

REFERENCE TITLE: school districts; teacher salaries; posting

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SB 1599

Introduced by
Senator Mesnard

AN ACT

AMENDING SECTION 15-903, ARIZONA REVISED STATUTES; RELATING TO SCHOOL DISTRICT BUDGETS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-903, Arizona Revised Statutes, is amended to
3 read:

4 15-903. Budget format; prohibited expenditures; annual
5 report; civil penalty

6 A. The superintendent of public instruction in conjunction with the
7 auditor general shall prepare and prescribe a budget format to be ~~utilized~~
8 **USED** by all school districts.

9 B. The budget format shall be designed to allow all school
10 districts to plan and provide in detail for ~~the use of~~ **USING** available
11 ~~funds~~ **MONIES**. The budget format shall contain distinct sections for, but
12 need not be limited to, maintenance and operation, debt service, special
13 projects, capital outlay, adjacent ways and classroom site fund. The
14 maintenance and operation section shall include, but need not be limited
15 to, separate subsections for regular education programs, special education
16 programs and operational expenditures for pupil transportation. Each
17 subsection shall clearly distinguish classroom instruction expenditures.
18 The special education program subsection shall include a subtotal for the
19 disability classifications as defined in section 15-761 and programs for
20 gifted, vocational and technical education, remedial education and
21 bilingual students. The total expenditures for each of these programs
22 shall be included on the budget form. The pupil transportation subsection
23 shall include all operational expenditures relating to ~~the transportation~~
24 ~~of~~ **TRANSPORTING** pupils, including all operational expenditures within a
25 contract if the school district contracts for pupil transportation.

26 C. The capital outlay section of the budget shall include a
27 subsection for unrestricted capital outlay. The unrestricted capital
28 outlay subsection shall include budgeted expenditures for acquisitions by
29 purchase, lease-purchase or lease of capital items as defined in the
30 uniform system of financial records and shall include:

31 1. Land, buildings and improvements to land and buildings,
32 including labor and related employee benefits costs and material costs if
33 work is performed by school district employees.

34 2. Furniture, furnishings, athletic equipment and other equipment,
35 including computer software.

36 3. Pupil and nonpupil transportation vehicles and equipment,
37 including all capital expenditures within a contract if the school
38 district contracts for pupil transportation.

39 4. Textbooks and related printed subject matter materials adopted
40 by the governing board.

41 5. Instructional aids.

42 6. Library books.

43 7. Payment of principal and interest on bonds.

44 8. School district administration emergency needs that are directly
45 related to pupils.

1 D. The budget format shall contain distinct subsections for the
2 following:

3 1. Special programs to improve academic achievement of pupils in
4 kindergarten programs and grades one through three as provided in section
5 15-482.

6 2. School plant funds.

7 3. Capital outlay budget increases as provided in section 15-481.

8 4. Property taxation, including the following:

9 (a) The primary tax rates for the school district for the current
10 year and the budget year.

11 (b) The secondary tax rates for maintenance and operation, K-3 and
12 capital overrides for the school district for the current year and the
13 budget year.

14 (c) The secondary tax rates for class A bonds for the school
15 district for the current year and the budget year.

16 (d) The secondary tax rates for class B bonds for the school
17 district for the current year and the budget year.

18 5. A description of any corrections or adjustments made to the
19 budget pursuant to section 15-915.

20 E. The budget format shall also contain:

21 1. A statement identifying proposed pupil-teacher ratios and
22 pupil-staff ratios relating to the provision of special education services
23 for the budget year.

24 2. A statement identifying the number of full-time equivalent
25 certified employees.

26 3. The prominent display of the average salary of all teachers
27 employed by the school district for the current year. The school district
28 shall also prominently post this information on its website home page
29 separately from its budget.

30 4. The prominent display of the average salary of all teachers
31 employed by the school district for the previous year. The school
32 district shall also prominently post this information on its website home
33 page separately from its budget.

34 5. The prominent display of the dollar increase in the average
35 salary of all teachers employed by the school district for the current
36 year. The school district shall also prominently post this information on
37 its website home page separately from its budget.

38 6. The prominent display of the percentage increase in the average
39 salary of all teachers employed by the school district for the current
40 year. The school district shall also prominently post this information on
41 its website home page separately from its budget.

42 F. The special projects section shall include budgeted expenditures
43 for state special projects, including special adult projects, career
44 education, deficiencies correction fund projects and new school facilities
45 fund projects, such federal special projects as ESEA title programs,

1 vocational education and title IV Indian education, and other special
2 projects.

3 G. A school district shall not make expenditures for campaign
4 literature associated with school district or charter school officials.
5 If the superintendent of public instruction determines that a school
6 district has violated this subsection, the superintendent of public
7 instruction may withhold any portion of the school district's
8 apportionment of state aid.

9 H. The budget format shall include an electronic format that shall
10 be submitted for each proposed, adopted and revised budget.

11 I. On or before November 30 of each year, the department of
12 education shall electronically submit to the joint legislative budget
13 committee and the governor's office of strategic planning and budgeting a
14 report that compiles the information required by subsection E, paragraphs
15 3 through 6 of this section for all school districts statewide. THE
16 DEPARTMENT OF EDUCATION SHALL PROMINENTLY POST THE REPORT ON THE WEBSITE
17 MAINTAINED BY THE DEPARTMENT.

18 J. BEGINNING JANUARY 1, 2024, AND EACH YEAR THEREAFTER, IF THE
19 DEPARTMENT OF EDUCATION DETERMINES THAT A SCHOOL DISTRICT IS IN VIOLATION
20 OF ONE OR MORE OF THE POSTING REQUIREMENTS PRESCRIBED IN SUBSECTION E,
21 PARAGRAPHS 3 THROUGH 6 OF THIS SECTION, THE DEPARTMENT SHALL NOTIFY THE
22 SCHOOL DISTRICT THAT IT IS IN VIOLATION OF THIS SECTION AND THAT THE
23 DEPARTMENT MAY IMPOSE A CIVIL PENALTY IF THE SCHOOL DISTRICT DOES NOT
24 CORRECT THE VIOLATION. IF THE DEPARTMENT OF EDUCATION DETERMINES THAT THE
25 SCHOOL DISTRICT HAS FAILED TO CORRECT THE VIOLATION WITHIN SIXTY DAYS
26 AFTER THE NOTICE IS ISSUED PURSUANT TO THIS SUBSECTION, THE DEPARTMENT OF
27 EDUCATION SHALL IMPOSE A CIVIL PENALTY OF NOT MORE THAN \$5,000 FOR EACH
28 DAY THAT THE VIOLATION CONTINUES AFTER THE SIXTY-DAY PERIOD. ACTIONS
29 TAKEN UNDER THIS SUBSECTION ARE SUBJECT TO APPEAL PURSUANT TO TITLE 41,
30 CHAPTER 6, ARTICLE 10.