. First, second
39 and third grade students or ungraded group B children with disabilities
40 who are at least five, but under six, years of age by September 1 must be
41 enrolled in an instructional program that meets for a total of at least
42 seven hundred twelve hours for a one hundred eighty-day school year, or
43 the instructional hours prescribed in this section. Fourth, fifth, sixth,
44 seventh and eighth grade students must be enrolled in an instructional
45 program that meets for a total of at least eight hundred ninety hours for

1 a one hundred eighty-day school year, or the instructional hours
2 prescribed in this section, including the equivalent number of
3 instructional hours for schools that operate on a one hundred
4 forty-four-day school year. The hours in which a student is scheduled to
5 attend a common school during the regular school day shall be included in
6 the calculation of the average daily membership for that student.

7 (ii) For high schools, a student who has not graduated from the
8 highest grade taught in the school district and who is enrolled in at
9 least an instructional program of four or more subjects that count toward
10 graduation as defined by the state board of education, each of which, if
11 taught each school day for the minimum number of days required in a school
12 year, would meet a minimum of one hundred twenty-three hours a year, or
13 the equivalent, that meets for a total of at least seven hundred twenty
14 hours for a one hundred eighty-day school year, or the instructional hours
15 prescribed in this section in a recognized high school. A full-time
16 student shall not be counted more than once for computation of average
17 daily membership. The average daily membership of a full-time high school
18 student shall be 1.0 if the student is enrolled in at least four subjects
19 that meet at least seven hundred twenty hours for a one hundred eighty-day
20 school year, or the equivalent instructional hours prescribed in this
21 section. The hours in which a student is scheduled to attend a high
22 school during the regular school day shall be included in the calculation
23 of the average daily membership for that student.

24 (iii) If a child who has not reached five years of age before
25 September 1 of the current school year is admitted to kindergarten and
26 repeats kindergarten in the following school year, a school district or
27 charter school is not eligible to receive basic state aid on behalf of
28 that child during the child's second year of kindergarten. If a child who
29 has not reached five years of age before September 1 of the current school
30 year is admitted to kindergarten but does not remain enrolled, a school
31 district or charter school may receive a portion of basic state aid on
32 behalf of that child in the subsequent year. A school district or charter
33 school may charge tuition for any child who is ineligible for basic state
34 aid pursuant to this item.

35 (iv) Except as otherwise provided by law, for a full-time high
36 school student who is concurrently enrolled in two school districts or two
37 charter schools, the average daily membership shall not exceed 1.0.

38 (v) Except as otherwise provided by law, for any student who is
39 concurrently enrolled in a school district and a charter school, the
40 average daily membership shall be apportioned between the school district
41 and the charter school and shall not exceed 1.0. The apportionment shall
42 be based on the percentage of total time that the student is enrolled in
43 or in attendance at the school district and the charter school.

44 (vi) Except as otherwise provided by law, for any student who is
45 concurrently enrolled, pursuant to section 15-808, in a school district

1 and Arizona online instruction or a charter school and Arizona online
2 instruction, the average daily membership shall be apportioned between the
3 school district and Arizona online instruction or the charter school and
4 Arizona online instruction and shall not exceed 1.0. The apportionment
5 shall be based on the percentage of total time that the student is
6 enrolled in or in attendance at the school district and Arizona online
7 instruction or the charter school and Arizona online instruction.

8 (vii) For homebound or hospitalized, a student receiving at least
9 four hours of instruction per week.

10 (c) "Regular school day" means the regularly scheduled class
11 periods intended for instructional purposes. Instructional purposes may
12 include core subjects, elective subjects, lunch, study halls, music
13 instruction and other classes that advance the academic instruction of
14 pupils. Instructional purposes do not include athletic practices or
15 extracurricular clubs and activities.

16 2. "Budget year" means the fiscal year for which the school
17 district is budgeting and that immediately follows the current year.

18 3. "Common school district" means a political subdivision of this
19 state offering instruction to students in programs for preschool children
20 with disabilities and kindergarten programs and either:

21 (a) Grades one through eight.

22 (b) Grades one through nine pursuant to section 15-447.01.

23 4. "Current year" means the fiscal year in which a school district
24 is operating.

25 5. "Daily attendance" means:

26 (a) For common schools, days in which a pupil:

27 (i) Of a kindergarten program or ungraded, but not group B children
28 with disabilities, who is at least five, but under six, years of age by
29 September 1 attends at least three-quarters of the instructional time
30 scheduled for the day. If the total instruction time scheduled for the
31 year is at least three hundred fifty-six hours but is less than seven
32 hundred twelve hours, such attendance shall be counted as one-half day of
33 attendance. If the instructional time scheduled for the year is at least
34 six hundred ninety-two hours, "daily attendance" means days in which a
35 pupil attends at least one-half of the instructional time scheduled for
36 the day. Such attendance shall be counted as one-half day of attendance.
37 A school district or charter school may satisfy any of the time and hours
38 requirements prescribed in this item in any manner prescribed in the
39 school district's or charter school's instructional time model adopted
40 under section 15-901.08.

41 (ii) Of the first, second or third grades attends more than
42 three-quarters of the instructional time scheduled for the day. A school
43 district or charter school may satisfy any of the time and hours
44 requirements prescribed in this item in any manner prescribed in the

1 school district's or charter school's instructional time model adopted
2 under section 15-901.08.

3 (iii) Of the fourth, fifth or sixth grades attends more than
4 three-quarters of the instructional time scheduled for the day, except as
5 provided in section 15-797. A school district or charter school may
6 satisfy any of the time and hours requirements prescribed in this item in
7 any manner prescribed in the school district's or charter school's
8 instructional time model adopted under section 15-901.08.

9 (iv) Of the seventh or eighth grades attends more than
10 three-quarters of the instructional time scheduled for the day, except as
11 provided in section 15-797. A school district or charter school may
12 satisfy any of the time and hours requirements prescribed in this item in
13 any manner prescribed in the school district's or charter school's
14 instructional time model adopted under section 15-901.08.

15 (b) For common schools, the attendance of a pupil at three-quarters
16 or less of the instructional time scheduled for the day shall be counted
17 as follows, except as provided in section 15-797 and except that
18 attendance for a fractional student shall not exceed the pupil's
19 fractional membership:

20 (i) If attendance for all pupils in the school is based on quarter
21 days, the attendance of a pupil shall be counted as one-fourth of a day's
22 attendance for each one-fourth of full-time instructional time attended.
23 A school district or charter school may satisfy any of the time and hours
24 requirements prescribed in this item in any manner prescribed in the
25 school district's or charter school's instructional time model adopted
26 under section 15-901.08.

27 (ii) If attendance for all pupils in the school is based on half
28 days, the attendance of at least three-quarters of the instructional time
29 scheduled for the day shall be counted as a full day's attendance and
30 attendance at a minimum of one-half but less than three-quarters of the
31 instructional time scheduled for the day equals one-half day of
32 attendance. A school district or charter school may satisfy any of the
33 time and hours requirements prescribed in this item in any manner
34 prescribed in the school district's or charter school's instructional time
35 model adopted under section 15-901.08.

36 (c) For common schools, the attendance of a preschool child with
37 disabilities shall be counted as one-fourth day's attendance for each
38 thirty-six minutes of attendance, except as provided in paragraph 1,
39 subdivision (a), item (i) of this subsection for children with
40 disabilities up to a maximum of three hundred sixty minutes each week. A
41 school district or charter school may satisfy any of the time and hours
42 requirements prescribed in this subdivision in any manner prescribed in
43 the school district's or charter school's instructional time model adopted
44 under section 15-901.08.

1 (d) For high schools, the attendance of a pupil shall not be
2 counted as a full day unless the pupil is actually and physically in
3 attendance and enrolled in and carrying four subjects, each of which, if
4 taught each school day for the minimum number of days required in a school
5 year, would meet a minimum of one hundred twenty-three hours a year, or
6 the equivalent, that count toward graduation in a recognized high school
7 except as provided in section 15-797 and subdivision (e) of this
8 paragraph. Attendance of a pupil carrying less than the load prescribed
9 shall be prorated. A school district or charter school may satisfy any of
10 the time and hours requirements prescribed in this subdivision in any
11 manner prescribed in the school district's or charter school's
12 instructional time model adopted under section 15-901.08.

13 (e) For high schools, the attendance of a pupil may be counted as
14 one-fourth of a day's attendance for each sixty minutes of instructional
15 time in a subject that counts toward graduation, except that attendance
16 for a pupil shall not exceed the pupil's full or fractional membership. A
17 school district or charter school may satisfy any of the time and hours
18 requirements prescribed in this subdivision in any manner prescribed in
19 the school district's or charter school's instructional time model adopted
20 under section 15-901.08.

21 (f) For homebound or hospitalized, a full day of attendance may be
22 counted for each day during a week in which the student receives at least
23 four hours of instruction. A school district or charter school may
24 satisfy any of the time and hours requirements prescribed in this
25 subdivision in any manner prescribed in the school district's or charter
26 school's instructional time model adopted under section 15-901.08.

27 (g) For school districts that maintain school for an approved
28 year-round school year operation, attendance shall be based on a
29 computation, as prescribed by the superintendent of public instruction, of
30 the one hundred eighty days' equivalency or two hundred days' equivalency,
31 as applicable, of instructional time as approved by the superintendent of
32 public instruction during which each pupil is enrolled. A school district
33 or charter school may satisfy any of the time and hours requirements
34 prescribed in this subdivision in any manner prescribed in the school
35 district's or charter school's instructional time model adopted under
36 section 15-901.08.

37 6. "Daily route mileage" means the sum of:

38 (a) The total number of miles driven daily by all buses of a school
39 district while transporting eligible students from their residence to the
40 school of attendance and from the school of attendance to their residence
41 on scheduled routes approved by the superintendent of public instruction.

42 (b) The total number of miles driven daily on routes approved by
43 the superintendent of public instruction for which a private party, a
44 political subdivision or a common or a contract carrier is reimbursed for
45 bringing an eligible student from the place of the student's residence to

1 a school transportation pickup point or to the school of attendance and
2 from the school transportation scheduled return point or from the school
3 of attendance to the student's residence. Daily route mileage includes
4 the total number of miles necessary to drive to transport eligible
5 students from and to their residence as provided in this paragraph.

6 7. "District support level" means the base support level plus the
7 transportation support level.

8 8. "Eligible students" means:

9 (a) Students who are transported by or for a school district and
10 who qualify as full-time students or fractional students, except students
11 for whom transportation is paid by another school district or a county
12 school superintendent, and:

13 (i) For common school students, whose place of actual residence
14 within the school district is more than one mile from the school facility
15 of attendance or students who are admitted pursuant to section 15-816.01
16 and who meet the economic eligibility requirements established under the
17 national school lunch and child nutrition acts (42 United States Code
18 sections 1751 through 1793) for free or reduced-price lunches and whose
19 actual place of residence outside the school district boundaries is more
20 than one mile from the school facility of attendance.

21 (ii) For high school students, whose place of actual residence
22 within the school district is more than one and one-half miles from the
23 school facility of attendance or students who are admitted pursuant to
24 section 15-816.01 and who meet the economic eligibility requirements
25 established under the national school lunch and child nutrition acts
26 (42 United States Code sections 1751 through 1793) for free or
27 reduced-price lunches and whose actual place of residence outside the
28 school district boundaries is more than one and one-half miles from the
29 school facility of attendance.

30 (b) Kindergarten students, for purposes of computing the number of
31 eligible students under subdivision (a), item (i) of this paragraph, shall
32 be counted as full-time students, notwithstanding any other provision of
33 law.

34 (c) Children with disabilities, as defined by section 15-761, who
35 are transported by or for the school district or who are admitted pursuant
36 to chapter 8, article 1.1 of this title and who qualify as full-time
37 students or fractional students regardless of location or residence within
38 the school district or children with disabilities whose transportation is
39 required by the pupil's individualized education program.

40 (d) Students whose residence is outside the school district and who
41 are transported within the school district on the same basis as students
42 who reside in the school district.

43 9. "Enrolled" or "enrollment" means that a pupil is currently
44 registered in the school district.

1 10. "GDP price deflator" means the average of the four implicit
2 price deflators for the gross domestic product reported by the United
3 States department of commerce for the four quarters of the calendar year.

4 11. "High school district" means a political subdivision of this
5 state offering instruction to students for grades nine through twelve or
6 that portion of the budget of a common school district that is allocated
7 to teaching high school subjects with permission of the state board of
8 education.

9 12. "Instructional hours" or "instructional time" means hours or
10 time spent pursuant to an instructional time model adopted under section
11 15-901.08.

12 13. "Revenue control limit" means the base revenue control limit
13 plus the transportation revenue control limit.

14 14. "Student count" means average daily membership as prescribed in
15 this subsection for the fiscal year before the current year, except that
16 for the purpose of budget preparation student count means average daily
17 membership as prescribed in this subsection for the current year.

18 15. "Submit electronically" means submitted in a format and in a
19 manner prescribed by the department of education.

20 16. "Total bus mileage" means the total number of miles driven by
21 all buses of a school district during the school year.

22 17. "Total students transported" means all eligible students
23 transported from their place of residence to a school transportation
24 pickup point or to the school of attendance and from the school of
25 attendance or from the school transportation scheduled return point to
26 their place of residence.

27 18. "Unified school district" means a political subdivision of this
28 state offering instruction to students in programs for preschool children
29 with disabilities and kindergarten programs and grades one through twelve.

30 B. In this title, unless the context otherwise requires:

31 1. "Base" means the revenue level per student count specified by
32 the legislature.

33 2. "Base level" means the following amounts plus the percentage
34 ~~increases~~ INCREASE to the base level as provided in ~~sections~~ SECTION
35 15-902.04 ~~and 15-952, except that if a school district or charter school~~
36 ~~is eligible for an increase in the base level as provided in two or more~~
37 ~~of these sections, the base level amount shall be calculated by~~
38 ~~compounding rather than adding the sum of one plus the percentage of the~~
39 ~~increase from those different sections:~~

40 ~~(a) For fiscal year 2019-2020, \$4,150.43.~~

41 ~~(b)~~ (a) For fiscal year 2020-2021, \$4,305.73.

42 ~~(c)~~ (b) For fiscal year 2021-2022, \$4,390.65.

43 (c) FOR FISCAL YEAR 2022-2023, \$4,775.27.

44 3. "Base revenue control limit" means the base revenue control
45 limit computed as provided in section 15-944.

1 4. "Base support level" means the base support level as provided in
2 section 15-943.

3 5. "Certified teacher" means a person who is certified as a teacher
4 pursuant to the rules adopted by the state board of education, who renders
5 direct and personal services to schoolchildren in the form of instruction
6 related to the school district's educational course of study and who is
7 paid from the maintenance and operation section of the budget.

8 6. "DD" means programs for children with developmental delays who
9 are at least three years of age but under ten years of age. A preschool
10 child who is categorized under this paragraph is not eligible to receive
11 funding pursuant to section 15-943, paragraph 2, subdivision (b).

12 7. "ED, MIID, SLD, SLI and OHI" means programs for children with
13 emotional disabilities, mild intellectual disabilities, a specific
14 learning disability, a speech/language impairment and other health
15 impairments. A preschool child who is categorized as SLI under this
16 paragraph is not eligible to receive funding pursuant to section 15-943,
17 paragraph 2, subdivision (b).

18 8. "ED-P" means programs for children with emotional disabilities
19 who are enrolled in private special education programs as prescribed in
20 section 15-765, subsection D, paragraph 1 or in an intensive school
21 district program as provided in section 15-765, subsection D, paragraph 2.

22 9. "ELL" means English learners who do not speak English or whose
23 native language is not English, who are not currently able to perform
24 ordinary classroom work in English and who are enrolled in an English
25 language education program pursuant to sections 15-751, 15-752 and 15-753.

26 10. "FRPL" MEANS STUDENTS WHO MEET THE ELIGIBILITY REQUIREMENTS
27 ESTABLISHED UNDER THE NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS
28 (42 UNITED STATES CODE SECTIONS 1751 THROUGH 1793) FOR FREE OR
29 REDUCED-PRICE LUNCHES, OR AN EQUIVALENT MEASURE RECOGNIZED FOR
30 PARTICIPATING IN THE FEDERAL FREE AND REDUCED-PRICE LUNCH PROGRAM AND
31 OTHER SCHOOL PROGRAMS DEPENDENT ON A POVERTY MEASURE, INCLUDING THE
32 COMMUNITY ELIGIBILITY PROVISION FOR WHICH FREE AND REDUCED-PRICE LUNCH
33 DATA IS NOT AVAILABLE.

34 11. "Full-time equivalent certified teacher" or "FTE certified
35 teacher" means for a certified teacher the following:

36 (a) If employed full time as defined in section 15-501, 1.00.

37 (b) If employed less than full time, multiply 1.00 by the
38 percentage of a full school day, or its equivalent, or a full class load,
39 or its equivalent, for which the teacher is employed as determined by the
40 governing board.

41 12. "G" means educational programs for gifted pupils who score at
42 or above the ninety-seventh percentile, based on national norms, on a test
43 adopted by the state board of education.

44 13. "Group A" means educational programs for career exploration, a
45 specific learning disability, an emotional disability, a mild intellectual

1 disability, remedial education, a speech/language impairment,
2 developmental delay, homebound pupils, bilingual pupils and pupils with
3 other health impairments.

4 14. "Group B" means educational improvements for pupils in
5 kindergarten programs and grades one through three, educational programs
6 for autism, a hearing impairment, a moderate intellectual disability,
7 multiple disabilities, multiple disabilities with severe sensory
8 impairment, orthopedic impairments, preschool severe delay, a severe
9 intellectual disability and emotional disabilities for school age pupils
10 enrolled in private special education programs or in school district
11 programs for children with severe disabilities or visual impairment,
12 English learners enrolled in a program to promote English language
13 proficiency pursuant to section 15-752 AND STUDENTS WHO MEET THE
14 ELIGIBILITY REQUIREMENTS ESTABLISHED UNDER THE NATIONAL SCHOOL LUNCH AND
15 CHILD NUTRITION ACTS (42 UNITED STATES CODE SECTIONS 1751 THROUGH 1793)
16 FOR FREE OR REDUCED-PRICE LUNCHESES, OR AN EQUIVALENT MEASURE RECOGNIZED FOR
17 PARTICIPATING IN THE FEDERAL FREE AND REDUCED-PRICE LUNCH PROGRAM AND
18 OTHER SCHOOL PROGRAMS DEPENDENT ON A POVERTY MEASURE, INCLUDING THE
19 COMMUNITY ELIGIBILITY PROVISION FOR WHICH FREE AND REDUCED-PRICE LUNCH
20 DATA IS NOT AVAILABLE.

21 15. "HI" means programs for pupils with hearing impairment.

22 16. "Homebound" or "hospitalized" means a pupil who is capable of
23 profiting from academic instruction but is unable to attend school due to
24 illness, disease, accident or other health conditions, who has been
25 examined by a competent medical doctor and who is certified by that doctor
26 as being unable to attend regular classes for a period of not less than
27 three school months or a pupil who is capable of profiting from academic
28 instruction but is unable to attend school regularly due to chronic or
29 acute health problems, who has been examined by a competent medical doctor
30 and who is certified by that doctor as being unable to attend regular
31 classes for intermittent periods of time totaling three school months
32 during a school year. The medical certification shall state the general
33 medical condition, such as illness, disease or chronic health condition,
34 that is the reason that the pupil is unable to attend school. Homebound
35 or hospitalized includes a student who is unable to attend school for a
36 period of less than three months due to a pregnancy if a competent medical
37 doctor, after an examination, certifies that the student is unable to
38 attend regular classes due to risk to the pregnancy or to the student's
39 health.

40 17. "K-3" means kindergarten programs and grades one through three.

41 18. "K-3 reading" means reading programs for pupils in kindergarten
42 programs and grades one, two and three.

43 19. "MD-R, A-R and SID-R" means resource programs for pupils with
44 multiple disabilities, autism and severe intellectual disability.

- 1 20. "MD-SC, A-SC and SID-SC" means self-contained programs for
2 pupils with multiple disabilities, autism and severe intellectual
3 disability.
- 4 21. "MD-SSI" means a program for pupils with multiple disabilities
5 with severe sensory impairment.
- 6 22. "MOID" means programs for pupils with moderate intellectual
7 disability.
- 8 23. "OI-R" means a resource program for pupils with orthopedic
9 impairments.
- 10 24. "OI-SC" means a self-contained program for pupils with
11 orthopedic impairments.
- 12 25. "PSD" means preschool programs for children with disabilities
13 as provided in section 15-771.
- 14 26. "P-SD" means programs for children who meet the definition of
15 preschool severe delay as provided in section 15-771.
- 16 27. "Qualifying tax rate" means the qualifying tax rate specified
17 in section 15-971 applied to the assessed valuation used for primary
18 property taxes.
- 19 28. "Small isolated school district" means a school district that
20 meets all of the following:
- 21 (a) Has a student count of fewer than six hundred in kindergarten
22 programs and grades one through eight or grades nine through twelve.
- 23 (b) Contains no school that is fewer than thirty miles by the most
24 reasonable route from another school, or, if road conditions and terrain
25 make the driving slow or hazardous, fifteen miles from another school that
26 teaches one or more of the same grades and is operated by another school
27 district in this state.
- 28 (c) Is designated as a small isolated school district by the
29 superintendent of public instruction.
- 30 29. "Small school district" means a school district that meets all
31 of the following:
- 32 (a) Has a student count of fewer than six hundred in kindergarten
33 programs and grades one through eight or grades nine through twelve.
- 34 (b) Contains at least one school that is fewer than thirty miles by
35 the most reasonable route from another school that teaches one or more of
36 the same grades and is operated by another school district in this state.
- 37 (c) Is designated as a small school district by the superintendent
38 of public instruction.
- 39 30. "Transportation revenue control limit" means the transportation
40 revenue control limit computed as prescribed in section 15-946.
- 41 31. "Transportation support level" means the support level for
42 pupil transportation operating expenses as provided in section 15-945.
- 43 32. "VI" means programs for pupils with visual impairments.

1 Sec. 6. Section 15-910, Arizona Revised Statutes, is amended to
2 read:

3 15-910. School district budgets; excess utility costs;
4 desegregation costs; tuition costs for bond issues;
5 costs for registering warrants; report

6 A. The governing board may budget for the district's excess utility
7 costs that are specifically exempt from the district's revenue control
8 limit. If approved by the qualified electors voting at a statewide
9 general election, the exemption from the revenue control limit under this
10 subsection expires at the end of the 2008-2009 budget year. The uniform
11 system of financial records shall specify expenditure items allowable as
12 excess utility costs, which are limited to direct operational costs of
13 heating, cooling, water and electricity, telephone communications and
14 sanitation fees. The department of education and the auditor general
15 shall include in the maintenance and operation section of the budget
16 format, as provided in section 15-903, a separate line for utility
17 expenditures and a special excess utility cost category. The special
18 excess utility cost category shall contain budgeted expenditures for
19 excess utility costs, determined as follows:

20 1. Determine the lesser of the total budgeted or total actual
21 utility expenditures for fiscal year 1984-1985.

22 2. Multiply the amount in paragraph 1 of this subsection by the
23 total percentage increase or decrease in the revenue control limit and the
24 capital outlay revenue limit for the budget year over the revenue control
25 limit and the capital outlay revenue limit for fiscal year 1984-1985
26 ~~excluding monies available from a teacher compensation program provided~~
27 ~~for in section 15-952.~~

28 3. The sum of the amounts in paragraphs 1 and 2 of this subsection
29 is the amount budgeted in the utility expenditure line.

30 4. Additional expenditures for utilities are budgeted in the excess
31 utility cost category.

32 B. The governing board shall apply the same percentage increase or
33 decrease allowed in the revenue control limit and the capital outlay
34 revenue limit as provided in section 15-905, subsection E to the utility
35 expenditure line of the budget.

36 C. The governing board may expend from the excess utility cost
37 category only after it has expended for utility purposes the full amount
38 budgeted in the utility expenditure line of the budget.

39 D. The governing board, after notice is given and a public meeting
40 is held as provided in section 15-905, subsection D, may revise at any
41 time before May 15 the amount budgeted in the excess utility cost category
42 for the current year. Not later than May 18, the budget as revised shall
43 be submitted electronically to the superintendent of public instruction.

44 E. If the revised excess utility cost category results in an
45 expenditure of monies in excess of school district revenues for the

1 current year, the county school superintendent shall include within the
2 revenue estimate for the budget year monies necessary to meet the
3 liabilities incurred by the school district in the current year in excess
4 of revenues received for the current year.

5 F. If a school district receives a refund of utility expenditures
6 or a rebate on energy saving devices or services, the refund or rebate
7 shall be applied against utility expenditures for the current year as a
8 reduction of the expenditures, except that the reduction of expenditures
9 shall not exceed the amount of actual utility expenditures.

10 G. The governing board may budget for expenses of complying with or
11 continuing to implement activities that were required or permitted by a
12 court order of desegregation or administrative agreement with the United
13 States department of education office for civil rights directed toward
14 remediating alleged or proven racial discrimination that are specifically
15 exempt in whole or in part from the revenue control limit and district
16 additional assistance. This exemption applies only to expenses incurred
17 for activities that are begun before the termination of the court order or
18 administrative agreement. If a district is levying a property tax on
19 February 23, 2006 and using those monies to administer an English language
20 learner program to remedy alleged or proven discrimination under title VI
21 of the civil rights act of 1964 (42 United States Code section 2000d), the
22 district may spend those monies to remedy a violation of the equal
23 educational opportunities act of 1974 (20 United States Code section
24 1703(f)). Nothing in this subsection allows a school district to levy a
25 property tax for violations of the equal educational opportunities act of
26 1974 (20 United States Code section 1703(f)) in the absence of an alleged
27 or proven discrimination under title VI of the civil rights act of 1964
28 (42 United States Code section 2000d).

29 H. If a governing board chooses to budget monies outside of the
30 revenue control limit as provided in subsection G of this section, the
31 governing board may do one of the following:

32 1. Use monies from the maintenance and operation fund equal to any
33 excess desegregation or compliance expenses beyond the revenue control
34 limit before June 30 of the current year.

35 2. Notify the county school superintendent to include the cost of
36 the excess expenses in the county school superintendent's estimate of the
37 additional amount needed for the school district from the secondary
38 property tax as provided in section 15-991.

39 3. Employ the provisions of both paragraphs 1 and 2 of this
40 subsection, provided that the total amount transferred and included in the
41 amount needed from property taxes does not exceed the total amount
42 budgeted as prescribed in subsection J, paragraph 1 of this section.

43 I. If a governing board chooses to budget monies outside of
44 district additional assistance as provided in subsection G of this
45 section, the governing board may notify the county school superintendent

1 to include the cost of the excess expenses in the county school
2 superintendent's estimate of the additional amount needed for the school
3 district from the secondary property tax as provided in section 15-991.

4 J. A governing board using subsections G, H and I of this section:

5 1. Shall prepare and employ a separate maintenance and operation
6 desegregation budget and capital outlay desegregation budget on a form
7 prescribed by the superintendent of public instruction in conjunction with
8 the auditor general. The budget format shall be designed to allow a
9 school district to plan and provide in detail for expenditures to be
10 incurred solely as a result of compliance with or continuing to implement
11 activities that were required or permitted by a court order of
12 desegregation or administrative agreement with the United States
13 department of education office for civil rights directed toward
14 remediating alleged or proven racial discrimination.

15 2. Shall prepare as a part of the annual financial report a
16 detailed report of expenditures incurred solely as a result of compliance
17 with or continuing to implement activities that were required or permitted
18 by a court order of desegregation or administrative agreement with the
19 United States department of education office for civil rights directed
20 toward remediating alleged or proven racial discrimination, in a format
21 prescribed by the auditor general in conjunction with the Arizona
22 department of education as provided by section 15-904.

23 3. On or before July 15 each year, shall collect and report data
24 regarding activities related to a court order of desegregation or an
25 administrative agreement with the United States department of education
26 office for civil rights directed toward remediating alleged or proven
27 racial discrimination in a format prescribed by the Arizona department of
28 education. The Arizona department of education shall compile and submit
29 copies of the reports to the governor, the president of the senate, the
30 speaker of the house of representatives and the chairpersons of the
31 education committees of the senate and the house of representatives and
32 shall submit a copy to the secretary of state. A school district that
33 becomes subject to a new court order of desegregation or a party to an
34 administrative agreement with the United States department of education
35 office for civil rights directed toward remediating alleged or proven
36 racial discrimination shall submit these reports on or before July 15 or
37 within ninety days of the date of the court order or administrative
38 agreement, whichever occurs first. The Arizona department of education,
39 in consultation with the auditor general, shall develop reporting
40 requirements to ensure that school districts submit at least the following
41 information and documentation to the Arizona department of education:

42 (a) A district-wide budget summary and a budget summary on a
43 school-by-school basis for each school in the school district that lists
44 the sources and uses of monies that are designated for desegregation
45 purposes.

1 (b) A detailed list of desegregation activities on a district-wide
2 basis and on a school-by-school basis for each school in the school
3 district.

4 (c) The date that the school district was determined to be out of
5 compliance with title VI of the civil rights act of 1964 (42 United States
6 Code section 2000d) and the basis for that determination.

7 (d) The initial date that the school district began to levy
8 property taxes to provide funding for desegregation expenses and any dates
9 that these property tax levies were increased.

10 (e) If applicable, a current and accurate description of all magnet
11 type programs that are in operation pursuant to the court order during the
12 current school year on a district-wide basis and on a school-by-school
13 basis. This information shall contain the eligibility and attendance
14 criteria of each magnet type program, the capacity of each magnet type
15 program, the ethnic composition goals of each magnet type program, the
16 actual attending ethnic composition of each magnet type program and the
17 specific activities offered in each magnet type program.

18 (f) The number of pupils who participate in desegregation
19 activities on a district-wide basis and on a school-by-school basis for
20 each school in the school district.

21 (g) A detailed summary of the academic achievement of pupils on a
22 district-wide basis and on a school-by-school basis for each school in the
23 school district.

24 (h) The number of employees, including teachers and administrative
25 personnel, on a district-wide basis and on a school-by-school basis for
26 each school in the school district that is necessary to conduct
27 desegregation activities.

28 (i) The number of employees, including teachers and administrative
29 personnel, on a district-wide basis and on a school-by-school basis for
30 each school in the school district and the number of employees at school
31 district administrative offices that are funded in whole or in part with
32 desegregation monies received pursuant to this section.

33 (j) The amount of monies that is not derived through a primary or
34 secondary property tax levy and that is budgeted and spent on
35 desegregation activities on a district-wide basis and on a
36 school-by-school basis for each school in the school district.

37 (k) Verification that the desegregation funding will supplement and
38 not supplant funding for other academic and extracurricular activities.

39 (l) Verification that the desegregation funding is educationally
40 justifiable.

41 (m) Any documentation that supports the proposition that the
42 requested desegregation funding is intended to result in equal education
43 opportunities for all pupils in the school district.

44 (n) Verification that the desegregation funding will be used to
45 promote systemic and organizational changes within the school district.

1 (o) Verification that the desegregation funding will be used in
2 accordance with the academic standards adopted by the state board of
3 education pursuant to sections 15-701 and 15-701.01.

4 (p) Verification that the desegregation funding will be used to
5 accomplish specific actions to remediate proven discrimination pursuant to
6 title VI of the civil rights act of 1964 (42 United States Code section
7 2000d) as specified in the court order or administrative agreement.

8 (q) An evaluation by the school district of the effectiveness of
9 the school district's desegregation measures.

10 (r) An estimate of when the school district will be in compliance
11 with the court order or administrative agreement and a detailed account of
12 the steps that the school district will take to achieve compliance.

13 (s) Any other information that the Arizona department of education
14 deems necessary to carry out the purposes of this paragraph.

15 K. If a school district governing board budgets for expenses of
16 complying with a court order of desegregation or an administrative
17 agreement with the United States department of education office for civil
18 rights directed toward remediating alleged or proven racial
19 discrimination, the governing board shall ensure that the desegregation
20 expenses will:

21 1. Be educationally justifiable.

22 2. Result in equal education opportunities for all pupils in the
23 school district.

24 3. Be used to promote systemic and organizational changes within
25 the school district.

26 4. Be used in accordance with the academic standards adopted by the
27 state board of education pursuant to sections 15-701 and 15-701.01.

28 5. Be used to accomplish specific actions to remediate proven
29 discrimination pursuant to title VI of the civil rights act of 1964
30 (42 United States Code section 2000d) as specified in the court order or
31 administrative agreement.

32 6. Be used in accordance with a plan submitted to the department of
33 education that includes an estimate of the amount of monies that will be
34 required to bring the school district into compliance with the court order
35 or administrative agreement and an estimate of when the school district
36 will be in compliance with the court order or administrative agreement.

37 7. Each fiscal year, not exceed the amount budgeted by the school
38 district for desegregation expenses in fiscal year 2008-2009.

39 L. Beginning in fiscal year 2018-2019, subsections G through K of
40 this section apply only if the governing board uses revenues from
41 secondary property taxes rather than primary property taxes to fund
42 expenses of complying with or continuing to implement activities that were
43 required or allowed by a court order of desegregation or administrative
44 agreement with the United States department of education office for civil
45 rights directed toward remediating alleged or proven racial discrimination

1 that are specifically exempt in whole or in part from the revenue control
2 limit and district additional assistance. Secondary property taxes levied
3 pursuant to this subsection do not require voter approval, but shall be
4 separately delineated on a property owner's property tax statement.

5 M. The governing board may budget for the bond issues portion of
6 the cost of tuition charged the district as provided in section 15-824 for
7 the pupils attending school in another school district, except that if the
8 district is a common school district not within a high school district,
9 the district may only include that part of tuition that is excluded from
10 the revenue control limit and district support level as provided in
11 section 15-951. The bond issues portion of the cost of tuition charged is
12 specifically exempt from the revenue control limit of the school district
13 of residence, and the primary property tax rate set to fund this amount
14 shall not be included in the computation of additional state aid for
15 education as provided in section 15-972, except as provided in section
16 15-972, subsection E. The department of education and the auditor general
17 shall include in the maintenance and operation section of the budget
18 format, as provided in section 15-903, a separate category for the bond
19 issues portion of the cost of tuition.

20 N. The governing board may budget for interest expenses it incurred
21 for registering warrants drawn against a fund of the school district or
22 net interest expense on tax anticipation notes as prescribed in section
23 35-465.05, subsection C for the fiscal year preceding the current year if
24 the county treasurer pooled all school district monies for investment as
25 provided in section 15-996 for the fiscal year preceding the current year
26 and, in those school districts that receive state aid, the school
27 districts applied for an apportionment of state aid before the date set
28 for the apportionment as provided in section 15-973 for the fiscal year
29 preceding the current year. The governing board may budget an amount for
30 interest expenses for registering warrants or issuing tax anticipation
31 notes equal to or less than the amount of the warrant interest expense or
32 net interest expense on tax anticipation notes as prescribed in section
33 35-465.05, subsection C for the fiscal year preceding the current year as
34 provided in this subsection that is specifically exempt from the revenue
35 control limit. For the purposes of this subsection, "state aid" means
36 state aid as determined in sections 15-971 and 15-972.

37 Sec. 7. Section 15-913.01, Arizona Revised Statutes, is amended to
38 read:

39 15-913.01. Education program; county jails

40 A. Each county that operates a county jail shall offer an education
41 program to serve all prisoners who are ~~under eighteen years of age and~~
42 ~~prisoners with disabilities who are age~~ **YOURS OF AGE** or
43 younger, **WHO DO NOT HAVE A HIGH SCHOOL DIPLOMA OR A GENERAL EQUIVALENCY**
44 **DIPLOMA** and who are confined in the county jail. The county school

1 superintendent and the sheriff in each county shall agree on the method of
2 delivery of the education program.

3 B. The county school superintendent shall develop policies and
4 procedures ~~for the TO transfer of THE~~ educational records of any prisoner
5 confined in a county jail who has been transferred from a juvenile
6 detention center or from any other public agency that has provided
7 educational services to that prisoner.

8 C. A county may operate its county jail education program through
9 an accommodation school that provides alternative education services
10 pursuant to section 15-308, except that each pupil enrolled in the
11 accommodation school county jail education program shall be funded at an
12 amount equal to seventy-two ~~per cent~~ PERCENT of the amount for that pupil
13 if that pupil were enrolled in another accommodation school program.

14 D. If a county chooses not to operate its county jail education
15 program through an accommodation school, the county school superintendent
16 may establish a county jail education fund to provide financial support to
17 the program. The county jail education fund for each program shall
18 consist of a base amount plus a variable amount. For fiscal year
19 1999-2000, the base amount is ~~fourteen thousand four hundred dollars~~
20 \$14,400 and the variable amount shall be determined pursuant to subsection
21 E of this section. The base amount and variable amount for each county or
22 counties served shall be funded with state general fund monies, subject to
23 appropriation. The county school superintendent must submit claims for
24 payments to the ~~state~~ superintendent of public instruction. The county
25 school superintendent shall deposit the payments ~~into~~ IN the RESPECTIVE
26 county jail education fund.

27 E. The variable amount shall be determined as follows:

28 1. Determine the number of days in the prior fiscal year that each
29 pupil who is a prisoner and who had been in the county jail for more than
30 forty-eight hours received an instructional program of at least two
31 hundred forty minutes. ~~No~~ A school district may NOT count a pupil as
32 being in attendance in that school district on a day that the pupil is
33 counted as a prisoner for the purposes of this paragraph.

34 2. Multiply the number of days determined under paragraph 1 of this
35 subsection by the following amount:

36 (a) For fiscal year 1999-2000, ~~ten dollars eighty cents~~ \$10.80.

37 (b) For fiscal year 2000-2001 and each year thereafter, the amount
38 for the prior year adjusted by any growth rate prescribed by law, subject
39 to legislative appropriation.

40 3. For each pupil who is a child with a disability as defined in
41 section 15-761, who is a prisoner and who had been in the county jail for
42 more than forty-eight hours:

43 (a) Determine the amount prescribed in section 15-1204, subsection
44 E, paragraph 1 or 2, multiply the amount by .72 and add ~~seventy-two~~
45 ~~dollars~~ \$72 for capital outlay costs.

1 (b) Divide the sum determined under subdivision (a) of this
2 paragraph by one hundred seventy-five.

3 (c) Subtract the amount prescribed in paragraph 2 of this
4 subsection from the quotient determined in subdivision (b) of this
5 paragraph.

6 (d) Determine the number of days in the prior fiscal year that the
7 pupil received an instructional program of at least two hundred forty
8 minutes.

9 (e) Multiply the amount determined in subdivision (d) of this
10 paragraph by the difference determined in subdivision (c) of this
11 paragraph.

12 4. Add the amounts determined in paragraph 3 of this subsection for
13 all pupils with disabilities who are prisoners.

14 5. Add the sum determined in paragraph 4 of this subsection to the
15 product determined in paragraph 2 of this subsection. This sum is the
16 variable amount.

17 F. If a county jail education program serves more than one county,
18 the county school superintendents and the sheriffs of the counties being
19 served shall agree on a county of jurisdiction. The county school
20 superintendent shall deposit ~~into~~ IN the county jail education fund of the
21 county of jurisdiction monies that are received from the superintendent of
22 public instruction pursuant to this section for all counties served by the
23 county of jurisdiction.

24 G. If a county operated a county jail education program through an
25 accommodation school in the year before it begins to operate its county
26 jail education program as provided in subsection D of this section, for
27 the first year of operation as provided in subsection D of this section,
28 the student count of the accommodation school shall be reduced by the
29 average daily membership attributable to the accommodation school's county
30 jail EDUCATION program in its last fiscal year of operation.

31 Sec. 8. Section 15-943, Arizona Revised Statutes, is amended to
32 read:

33 15-943. Base support level

34 The base support level for each school district shall be computed as
35 follows:

36 1. The following support level weights shall be used in
37 paragraph 2, subdivision (a) of this section for the following school
38 districts:

39 (a) For school districts whose student count in kindergarten
40 programs and grades one through eight is classified in column 1 of this
41 subdivision, the support level weight for kindergarten programs and grades
42 one through eight is the corresponding support level weight prescribed in
43 column 2 or 3 of this subdivision, whichever is appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	Support Level Weight For Small Isolated School Districts	Support Level Weight For Small School Districts
<u>Student Count</u>		
1-99	1.559	1.399
100-499	1.358 + [0.0005 x (500 - student count)]	1.278 + [0.0003 x (500 - student count)]
500-599	1.158 + [0.002 x (600 - student count)]	1.158 + [0.0012 x (600 - student count)]

(b) For school districts whose student count in grades nine through twelve is classified in column 1 of this subdivision, the support level weight for grades nine through twelve is the corresponding support level weight prescribed in column 2 or 3 of this subdivision, whichever is appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	Support Level Weight For Small Isolated School Districts	Support Level Weight For Small School Districts
<u>Student Count</u>		
1-99	1.669	1.559
100-499	1.468 + [0.0005 x (500 - student count)]	1.398 + [0.0004 x (500 - student count)]
500-599	1.268 + [0.002 x (600 - student count)]	1.268 + [0.0013 x (600 - student count)]

2. Subject to paragraph 1 of this section, determine the weighted student count as follows:

(a)

<u>Grade Base</u>	<u>Group A</u>	<u>Support Level Weight</u>	<u>Student Count</u>	<u>Weighted Student Count</u>
PSD 1.000 + 0.450 = 1.450 x _____				= _____
K-8 1.000 + 0.158 = 1.158 x _____				= _____
9-12 1.163 + 0.105 = 1.268 x _____				= _____
			Subtotal	A _____

(b)

<u>Funding Category</u>	<u>Support Level Weight</u>	<u>Student Count</u>	<u>Weighted Student Count</u>
HI	4.771 x _____		= _____
K-3	0.060 x _____		= _____
K-3 reading	0.040 x _____		= _____
ELL	0.115 x _____		= _____
MD-R, A-R and SID-R	6.024 x _____		= _____

1	MD-SC, A-SC and					
2	SID-SC	5.988	x	_____	=	_____
3	MD-SSI	7.947	x	_____	=	_____
4	OI-R	3.158	x	_____	=	_____
5	OI-SC	6.773	x	_____	=	_____
6	P-SD	3.595	x	_____	=	_____
7	DD, ED, MIID, SLD,					
8	SLI and OHI	0.093 0.292	x	_____	=	_____
9	ED-P	4.822	x	_____	=	_____
10	MOID	4.421	x	_____	=	_____
11	VI	4.806	x	_____	=	_____
12	G	0.007	x	_____	=	_____
13	FRPL	0.018	x	_____	=	_____
14				Subtotal	B	_____

15 (c) Total of subtotals A and B: _____

16 3. Multiply the total determined in paragraph 2 of this section by
17 the base level.

18 4. Multiply the teacher experience index of the district or 1.00,
19 whichever is greater, by the product obtained in paragraph 3 of this
20 section.

21 5. For the purposes of this section, the student count is the
22 average daily membership as prescribed in section 15-901 for the current
23 year, except that for the purposes of computing the base support level
24 used in determining school district rollover allocations and school
25 district budget override amounts, the student count is the average daily
26 membership as prescribed in section 15-901 for the prior year.

27 Sec. 9. Section 15-945, Arizona Revised Statutes, is amended to
28 read:

29 15-945. Transportation support level

30 A. The support level for to and from school for each school
31 district for the current year shall be computed as follows:

32 1. Determine the approved daily route mileage of the school
33 district for the fiscal year prior to the current year.

34 2. Multiply the figure obtained in paragraph 1 of this subsection
35 by one hundred eighty, or for a school district that elects to provide two
36 hundred days of instruction pursuant to section 15-902.04, multiply the
37 figure obtained in paragraph 1 of this subsection by two hundred.

38 3. Determine the number of eligible students transported in the
39 fiscal year prior to the current year.

40 4. Divide the amount determined in paragraph 1 of this subsection
41 by the amount determined in paragraph 3 of this subsection to determine
42 the approved daily route mileage per eligible student transported.

43 5. Determine the classification in column 1 of this paragraph for
44 the quotient determined in paragraph 4 of this subsection. Multiply the
45 product obtained in paragraph 2 of this subsection by the corresponding

1 state support level for each route mile as provided in column 2 of this
 2 paragraph.

<u>Column 1</u>	<u>Column 2</u>
4 Approved Daily Route	State Support Level per
5 Mileage per Eligible	Route Mile for
6 <u>Student Transported</u>	Fiscal Year 2021-2022 <u>2022-2023</u>
7 0.5 or less	2.77 2.83
8 More than 0.5 through 1.0	2.27 2.32
9 More than 1.0	2.77 2.83

10 6. Add the amount spent during the prior fiscal year for bus tokens
 11 and bus passes for students who qualify as eligible students as defined in
 12 section 15-901.

13 B. The support level for academic education, career and technical
 14 education, vocational education and athletic trips for each school
 15 district for the current year is computed as follows:

16 1. Determine the classification in column 1 of paragraph 2 of this
 17 subsection for the quotient determined in subsection A, paragraph 4 of
 18 this section.

19 2. Multiply the product obtained in subsection A, paragraph 5 of
 20 this section by the corresponding state support level for academic
 21 education, career and technical education, vocational education and
 22 athletic trips as provided in column 2, 3 or 4 of this paragraph,
 23 whichever is appropriate for the type of district.

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>
25 Approved Daily Route	District Type	District Type	District Type
26 Mileage per Eligible	<u>02 or 03</u>	<u>04</u>	<u>05</u>
27 <u>Student Transported</u>			
28 0.5 or less	0.15	0.10	0.25
29 More than 0.5 through 1.0	0.15	0.10	0.25
30 More than 1.0	0.18	0.12	0.30

31 For the purposes of this paragraph, "district type 02" means a unified
 32 school district or an accommodation school that offers instruction in
 33 grades nine through twelve, "district type 03" means a common school
 34 district not within a high school district, "district type 04" means a
 35 common school district within a high school district or an accommodation
 36 school that does not offer instruction in grades nine through twelve and
 37 "district type 05" means a high school district.

38 C. The support level for extended school year services for pupils
 39 with disabilities is computed as follows:

40 1. Determine the sum of the following:

41 (a) The total number of miles driven by all buses of a school
 42 district while transporting eligible pupils with disabilities on scheduled
 43 routes from their residence to the school of attendance and from the
 44 school of attendance to their residence on routes for extended school year
 45 services in accordance with section 15-881.

1 (b) The total number of miles driven on routes approved by the
2 superintendent of public instruction for which a private party, a
3 political subdivision or a common or a contract carrier is reimbursed for
4 bringing an eligible pupil with a disability from the place of the pupil's
5 residence to a school transportation pickup point or to the school
6 facility of attendance and from the school transportation scheduled return
7 point or from the school facility to the pupil's residence for extended
8 school year services in accordance with section 15-881.

9 2. Multiply the sum determined in paragraph 1 of this subsection by
10 the state support level for the district determined as provided in
11 subsection A, paragraph 5 of this section.

12 D. The transportation support level for each school district for
13 the current year is the sum of the support level for to and from school as
14 determined in subsection A of this section, the support level for academic
15 education, career and technical education, vocational education and
16 athletic trips as determined in subsection B of this section and the
17 support level for extended school year services for pupils with
18 disabilities as determined in subsection C of this section.

19 E. The state support level for each approved route mile, as
20 provided in subsection A, paragraph 5 of this section, shall be adjusted
21 by the growth rate prescribed by law, subject to appropriation.

22 F. School districts must provide the odometer reading for each bus
23 as of the end of the current year and the total bus mileage during the
24 current year.

25 Sec. 10. Repeal

26 Section 15-952, Arizona Revised Statutes, is repealed.

27 Sec. 11. Section 15-953, Arizona Revised Statutes, is amended to
28 read:

29 15-953. Increases in the base level

30 If a school district receives approval to calculate its budget using
31 an increase in the base level ~~as provided in section 15-918 or 15-952 or~~
32 PURSUANT TO any ~~other~~ law for a given fiscal year, that increase in the
33 base level applies only to the fiscal year for which approval was
34 given. In order to calculate its budget using an increase in the base
35 level for any subsequent fiscal year the school district must receive
36 specific approval to do so as prescribed by law.

37 Sec. 12. Section 15-961, Arizona Revised Statutes, is amended to
38 read:

39 15-961. District additional assistance; growth rate

40 A. District additional assistance per student count is established
41 as follows:

42 1. For school districts with a student count of less than one
43 hundred for kindergarten programs and grades one through eight, ~~five~~
44 ~~hundred forty-four dollars fifty-eight cents~~ \$606.88. For school
45 districts with a student count of one hundred or more and less than six

1 hundred for kindergarten programs and grades one through eight, multiply
2 ~~three hundred eighty-nine dollars twenty-five cents~~ \$433.78 by the weight
3 that corresponds to the student count for kindergarten programs and grades
4 one through eight for the school district as provided in section 15-943,
5 paragraph 1, subdivision (a), column 3. For a school district with a
6 student count of six hundred or more in kindergarten programs and grades
7 one through eight, the limit is ~~four hundred fifty dollars seventy-six~~
8 ~~cents~~ \$502.33.

9 2. For school districts with a student count of less than one
10 hundred for grades nine through twelve, ~~six hundred one dollars~~
11 ~~twenty-four cents~~ \$670.02. For school districts with a student count of
12 one hundred or more and less than six hundred for grades nine through
13 twelve, multiply ~~four hundred five dollars fifty-nine cents~~ \$451.99 by the
14 weight that corresponds to the student count for grades nine through
15 twelve for the school district as provided in section 15-943, paragraph 1,
16 subdivision (b), column 3. For a school district with a student count of
17 six hundred or more in grades nine through twelve, the limit is ~~four~~
18 ~~hundred ninety-two dollars ninety-four cents~~ \$549.33.

19 3. For programs for preschool children with disabilities, ~~four~~
20 ~~hundred fifty dollars seventy-six cents~~ \$502.33.

21 B. District additional assistance for a school district shall be
22 computed as follows:

23 1. Select the applicable district additional assistance per student
24 count for the school district.

25 2. Multiply the amount or amounts selected in paragraph 1 of this
26 subsection by the appropriate student count of the school district.

27 3. If a school district's student count used for the budget year is
28 greater than one hundred five percent of the student count used for the
29 current year's budget, increase the adjusted district additional
30 assistance determined in paragraph 2 of this subsection by fifty percent
31 of the actual percentage increase in the school district's student count.

32 C. An amount for the purchase of required textbooks and related
33 printed subject matter materials shall be used to increase the district
34 additional assistance for a school district as determined in subsection B,
35 paragraph 2 or 3 of this section, whichever is applicable. This amount
36 shall equal the student count in grades nine through twelve multiplied by
37 ~~sixty-nine dollars sixty-eight cents~~ \$77.65.

38 Sec. 13. Section 15-971, Arizona Revised Statutes, is amended to
39 read:

40 15-971. Determination of equalization assistance payments
41 from state funds for school districts

42 A. Equalization assistance for education is computed by determining
43 the total of the following:

44 1. The lesser of a school district's revenue control limit or
45 district support level as determined in section 15-947 or 15-951.

1 2. District additional assistance of a school district as
2 determined in section 15-951 or 15-961.

3 B. From the total of the amounts determined in subsection A of this
4 section subtract:

5 1. The amount that would be produced by levying the applicable
6 qualifying tax rate determined pursuant to section 41-1276 for a high
7 school district or a common school district within a high school district
8 that does not offer instruction in high school subjects as provided in
9 section 15-447.

10 2. The amount that would be produced by levying the applicable
11 qualifying tax rate determined pursuant to section 41-1276 for a unified
12 school district, a common school district not within a high school
13 district or a common school district within a high school district that
14 offers instruction in high school subjects as provided in section 15-447.
15 The qualifying tax rate shall be applied in the following manner:

16 (a) For the purposes of the amount determined in subsection A,
17 paragraph 1 of this section:

18 (i) Determine separately the percentage that the weighted student
19 count in preschool programs for children with disabilities, kindergarten
20 programs and grades one through eight and the weighted student count in
21 grades nine through twelve is to the weighted student count determined in
22 subtotal A as provided in section 15-943, paragraph 2, subdivision (a).

23 (ii) Apply the percentages determined in item (i) of this
24 subdivision to the amount determined in subsection A, paragraph 1 of this
25 section.

26 (b) For the purposes of the amounts determined in subsection A,
27 paragraph 2 of this section, determine separately the amount of the
28 district additional assistance attributable to the student count in
29 preschool programs for children with disabilities, kindergarten programs
30 and grades one through eight and grades nine through twelve.

31 (c) From the amounts determined in subdivisions (a) and (b) of this
32 paragraph, subtract the levy that would be produced by the current
33 qualifying tax rate for a high school district or a common school district
34 within a high school district that does not offer instruction in high
35 school subjects as provided in section 15-447. If the qualifying tax rate
36 generates a levy that is in excess of the total determined in subsection A
37 of this section, the school district ~~shall~~ IS not ~~be~~ eligible for
38 equalization assistance. For the purposes of this subsection, "assessed
39 valuation" includes the values used to determine voluntary contributions
40 collected pursuant to title 9, chapter 4, article 3 and title 48, chapter
41 1, article 8 and the assessed value of all property subject to the
42 government property lease excise tax pursuant to title 42, chapter 6,
43 article 5.

44 3. The amount that would be produced by levying a qualifying tax
45 rate in a career technical education district, which shall be ~~five cents~~

1 \$~~.05~~ per ~~one hundred dollars~~ \$100 assessed valuation unless the
2 legislature sets a lower rate by law.

3 ~~C. County aid for equalization assistance for education shall be~~
4 ~~computed as follows:~~

5 ~~1. Determine the total equalization assistance for all school~~
6 ~~districts in the county as provided in subsections A and B of this~~
7 ~~section.~~

8 ~~2. Determine the total amount of state equalization assistance~~
9 ~~collected for all school districts in the county as provided in section~~
10 ~~15-994.~~

11 ~~3. Divide the amount determined in paragraph 2 of this subsection~~
12 ~~by the amount determined in paragraph 1 of this subsection.~~

13 ~~4. Multiply the amount determined in subsections A and B of this~~
14 ~~section by the quotient determined in paragraph 3 of this subsection for~~
15 ~~each school district.~~

16 ~~5. The amount determined in paragraph 4 of this subsection shall be~~
17 ~~the county aid for equalization assistance for education for a school~~
18 ~~district.~~

19 ~~D. C.~~ C. State aid for equalization assistance for education for a
20 school district shall be ~~computed as follows:~~

21 ~~1. Determine~~ the equalization assistance for education for a school
22 district as provided in subsections A and B of this section.

23 ~~2. For each county, determine the levy that would be produced by~~
24 ~~the state equalization assistance property tax rate prescribed in section~~
25 ~~15-994, subsection A.~~

26 ~~3. Prorate the amount determined in paragraph 2 of this subsection~~
27 ~~to each school district in the county as prescribed by subsection C of~~
28 ~~this section.~~

29 ~~4. Subtract the amount determined in paragraph 3 of this subsection~~
30 ~~from the amount determined in paragraph 1 of this subsection.~~

31 ~~E. D.~~ D. Equalization assistance for education shall be paid from
32 appropriations for that purpose to the school districts as provided in
33 section 15-973.

34 ~~F. E.~~ E. A school district shall report expenditures on approved
35 career and technical education and vocational education programs in the
36 annual financial report according to uniform guidelines prescribed by the
37 uniform system of financial records and in order to facilitate compliance
38 with sections 15-255 and 15-904.

39 ~~G. F.~~ F. The additional weight for state aid purposes given to
40 special education as provided in section 15-943 shall be given to school
41 districts only if special education programs comply with chapter 7,
42 article 4 of this title and the conditions and standards prescribed by the
43 superintendent of public instruction pursuant to rules of the state board
44 of education for pupil identification and placement pursuant to sections
45 15-766 and 15-767.

1 ~~H.~~ G. In addition to state general fund appropriations, all
2 amounts received pursuant to section 37-521, subsection B, paragraph 3,
3 section 42-5029, subsection E, paragraph 5 and SECTION 42-5029.02,
4 subsection A, paragraph 5 and from any other source for the purposes of
5 this section are appropriated for state aid to schools as provided in this
6 section.

7 ~~H.~~ H. The total amount of state monies that may be spent in any
8 fiscal year for state equalization assistance shall not exceed the amount
9 appropriated or authorized by section 35-173 for that purpose. This
10 section does not impose a duty on an officer, agent or employee of this
11 state to discharge a responsibility or create any right in a person or
12 group if the discharge or right would require an expenditure of state
13 monies in excess of the expenditure authorized by legislative
14 appropriation for that specific purpose.

15 Sec. 14. Repeal

16 Section 15-994, Arizona Revised Statutes, is repealed.

17 Sec. 15. Section 15-1371, Arizona Revised Statutes, is amended to
18 read:

19 15-1371. Equalization assistance for state educational system
20 for committed youth; state education fund for
21 committed youth

22 A. The superintendent of the state educational system for committed
23 youth shall calculate a base support level as prescribed in section 15-943
24 and district additional assistance as prescribed in section 15-961 for the
25 educational system established pursuant to section 41-2831, except that:

26 1. Notwithstanding section 15-901:

27 (a) The student count shall be determined using the following
28 definitions:

29 (i) "Daily attendance" means days in which a pupil attends an
30 educational program for a minimum of two hundred forty minutes, not
31 including meal and recess periods. Attendance for one hundred twenty or
32 more minutes but fewer than two hundred forty minutes shall be counted as
33 one-half day's attendance.

34 (ii) "Fractional student" means a pupil who is enrolled in an
35 educational program of one hundred twenty or more minutes but fewer than
36 two hundred forty minutes a day, not including meal and recess periods. A
37 fractional student shall be counted as one-half of a full-time student.

38 (iii) "Full-time student" means a pupil who is enrolled in an
39 educational program for a minimum of two hundred forty minutes a day, not
40 including meal and recess periods.

41 (b) "Pupils with serious emotional disabilities enrolled in a
42 school district program as provided in section 15-765" includes pupils
43 with serious emotional disabilities enrolled in the department of juvenile
44 corrections school system.

1 2. All pupils shall be counted as if they were enrolled in grades
2 nine through twelve.

3 3. The teacher experience index is 1.00.

4 4. The base support level shall be calculated using the base level
5 multiplied by 1.0, ~~except that the state educational system for committed~~
6 ~~youth is also eligible for additional teacher compensation monies as~~
7 ~~specified in section 15-952.~~

8 5. Section 15-943, paragraph 1 does not apply.

9 B. The superintendent may use section 15-855 in making the
10 calculations prescribed in subsection A of this section. The
11 superintendent of the system and the department of education shall
12 prescribe procedures for determining average daily membership.

13 C. Equalization assistance for the state educational system for
14 committed youth for the budget year is determined by adding the amount of
15 the base support level and district additional assistance for the budget
16 year calculated as prescribed in subsection A of this section.

17 D. The state educational system for committed youth shall not
18 receive twenty-five percent of the equalization assistance unless it is
19 accredited by the north central association of colleges and secondary
20 schools.

21 E. The state education fund for committed youth is established.
22 Fund monies shall be used for the purposes of the state educational system
23 for committed youth, and notwithstanding section 35-173, monies
24 appropriated to the fund shall not be transferred to or used for any
25 program that is not within the state educational system for committed
26 youth. State equalization assistance for the state educational system for
27 committed youth as determined in subsection A of this section, other state
28 and federal monies received from the department of education for the state
29 educational system for committed youth and monies appropriated for the
30 state educational system for committed youth, except monies appropriated
31 pursuant to subsection F of this section, shall be deposited in the fund.
32 The state treasurer shall maintain separate accounts for fund monies if
33 the separate accounts are required by statute or federal law.

34 F. The department of juvenile corrections may seek appropriations
35 for capital needs for land, buildings and improvements, including repairs
36 and maintenance, that are required to maintain the state educational
37 system for committed youth.

38 G. The state board of education shall apportion state aid and
39 deposit it, pursuant to sections 35-146 and 35-147, in the state education
40 fund for committed youth in an amount as determined by subsection A of
41 this section. The apportionments shall be as follows:

42 1. On July 1, one-third of the total amount to be apportioned
43 during the fiscal year.

44 2. On October 15, one-twelfth of the total amount to be apportioned
45 during the fiscal year.

1 3. On December 15, one-twelfth of the total amount to be
2 apportioned during the fiscal year.

3 4. On January 15, one-twelfth of the total amount to be apportioned
4 during the fiscal year.

5 5. On February 15, one-twelfth of the total amount to be
6 apportioned during the fiscal year.

7 6. On March 15, one-twelfth of the total amount to be apportioned
8 during the fiscal year.

9 7. On April 15, one-twelfth of the total amount to be apportioned
10 during the fiscal year.

11 8. On May 15, one-twelfth of the total amount to be apportioned
12 during the fiscal year.

13 9. On June 15, one-twelfth of the total amount to be apportioned
14 during the fiscal year.

15 H. In conjunction with the department of administration, the
16 superintendent of the state educational system for committed youth shall
17 establish procedures to account for the receipt and expenditure of state
18 education fund for committed youth monies by modifying the current
19 accounting system used for state agencies as necessary.

20 Sec. 16. Section 15-1372, Arizona Revised Statutes, is amended to
21 read:

22 15-1372. Equalization assistance for state educational system
23 for persons in the state department of
24 corrections; fund

25 A. The state department of corrections shall provide educational
26 services for pupils who are under the age of eighteen years and pupils
27 with disabilities who are age twenty-one or younger who are committed to
28 the state department of corrections. The department of education shall
29 provide technical assistance to the state department of corrections on
30 request and shall assist the state department of corrections in
31 establishing program and personnel standards.

32 B. The state education fund for correctional education is
33 established. Subject to legislative appropriation, fund monies shall be
34 used for the purposes of providing education to pupils as specified in
35 subsection A of this section. Notwithstanding section 35-173, monies
36 appropriated to the fund shall not be transferred to or used for any
37 program that is not directly related to the educational services required
38 by this section. State equalization assistance, other state and federal
39 monies received from the department of education for which the pupils in
40 correctional education programs qualify and monies appropriated for
41 correctional education except monies appropriated pursuant to subsection C
42 of this section shall be deposited in the fund. The state treasurer shall
43 maintain separate accounts for fund monies if the separate accounts are
44 required by statute or federal law.

1 C. The state department of corrections may seek appropriations for
2 capital needs for land, buildings and improvements, including repairs and
3 maintenance, that are required to maintain the educational services
4 required by this section.

5 D. The state board of education shall apportion state aid and
6 deposit it, pursuant to sections 35-146 and 35-147, in the state education
7 fund for correctional education in an amount as determined by subsection E
8 of this section. The apportionments are as follows:

9 1. On July 1, one-third of the total amount to be apportioned
10 during the fiscal year.

11 2. On October 15, one-twelfth of the total amount to be apportioned
12 during the fiscal year.

13 3. On December 15, one-twelfth of the total amount to be
14 apportioned during the fiscal year.

15 4. On January 15, one-twelfth of the total amount to be apportioned
16 during the fiscal year.

17 5. On February 15, one-twelfth of the total amount to be
18 apportioned during the fiscal year.

19 6. On March 15, one-twelfth of the total amount to be apportioned
20 during the fiscal year.

21 7. On April 15, one-twelfth of the total amount to be apportioned
22 during the fiscal year.

23 8. On May 15, one-twelfth of the total amount to be apportioned
24 during the fiscal year.

25 9. On June 15, one-twelfth of the total amount to be apportioned
26 during the fiscal year.

27 E. The director of the state department of corrections shall
28 calculate a base support level as prescribed in section 15-943 and
29 district additional assistance as prescribed in section 15-961 for the
30 educational services required by this section, except that:

31 1. Notwithstanding section 15-901, the student count shall be
32 determined using the following definitions:

33 (a) "Daily attendance" means days in which a pupil attends an
34 educational program for a minimum of one hundred eighty minutes, not
35 including meal and recess periods. Attendance for ninety or more minutes
36 but fewer than one hundred eighty minutes shall be counted as one-half
37 day's attendance.

38 (b) "Fractional student" means a pupil who is enrolled in an
39 educational program of ninety or more minutes but fewer than one hundred
40 eighty minutes per day, not including meal and recess periods. A
41 fractional student shall be counted as one-half of a full-time student.

42 (c) "Full-time student" means a pupil who is enrolled in an
43 educational program for a minimum of one hundred eighty minutes per day,
44 not including meal and recess periods.

1 (d) "Pupil with a disability" has the same meaning as child with a
2 disability prescribed in section 15-761.

3 2. All pupils shall be counted as if they were enrolled in grades
4 nine through twelve.

5 3. The teacher experience index is 1.00.

6 ~~4. The calculation for additional teacher compensation monies as
7 prescribed in section 15-952 is available.~~

8 ~~5.~~ 4. Section 15-943, paragraph 1 does not apply.

9 ~~6.~~ 5. The base support level and capital outlay amounts calculated
10 pursuant to this section shall be multiplied by 0.67.

11 ~~7.~~ 6. The school year shall consist of a period of not less than
12 two hundred eight days.

13 F. The director of the state department of corrections may use
14 section 15-855 in making the calculations prescribed in subsection E of
15 this section. The director of the state department of corrections and the
16 department of education shall prescribe procedures for calculating average
17 daily membership.

18 G. Equalization assistance for correctional education programs
19 provided for those pupils specified in subsection A of this section is
20 determined by adding the amount of the base support level and district
21 additional assistance for the budget year calculated as prescribed in
22 subsection E of this section.

23 H. The director of the state department of corrections shall keep
24 records and provide information as the department of education requires to
25 determine the appropriate amount of equalization assistance. Equalization
26 assistance shall be used to provide educational services in this section.

27 I. The department of education and the state department of
28 corrections shall enter into an intergovernmental agreement that
29 establishes the necessary accountability between the two departments
30 regarding the administrative and funding requirements contained in
31 subsections A and B of this section. The agreement shall:

32 1. Provide for appropriate education to all committed youths as
33 required by state and federal law.

34 2. Provide financial information to meet requirements for
35 equalization assistance.

36 3. Provide for appropriate pupil intake and assessment procedures.

37 4. Require pupil performance assessment and the reporting of
38 results.

39 Sec. 17. Title 15, chapter 19, article 1, Arizona Revised Statutes,
40 is amended by adding section 15-2405, to read:

41 15-2405. Arizona empowerment scholarship accounts parent
42 oversight committee; membership; duties

43 A. THE ARIZONA EMPOWERMENT SCHOLARSHIP ACCOUNTS PARENT OVERSIGHT
44 COMMITTEE IS ESTABLISHED CONSISTING OF SIX MEMBERS WHO ARE PARENTS OF

1 QUALIFIED STUDENTS WHO RECEIVE ARIZONA EMPOWERMENT SCHOLARSHIP ACCOUNT
2 MONIES UNDER THIS CHAPTER. THE MEMBERS SHALL BE APPOINTED AS FOLLOWS:
3 1. ONE MEMBER WHO IS APPOINTED BY THE PRESIDENT OF THE SENATE.
4 2. ONE MEMBER WHO IS APPOINTED BY THE SPEAKER OF THE HOUSE OF
5 REPRESENTATIVES.
6 3. ONE MEMBER WHO IS APPOINTED BY THE MINORITY LEADER OF THE
7 SENATE.
8 4. ONE MEMBER WHO IS APPOINTED BY THE MINORITY LEADER OF THE HOUSE
9 OF REPRESENTATIVES.
10 5. TWO MEMBERS WHO ARE APPOINTED BY THE GOVERNOR.
11 B. AT A MINIMUM, THE MEMBERS APPOINTED PURSUANT TO SUBSECTION A,
12 PARAGRAPHS 1, 2, 3 AND 4 OF THIS SECTION SHALL BE PARENTS OF QUALIFIED
13 STUDENTS WHO BOTH:
14 1. MEET ANY OF THE CRITERIA SPECIFIED IN SECTION 15-2401, PARAGRAPH
15 7, SUBDIVISION (a), ITEM (i), (ii) OR (iii) AS DETERMINED BY AN
16 INDEPENDENT THIRD PARTY PURSUANT TO SECTION 15-2403, SUBSECTION I.
17 2. USE MONIES DEPOSITED IN THE QUALIFIED STUDENT'S ARIZONA
18 EMPOWERMENT SCHOLARSHIP ACCOUNT FOR EXPENSES AS PRESCRIBED IN SECTION
19 15-2402, SUBSECTION B, PARAGRAPH 4, SUBDIVISION (c).
20 C. THE MEMBERS OF THE COMMITTEE SHALL ANNUALLY ELECT A CHAIRPERSON
21 FROM AMONG ITS MEMBERS.
22 D. THE COMMITTEE SHALL MEET AT LEAST ONCE EACH CALENDAR QUARTER. A
23 MAJORITY OF THE MEMBERSHIP CONSTITUTES A QUORUM FOR THE TRANSACTION OF
24 BUSINESS.
25 E. THE COMMITTEE SHALL COLLABORATE AND INTERACT WITH THE
26 DEPARTMENT, THE STATE BOARD OF EDUCATION, THE ATTORNEY GENERAL AND, AS
27 APPROPRIATE, THE AUDITOR GENERAL TO REVIEW ALL OF THE FOLLOWING:
28 1. THE IMPLEMENTATION OF POLICIES AND PROCEDURES RELATING TO THE
29 ARIZONA EMPOWERMENT SCHOLARSHIP ACCOUNT PROGRAM UNDER THIS CHAPTER AND THE
30 PROGRAM'S EFFECTIVENESS.
31 2. THE CONCERNS OF PARENTS OF QUALIFIED STUDENTS WHO RECEIVE
32 ARIZONA EMPOWERMENT SCHOLARSHIP ACCOUNT MONIES UNDER THIS CHAPTER.
33 3. THE WORK OF THE OMBUDSMAN-CITIZENS AIDE ON COMPLAINTS ASSOCIATED
34 WITH ADMINISTERING THE ARIZONA EMPOWERMENT SCHOLARSHIP ACCOUNT PROGRAM.
35 F. A PARENT MAY NOT SERVE ON THE COMMITTEE IF ANY OF THE FOLLOWING
36 APPLIES:
37 1. THE PARENT IS AN EMPLOYEE OR THE RELATIVE OF AN EMPLOYEE OF THE
38 DEPARTMENT.
39 2. THE PARENT RECEIVES MONIES OR COMPENSATION FROM OR IS OTHERWISE
40 ASSOCIATED IN ANY MANNER WITH A LOBBYIST ORGANIZATION, A SCHOOL CHOICE
41 ADVOCACY GROUP OR A PRIVATE FINANCIAL MANAGEMENT FIRM THAT MANAGES ARIZONA
42 EMPOWERMENT SCHOLARSHIP ACCOUNTS PURSUANT TO SECTION 15-2403, SUBSECTION
43 A.
44 3. THE PARENT PROVIDES GOODS OR SERVICES TO QUALIFIED STUDENTS THAT
45 ARE PURCHASED PURSUANT TO SECTION 15-2402, SUBSECTION B, PARAGRAPH 4.

1 Sec. 18. Section 37-521, Arizona Revised Statutes, is amended to
2 read:

3 37-521. Permanent state school fund; composition; use

4 A. After any appropriation pursuant to section 37-527, the
5 permanent state school fund shall consist of:

6 1. The proceeds of all lands granted to ~~the~~ THIS state by the
7 United States for the support of common schools.

8 2. All property which accrues to ~~the~~ THIS state by escheat or
9 forfeiture.

10 3. All property donated for the benefit of the common schools,
11 unless the terms of the donation otherwise provide.

12 4. All unclaimed shares and dividends of any corporation
13 incorporated under the laws of this state.

14 5. The proceeds of sale of timber, mineral, gravel or other natural
15 products or property from school lands and state lands other than those
16 granted for specific purposes.

17 6. The residue of the lands granted for payment of the bonds and
18 accrued interest issued by Maricopa, Pima, Yavapai and Coconino counties,
19 after the purpose of the grant has been satisfied, and the five ~~per cent~~
20 PERCENT of the proceeds of sales of public lands lying within this state
21 sold by the United States subsequent to admission of this state into the
22 union, as granted by the enabling act.

23 B. The fund shall be and remain a perpetual fund and distributions
24 from the fund pursuant to article X, section 7, Constitution of Arizona,
25 plus monies derived from the rental of the lands and property, interest
26 and accrued rent for that year credited pursuant to section 37-295 and
27 interest paid on installment sales, shall be used as follows:

28 1. If there are outstanding state school facilities revenue bonds
29 pursuant to title 41, chapter 56, article 6, outstanding qualified zone
30 academy bonds pursuant to title 41, chapter 56, article 7 or outstanding
31 state school trust revenue bonds issued to correct existing deficiencies,
32 the state treasurer and the state land department shall annually transfer
33 to the state school facilities revenue bond debt service fund established
34 in section 41-5754, the state school improvement revenue bond debt service
35 fund established in section 41-5784 and the state school trust revenue
36 bond debt service fund the amount that is necessary to pay that fiscal
37 year's debt service on outstanding state school facilities revenue bonds,
38 qualified zone academy bonds and state school trust revenue bonds, before
39 transferring amounts for any other uses.

40 2. If there are no outstanding state school facilities revenue
41 bonds pursuant to title 41, chapter 56, article 6 or if the amount of
42 monies available under this subsection exceeds the amount required under
43 paragraph 1 of this subsection, the monies are subject to legislative
44 appropriation to the new school facilities fund established by section
45 41-5741.

1 3. If the amount of monies available under this subsection exceeds
2 the amount required under paragraphs 1 and 2 of this subsection, the
3 legislature may annually appropriate an amount to be used as provided in
4 section 15-971, subsection ~~H~~ G, except that the amount appropriated may
5 not exceed the amount appropriated from the permanent state school fund
6 and from the rent and interest paid on installment sales for this purpose
7 in fiscal year 2000-2001.

8 4. Notwithstanding paragraphs 1, 2 and 3 of this subsection, from
9 and after June 30, 2001, any expendable earnings under this subsection
10 that exceed the fiscal year 2000-2001 expendable earnings shall be
11 deposited in the classroom site fund established by section 15-977.

12 Sec. 19. Section 41-1276, Arizona Revised Statutes, as amended by
13 Laws 2022, chapter 171, section 1, is amended to read:

14 41-1276. Truth in taxation levy for equalization assistance
15 to school districts

16 A. On or before February 15 of each year, the joint legislative
17 budget committee shall compute and transmit the truth in taxation rates
18 for equalization assistance for school districts for the following fiscal
19 year to:

20 1. The chairperson of the house of representatives ways and means
21 committee and the senate finance committee, or their successor committees.

22 2. The chairperson of the appropriations committees of the senate
23 and the house of representatives, or their successor committees.

24 B. The truth in taxation rates consist of the qualifying tax rate
25 for a high school district or a common school district within a high
26 school district that does not offer instruction in high school subjects
27 pursuant to section 15-971, subsection B, paragraph 1, ~~AND~~ a qualifying
28 tax rate for a unified district, a common school district not within a
29 high school district or a common school district within a high school
30 district that offers instruction in high school subjects pursuant to
31 section 15-971, subsection B, paragraph 2 ~~and a state equalization~~
32 ~~assistance property tax rate pursuant to section 15-994~~ that will offset
33 the change in net assessed valuation of property that was subject to tax
34 in the prior year.

35 C. The joint legislative budget committee shall compute the truth
36 in taxation rates as follows:

37 1. Determine the statewide net assessed value for the preceding tax
38 year as provided in section 42-17151, subsection A, paragraph 3.

39 2. Determine the statewide net assessed value for the current tax
40 year, excluding the net assessed value of property that was not subject to
41 tax in the preceding year.

42 3. Divide the amount determined in paragraph 1 of this subsection
43 by the amount determined in paragraph 2 of this subsection.

44 4. Adjust the qualifying tax rates ~~and the state equalization~~
45 ~~assistance property tax rate~~ for the current fiscal year by the percentage

1 determined in paragraph 3 of this subsection in order to offset the change
2 in net assessed value.

3 D. Except as provided in subsections E and G of this section, the
4 qualifying tax rate for a high school district or a common school district
5 within a high school district that does not offer instruction in high
6 school subjects, ~~AND~~ AND the qualifying tax rate for a unified school
7 district, a common school district not within a high school district or a
8 common school district within a high school district that offers
9 instruction in high school subjects ~~and the state equalization assistance~~
10 ~~property tax rate~~ for the following fiscal year shall be the rate
11 determined by the joint legislative budget committee pursuant to
12 subsection C of this section. The committee shall transmit the rates to
13 the superintendent of public instruction and the county boards of
14 supervisors by March 15 of each year.

15 E. If the legislature proposes ~~either~~ qualifying tax rates ~~or a~~
16 ~~state equalization assistance property tax rate~~ that ~~exceeds~~ EXCEED the
17 truth in taxation rate:

18 1. The house of representatives ways and means committee and the
19 senate finance committee, or their successor committees, shall hold a
20 joint hearing on or before February 28 and publish a notice of a truth in
21 taxation hearing subject to the following requirements:

22 (a) The notice shall be published twice in a newspaper of general
23 circulation in this state that is published at the state capital. The
24 first publication shall be at least fourteen but not more than twenty days
25 before the date of the hearing. The second publication shall be at least
26 seven but not more than ten days before the date of the hearing.

27 (b) The notice shall be published in a location other than the
28 classified or legal advertising section of the newspaper.

29 (c) The notice shall be at least one-fourth page in size and shall
30 be surrounded by a solid black border at least one-eighth inch in width.

31 (d) The notice shall be in the following form, with the "truth in
32 taxation hearing - notice of tax increase" headline in at least
33 eighteen-point type:

34 Truth in Taxation Hearing
35 Notice of Tax Increase

36 In compliance with section 41-1276, Arizona Revised
37 Statutes, the state legislature is notifying property
38 taxpayers in Arizona of the legislature's intention to raise
39 the property tax levy over last year's level.

40 The proposed tax increase will cause the taxes on a
41 \$100,000 home to be \$(total proposed taxes including the tax
42 increase). Without the proposed tax increase, the total taxes
43 that would be owed on a \$100,000 home would have been
44 \$_____.

1 All interested citizens are invited to attend a public
2 hearing on the tax increase that is scheduled to be held
3 (date and time) at (location).

4 (e) For the purposes of computing the tax increase on a \$100,000
5 home as required by the notice, the joint meeting of the house of
6 representatives ways and means committee and the senate finance committee,
7 or their successor committees, shall consider the difference between the
8 truth in taxation rate and the proposed increased rate.

9 2. The joint meeting of the house of representatives ways and means
10 committee and the senate finance committee, or their successor committees,
11 shall consider any motion to recommend the proposed tax rates to the full
12 legislature by roll call vote.

13 F. In addition to publishing the truth in taxation notice under
14 subsection E, paragraph 1 of this section, the joint meeting of the house
15 of representatives ways and means committee and the senate finance
16 committee, or their successor committees, shall issue a press release
17 containing the truth in taxation notice.

18 G. Notwithstanding any other law, the legislature shall not adopt a
19 state budget that provides for ~~either~~ qualifying tax rates pursuant to
20 section 15-971 ~~or a state equalization assistance property tax rate~~
21 ~~pursuant to section 15-994~~ that ~~exceeds~~ EXCEED the truth in taxation rates
22 computed pursuant to subsection A of this section unless the rates are
23 adopted by a concurrent resolution approved by an affirmative roll call
24 vote of two-thirds of the members of each house of the legislature before
25 the legislature enacts the general appropriations bill. If the resolution
26 is not approved by two-thirds of the members of each house of the
27 legislature, the rates for the following fiscal year shall be the truth in
28 taxation rates determined pursuant to subsection C of this section and
29 shall be transmitted to the superintendent of public instruction and the
30 county boards of supervisors.

31 H. Notwithstanding subsection C of this section and if approved by
32 the qualified electors voting at a statewide general election, the
33 legislature shall not set a qualifying tax rate that exceeds \$2.1265 for a
34 common or high school district or \$4.253 for a unified school district.
35 The legislature shall not set a county equalization assistance for
36 education rate that exceeds \$0.5123.

37 I. Pursuant to subsection C of this section, the qualifying tax
38 rate in tax year ~~2021~~ 2022 for a high school district or a common school
39 district within a high school district that does not offer instruction in
40 high school subjects as provided in section 15-447 is ~~\$1.7694~~ \$1.7133 and
41 for a unified school district, a common school district not within a high
42 school district or a common school district within a high school district
43 that offers instruction in high school subjects as provided in section
44 15-447 is ~~\$3.5388~~ \$3.4266. ~~The state equalization assistance property tax~~
45 ~~rate in tax year 2021 is \$0.4263.~~

- 1 ~~0. The state equalization assistance property tax rate:~~
- 2 ~~1. In tax year 2022 is \$0.4128.~~
- 3 ~~2. In tax year 2023 is \$0.4009.~~
- 4 ~~3. In tax year 2024 is \$0.3909.~~
- 5 ~~4. In tax year 2025 is \$0.3824.~~
- 6 ~~5. In tax year 2026 is \$0.3295.~~
- 7 ~~6. In tax year 2027 is \$0.2871.~~

8 Sec. 20. Section 41-5731, Arizona Revised Statutes, is amended to
9 read:

10 41-5731. Building renewal grant fund: rules: annual report:
11 definitions

12 A. The building renewal grant fund is established consisting of
13 monies appropriated to the fund by the legislature. The division shall
14 administer the fund and distribute monies to school districts for the
15 purpose of maintaining the adequacy of existing school facilities. Monies
16 in the fund are exempt from the provisions of section 35-190 relating to
17 lapsing of appropriations.

18 B. The division shall distribute monies from the building renewal
19 grant fund based on grant requests from school districts to fund primary
20 building renewal projects. Project requests shall be prioritized by the
21 division, with priority given to school districts that have provided
22 routine preventive maintenance on the facility. A school district must
23 submit a preventive maintenance plan to the division to be eligible to
24 receive monies from the building renewal grant fund. The division shall
25 approve only projects that will be completed within twelve months, unless
26 similar projects on average take longer to complete. A grant issued under
27 this section expires twelve months after the grant request is approved
28 unless the division issues an extension, except that if the division
29 approves a project and determines that similar projects on average take
30 longer than twelve months to complete, the division shall extend the grant
31 expiration date based on the average amount of time that similar projects
32 take to complete. The division shall establish a process by which a
33 school district may request an extension under this subsection. On
34 expiration of a grant, a school district shall return any building renewal
35 grant fund monies that the school district has not spent to the division
36 for deposit in the building renewal grant fund. The division may spend
37 monies from the fund for assessments to determine whether a grant from the
38 fund is warranted under this section.

39 C. School districts that receive monies from the building renewal
40 grant fund shall use these monies on projects for buildings or any part of
41 a building in the division's database for any of the following:

- 42 1. Major renovations and repairs to a building that is used for
43 student instruction or other academic purposes.
- 44 2. Upgrading systems and areas that will maintain or extend the
45 useful life of the building.

- 1 3. Infrastructure costs.
- 2 D. Monies received from the fund shall not be used for any of the
- 3 following purposes:
- 4 1. New construction.
- 5 2. Remodeling interior space for aesthetic or preferential reasons.
- 6 3. Exterior beautification.
- 7 4. Demolition.
- 8 5. Routine preventive maintenance.
- 9 6. Any project in a building, or part of a building, that is being
- 10 leased to another entity.
- 11 E. Accommodation schools are not eligible for monies from the
- 12 building renewal grant fund.
- 13 F. If the division or a court of competent jurisdiction determines
- 14 that a school district received monies from the building renewal grant
- 15 fund that must be reimbursed to the division due to legal action
- 16 associated with improper construction by a hired contractor, the school
- 17 district shall reimburse the division an agreed-on amount for deposit into
- 18 the building renewal grant fund.
- 19 G. The division shall categorize each project that is eligible for
- 20 monies from the building renewal grant fund as either critical or
- 21 noncritical. The division shall adopt policies and procedures to
- 22 prioritize critical projects and to designate critical projects as
- 23 projects that immediately impact student safety or building closures or
- 24 that result in operational disruptions. Critical projects have priority
- 25 over any previously approved noncritical projects.
- 26 H. If the division determines that sufficient monies are not
- 27 available for a noncritical project that the division has approved, the
- 28 division shall notify the school district that submitted the project
- 29 request that monies will be distributed from the building renewal grant
- 30 fund for the project only if the legislature appropriates sufficient
- 31 monies. If sufficient monies are not available in the fiscal year in
- 32 which the project is awarded for a noncritical project, the noncritical
- 33 project does not receive priority in the next fiscal year.
- 34 I. Building renewal grants pursuant to this section shall be used
- 35 only for projects that serve an academic purpose.
- 36 J. The division shall do both of the following:
- 37 1. Implement policies and procedures to require a school district
- 38 to report the preventive maintenance activities completed during the
- 39 previous twelve months for the facility for which the monies are being
- 40 requested.
- 41 2. Submit a monthly report to the school facilities oversight board
- 42 that details how monies from the building renewal grant fund have been
- 43 distributed.

1 K. In addition to establishing a project eligibility assessment
2 under section 41-5702, subsection A, paragraph 5, subdivision (b), the
3 division shall adopt rules regarding both of the following:

4 1. The approval of building renewal grants pursuant to this
5 section.

6 2. Time frames for the division regarding all of the following with
7 respect to this section:

8 (a) Approving or denying grant requests for critical projects.

9 (b) Notifying an applicant if the applicant's application is
10 incomplete.

11 (c) Providing regular updates to applicants regarding completed
12 applications.

13 (d) Distributing monies from the building renewal grant fund.

14 L. The board shall review all policies and procedures that the
15 division develops to administer this section.

16 M. The division may spend monies from the fund for assessments to
17 determine if a grant from the fund is warranted under this section.

18 N. ON OR BEFORE JUNE 30 OF EACH YEAR, THE DIVISION SHALL SUBMIT A
19 REPORT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE
20 OF STRATEGIC PLANNING AND BUDGETING ON ANY UNOBLIGATED MONIES IN THE
21 BUILDING RENEWAL GRANT FUND.

22 ~~N.~~ O. For the purposes of this section:

23 1. "Primary building renewal projects" means projects that are
24 necessary for buildings owned by school districts that are required to
25 meet the minimum adequacy standards for student capacity and that fall
26 below the minimum school facility adequacy guidelines, as adopted by the
27 board pursuant to section 41-5711, for school districts that have provided
28 routine preventive maintenance to the school facility.

29 2. "Routine preventive maintenance" means services that are
30 performed on a regular schedule at intervals ranging from four times a
31 year to once every three years, or on the schedule of services recommended
32 by the manufacturer of the specific building system or equipment, and that
33 are intended to extend the useful life of a building system and reduce the
34 need for major repairs.

35 3. "Student capacity" has the same meaning prescribed in section
36 41-5711.

37 Sec. 21. Section 42-17051, Arizona Revised Statutes, is amended to
38 read:

39 42-17051. Limit on county, municipal and community college
40 primary property tax levy

41 A. In addition to any other limitation that may be imposed, a
42 county, charter county, city, charter city, town or community college
43 district shall not levy primary property taxes in any year in excess of an
44 aggregate amount computed as follows:

- 1 1. Determine the maximum allowable primary property tax levy limit
- 2 for the jurisdiction for the preceding tax year.
- 3 2. Multiply the amount determined in paragraph 1 **OF THIS SUBSECTION**
- 4 by 1.02.
- 5 3. Determine the assessed value for the current tax year of all
- 6 property in the political subdivision that was subject to tax in the
- 7 preceding tax year.
- 8 4. Divide the dollar amount determined in paragraph 3 **OF THIS**
- 9 **SUBSECTION** by one hundred and then divide the dollar amount determined in
- 10 paragraph 2 **OF THIS SUBSECTION** by the resulting quotient. The result,
- 11 rounded to four decimal places, is the maximum allowable tax rate for the
- 12 political subdivision.
- 13 5. Determine the finally equalized valuation of all property, less
- 14 exemptions, appearing on the tax roll for the current tax year including
- 15 an estimate of the personal property tax roll determined pursuant to
- 16 section 42-17053.
- 17 6. Divide the dollar amount determined in paragraph 5 **OF THIS**
- 18 **SUBSECTION** by one hundred and then multiply the resulting quotient by the
- 19 rate determined in paragraph 4 **OF THIS SUBSECTION**. The resulting product
- 20 is the maximum allowable primary property tax levy limit for the current
- 21 year for all political subdivisions.
- 22 7. The allowable levy of primary property taxes for the current
- 23 fiscal year for all political subdivisions is the maximum allowable
- 24 primary property tax levy limit less any amounts required to reduce the
- 25 levy pursuant to subsections B and C of this section.
- 26 B. Any monies that a political subdivision received from primary
- 27 property taxation in excess of the sum of the amount of taxes collectible
- 28 pursuant to section ~~42-15054~~ **42-15053, SUBSECTION G, PARAGRAPH 2** and the
- 29 allowable levy determined under subsection A of this section shall be
- 30 maintained in a separate fund and used to reduce the primary property tax
- 31 levy in the following year. Monies that are received and that are
- 32 attributable to the payment of delinquent taxes that were properly
- 33 assessed in prior years shall not be applied to reduce the levy in the
- 34 following year.
- 35 C. If, pursuant to section 41-1279.07, the auditor general
- 36 determines that in any fiscal year a county has exceeded its expenditure
- 37 limitation, the allowable levy of primary property taxes of the county
- 38 determined under subsection A of this section shall be reduced in the
- 39 fiscal year following the auditor general's hearing by the amount of the
- 40 expenditures that exceeded the county's expenditure limitation.
- 41 D. The limitations prescribed by this section do not apply to
- 42 levies made pursuant to ~~section 15-994 or~~ article 5 of this chapter.
- 43 E. The levy limitation for a political subdivision is considered to
- 44 be increased each year to the maximum permissible limit under subsection A

1 of this section regardless of whether the county, city, town or district
2 actually levies taxes in any year up to the maximum permissible amount.

3 F. For purposes of determining a county's levy limit under this
4 article, remote municipal property, as defined in section 42-15251, is
5 considered to be taxable property in the county.

6 Sec. 22. Results-based funding; allocation formula; fiscal
7 year 2022-2023

8 Notwithstanding section 15-249.08, subsection B, paragraph 2,
9 Arizona Revised Statutes, for fiscal year 2022-2023, the department of
10 education shall distribute monies from the results-based funding fund
11 established by section 15-249.08, Arizona Revised Statutes, as follows:

12 1. Each school operated by a school district or charter holder
13 shall receive \$225 per student count from the fund if both of the
14 following apply:

15 (a) At the time the test prescribed in subdivision (b) of this
16 paragraph was administered, fewer than sixty percent of the students who
17 were enrolled in the school met the eligibility requirements established
18 under the national school lunch and child nutrition acts (42 United States
19 Code sections 1751 through 1793) for free or reduced-price lunches, or an
20 equivalent measure recognized for participating in the federal free and
21 reduced-price lunch program and other school programs dependent on a
22 poverty measure, including the community eligibility provision for which
23 free and reduced-price lunch data is not available.

24 (b) In results achieved during the spring of 2021, the school
25 performed in the top thirteen percent of all schools statewide as
26 demonstrated by the average percentage of students who obtained a passing
27 score on the mathematics portions of the statewide assessment and the
28 average percentage of students who obtained a passing score on the
29 language arts portions of the statewide assessment.

30 2. Each school operated by a school district or charter holder
31 shall receive \$400 per student count from the fund if both of the
32 following apply:

33 (a) At the time the test prescribed in subdivision (b) of this
34 paragraph was administered, sixty percent or more of the students who were
35 enrolled in the school met the eligibility requirements established under
36 the national school lunch and child nutrition acts (42 United States Code
37 sections 1751 through 1793) for free or reduced-price lunches, or an
38 equivalent measure recognized for participating in the federal free and
39 reduced-price lunch program and other school programs dependent on a
40 poverty measure, including the community eligibility provision for which
41 free and reduced-price lunch data is not available.

42 (b) In results achieved during the spring of 2021, the school
43 performed in the top thirteen percent of schools pursuant to subdivision
44 (a) of this paragraph, as demonstrated by the average percentage of those
45 students who obtained a passing score on the mathematics portions of the

1 statewide assessment and the average percentage of students who obtained a
2 passing score on the language arts portions of the statewide assessment.

3 3. Each school operated by a school district or charter holder
4 shall receive \$225 per student count from the fund if both of the
5 following apply:

6 (a) At the time the test prescribed in subdivision (b) of this
7 paragraph was administered, sixty percent or more of the students who were
8 enrolled in the school met the eligibility requirements established under
9 the national school lunch and child nutrition acts (42 United States Code
10 sections 1751 through 1793) for free or reduced-price lunches, or an
11 equivalent measure recognized for participating in the federal free and
12 reduced-price lunch program and other school programs dependent on a
13 poverty measure, including the community eligibility provision for which
14 free and reduced-price lunch data is not available.

15 (b) In results achieved during the spring of 2021, the school
16 performed in the top twenty-seven percent but not in the top thirteen
17 percent of schools pursuant to subdivision (a) of this paragraph, as
18 demonstrated by the average percentage of those students who obtained a
19 passing score on the mathematics portions of the statewide assessment and
20 the average percentage of students who obtained a passing score on the
21 language arts portions of the statewide assessment.

22 4. Each alternative high school shall receive \$400 per student
23 count from the fund if in the results achieved during testing conducted in
24 the spring of 2021 the school performed in the top twenty-seven percent of
25 schools identified pursuant to paragraph 3, subdivision (a) of this
26 section, as demonstrated by the average percentage of those students who
27 obtained a passing score on the mathematics portions of the statewide
28 assessment and the average percentage of students who obtained a passing
29 score on the language arts portions of the statewide assessment. An
30 alternative high school is eligible for funding under this paragraph only
31 if it reports the average percentage of students who obtained a passing
32 score on both the mathematics portions of the statewide assessment and the
33 language arts portions of the statewide assessment during testing
34 conducted in the spring of 2021.

35 Sec. 23. School district budgets; fiscal year 2022-2023;
36 retroactivity

37 A. Notwithstanding any other law, to account for legislative
38 changes relating to K-12 funding that were enacted by the legislature
39 after June 20, 2022, for fiscal year 2022-2023:

40 1. A school district may adopt a budget that is higher than its
41 proposed budget. The budget adoption hearing shall identify the
42 differences between the proposed budget and the budget presented for
43 adoption.

44 2. If a school district adopts a budget for fiscal year 2022-2023
45 that does not take into consideration legislative changes relating to K-12

1 funding that were enacted by the Legislature after June 20, 2022, the
2 district may revise its budget.

3 3. District budgets that are revised pursuant to paragraph 2 of
4 this subsection on or before August 1, 2022 and district budgets that are
5 adopted pursuant to paragraph 1 of this subsection shall be used for
6 setting the amount that is required to be levied for each school district
7 from both the primary property tax prescribed by section 15-992, Arizona
8 Revised Statutes, and the secondary property tax for fiscal year 2022-
9 2023.

10 B. This section applies retroactively to from and after June 19,
11 2022.

12 Sec. 24. Intent

13 The governor and the legislature intend that school districts
14 increase the total percentage of classroom spending over the previous
15 year's percentages in the combined categories of instruction, student
16 support and instructional support as prescribed by the auditor general.

APPROVED BY THE GOVERNOR JUNE 28, 2022.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 28, 2022.