charter schools; financial requirements; revisions

(now: schools; requirements; revisions)

State of Arizona House of Representatives Fifty-sixth Legislature First Regular Session 2023

CHAPTER 170

HOUSE BILL 2060

AN ACT

AMENDING TITLE 15, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-120.04; AMENDING SECTIONS 15-183, 15-211, 15-219, 15-249.16, 15-341, 15-701, 15-704, 15-828 AND 15-903, ARIZONA REVISED STATUTES; AMENDING SECTION 6, AS ADDED BY SENATE BILL 1720, FIFTY-SIXTH LEGISLATURE, FIRST REGULAR SESSION, AS TRANSMITTED TO THE GOVERNOR; RELATING TO SCHOOLS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

- j -

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

Section 1. Title 15, chapter 1, article 1, Arizona Revised Statutes, is amended by adding section 15-120.04, to read:

15-120.04. <u>Postings on website; satisfaction of requirement</u> NOTWITHSTANDING ANY OTHER LAW:

- 1. A SCHOOL DISTRICT, A SCHOOL THAT IS OPERATED BY A SCHOOL DISTRICT OR A CHARTER SCHOOL MAY SATISFY ANY STATUTORY REQUIREMENT TO POST, PROMINENTLY DISPLAY, MAKE ACCESSIBLE OR OTHERWISE INCLUDE SPECIFIED INFORMATION ON ITS WEBSITE BY MAKING A LINK TO THE INFORMATION AVAILABLE ON THE SCHOOL DISTRICT'S, THE SCHOOL'S OR THE CHARTER SCHOOL'S HOME PAGE.
- 2. A SCHOOL DISTRICT, A SCHOOL THAT IS OPERATED BY A SCHOOL DISTRICT OR A CHARTER SCHOOL MAY CONSOLIDATE ALL INFORMATION THAT IT IS STATUTORILY REQUIRED TO POST, PROMINENTLY DISPLAY, MAKE ACCESSIBLE OR OTHERWISE INCLUDE ON ITS WEBSITE ON A SINGLE WEBPAGE AND POST A LINK TO THE WEBPAGE ON THE SCHOOL DISTRICT'S, THE SCHOOL'S OR THE CHARTER SCHOOL'S HOME PAGE.
- Sec. 2. Section 15–183, Arizona Revised Statutes, is amended to read: $\ensuremath{\mathsf{T}}$

15-183. Charter schools: application: requirements: immunity:

exemptions: renewal of application: reprisal: fee:

funds: annual reports

- A. An applicant seeking to establish a charter school shall apply in writing to a proposed sponsor as prescribed in subsection C of this section. The application, application process and application time frames shall be posted on the sponsor's website and shall include the following, as specified in the application adopted by the sponsor:
 - 1. A detailed educational plan.
 - 2. A detailed business plan.
 - 3. A detailed operational plan.
 - 4. Any other materials required by the sponsor.
- B. The sponsor of a charter school may contract with a public body, private person or private organization for the purpose of establishing a charter school pursuant to this article.
- C. The sponsor of a charter school may be either the state board of education, the state board for charter schools, a university under the jurisdiction of the Arizona board of regents, a community college district or a group of community college districts, subject to the following requirements:
- 1. An applicant may not apply for sponsorship to any person or entity other than those prescribed in this subsection.
- 2. The applicant may apply to the state board of education or the state board for charter schools. Notwithstanding any other law, neither the state board for charter schools nor the state board of education shall grant a charter to a school district governing board for a new charter school or for the conversion of an existing district public school to a

- 1 -

 charter school. The state board of education or the state board for charter schools may approve the application if the application meets the requirements of this article and may approve the charter if the proposed sponsor determines, within its sole discretion, that the applicant is sufficiently qualified to operate a charter school and that the applicant is applying to operate as a separate charter holder by considering factors such as whether:

- (a) The schools have separate governing bodies, governing body membership, staff, facilities and student population.
 - (b) Daily operations are carried out by different administrators.
- (c) The applicant intends to have an affiliation agreement for the purpose of providing enrollment preferences.
- (d) The applicant's charter management organization has multiple charter holders serving varied grade configurations on one physical site or nearby sites serving one community.
- (e) The applicant is reconstituting an existing school site population at the same or new site.
- (f) The applicant is reconstituting an existing grade configuration from a prior charter holder with at least one grade remaining on the original site with the other grade or grades moving to a new site. The state board of education or the state board for charter schools may approve any charter schools transferring charters. If the state board of education or the state board for charter schools rejects the preliminary application, the state board of education or the state board for charter schools shall notify the applicant in writing of the reasons for the rejection and of suggestions for improving the application. An applicant may submit a revised application for reconsideration by the state board of education or the state board for charter schools. The applicant may request, and the state board of education or the state board for charter schools may provide, technical assistance to improve the application.
- 3. The applicant may submit the application to a university under the jurisdiction of the Arizona board of regents, a community college district or a group of community college districts. A university, a community college district or a group of community college districts shall not grant a charter to a school district governing board for a new charter school or for the conversion of an existing district public school to a charter school. A university, a community college district or a group of community college districts may approve the application if it meets the requirements of this article and if the proposed sponsor determines, in its sole discretion, that the applicant is sufficiently qualified to operate a charter school.
- 4. Each applicant seeking to establish a charter school shall submit a full set of fingerprints to the approving agency for the purpose of obtaining a state and federal criminal records check pursuant to section 41-1750 and Public Law 92-544. If an applicant will have direct

- 2 -

2

3

4

5

6

7

8

9

10

11

12

13

14

1516

17

18

19

20

21

22

23

24

25

26

27

28 29

30

31

32

3334

35

36

37

38

39 40

41

42

43

contact with students, the applicant shall possess a valid fingerprint clearance card that is issued pursuant to title 41, chapter 12, article 3.1. The department of public safety may exchange this fingerprint data with the federal bureau of investigation. The criminal records check shall be completed before the issuance of a charter.

persons engaged in instructional work directly as classroom, laboratory or other teacher or indirectly as a supervisory teacher, speech therapist or principal and all charter representatives, charter school governing body members and officers, directors, members and partners of the charter holder shall have a valid fingerprint clearance card that is issued pursuant to title 41, chapter 12, article 3.1, unless the person is a volunteer or guest speaker who is accompanied in the classroom by a person with a valid fingerprint clearance card. A charter school shall not employ in any position that requires a valid fingerprint clearance card a person against whom the state board of education has taken disciplinary action as prescribed in section 15-505 or whose certificate has been suspended, surrendered or revoked, unless the person's certificate has been subsequently reinstated by the state board of education. All other personnel shall be fingerprint checked pursuant to section 15-512, or the charter school may require those personnel to obtain a fingerprint clearance card issued pursuant to title 41, chapter 12, article 3.1. Before employment, the charter school shall make documented, good faith efforts to contact previous employers of a person to obtain information and recommendations that may be relevant to the person's fitness for employment as prescribed in section 15-512, subsection F, including checking the educator information system that is maintained by the department of education pursuant to section 15-505. The charter school shall notify the department of public safety if the charter school or sponsor receives credible evidence that a person who possesses a valid fingerprint clearance card is arrested for or is charged with an offense listed in section 41-1758.03, subsection B. A person who is employed at a charter school that has met the requirements of this paragraph is not required to meet any additional requirements that are established by the department of education or that may be established by rule by the state board of education. The state board of education may not adopt rules that exceed the requirements for persons who are qualified to teach in charter schools prescribed in title I of the every student succeeds act (P.L. 114-95) or the individuals with disabilities education improvement act of 2004 (P.L. 108-446). Charter schools may hire personnel who have not yet received a fingerprint clearance card if proof is provided of the submission of an application to the department of public safety for a fingerprint clearance card and if the charter school that is seeking to hire the applicant does all of the following:

- 3 -

- (a) Documents in the applicant's file the necessity for hiring and placing the applicant before the applicant receives a fingerprint clearance card.
- (b) Ensures that the department of public safety completes a statewide criminal records check on the applicant. A statewide criminal records check shall be completed by the department of public safety every one hundred twenty days until the date that the fingerprint check is completed or the fingerprint clearance card is issued or denied.
- (c) Obtains references from the applicant's current employer and the two most recent previous employers except for applicants who have been employed for at least five years by the applicant's most recent employer.
- (d) Provides general supervision of the applicant until the date that the fingerprint card is obtained.
- (e) Completes a search of criminal records in all local jurisdictions outside of this state in which the applicant has lived in the previous five years.
- (f) Verifies the fingerprint status of the applicant with the department of public safety.
- 6. A charter school that complies with the fingerprinting requirements of this section shall be deemed to have complied with section 15-512 and is entitled to the same rights and protections provided to school districts by section 15-512.
- 7. If a charter school operator is not already subject to a public meeting or hearing by the municipality in which the charter school is located, the operator of a charter school shall conduct a public meeting at least thirty days before the charter school operator opens a site or sites for the charter school. The charter school operator shall post notices of the public meeting in at least three different locations that are within three hundred feet of the proposed charter school site.
- 8. A person who is employed by a charter school or who is an applicant for employment with a charter school, who is arrested for or charged with a nonappealable offense listed in section 41-1758.03, subsection B and who does not immediately report the arrest or charge to the person's supervisor or potential employer is guilty of unprofessional conduct and the person shall be immediately dismissed from employment with the charter school or immediately excluded from potential employment with the charter school.
- 9. A person who is employed by a charter school and who is convicted of any nonappealable offense listed in section 41-1758.03, subsection B or is convicted of any nonappealable offense that amounts to unprofessional conduct under section 15-550 shall immediately do all of the following:
- (a) Surrender any certificates issued by the department of education.

- 4 -

- (b) Notify the person's employer or potential employer of the conviction.
 - (c) Notify the department of public safety of the conviction.
 - (d) Surrender the person's fingerprint clearance card.
- D. An entity that is authorized to sponsor charter schools pursuant to this article has no legal authority over or responsibility for a charter school sponsored by a different entity. This subsection does not apply to the state board of education's duty to exercise general supervision over the public school system pursuant to section 15-203, subsection A, paragraph 1.
 - E. The charter of a charter school shall do all of the following:
- 1. Ensure compliance with federal, state and local rules, regulations and statutes relating to health, safety, civil rights and insurance. The department of education shall publish a list of relevant rules, regulations and statutes to notify charter schools of their responsibilities under this paragraph.
- 2. Ensure that it is nonsectarian in its programs, admission policies and employment practices and all other operations.
- 3. Ensure that it provides a comprehensive program of instruction for at least a kindergarten program or any grade between grades one and twelve, except that a school may offer this curriculum with an emphasis on a specific learning philosophy or style or certain subject areas such as mathematics, science, fine arts, performance arts or foreign language.
- 4. Ensure that it designs a method to measure pupil progress toward the pupil outcomes adopted by the state board of education pursuant to section 15-741.01, including participation in the statewide assessment and the nationally standardized norm-referenced achievement test as designated by the state board and the completion and distribution of an annual report card as prescribed in chapter 7, article 3 of this title.
- 5. Ensure that, except as provided in this article and in its charter, it is exempt from all statutes and rules relating to schools, governing boards and school districts.
- 6. Ensure that, except as provided in this article, it is subject to the same financial and electronic data submission requirements as a school district, including the uniform system of financial records as prescribed in chapter 2, article 4 of this title, procurement rules as prescribed in section 15-213 and audit requirements. The auditor general shall conduct a comprehensive review and revision of the uniform system of financial records to ensure that the provisions of the uniform system of financial records that relate to charter schools are in accordance with commonly accepted accounting principles used by private business. A school's charter may include exceptions to the requirements of this paragraph that are necessary as determined by the university, the community college district, the group of community college districts, the state board of education or the state board for charter schools. The

- 5 -

department of education or the office of the auditor general may conduct financial, program or compliance audits.

- 7. Ensure compliance with all federal and state laws relating to the education of children with disabilities in the same manner as a school district.
- 8. Ensure that it provides for a governing body for the charter school that is responsible for the policy decisions of the charter school. Notwithstanding section 1-216, if there is a vacancy or vacancies on the governing body, a majority of the remaining members of the governing body constitute a quorum for the transaction of business, unless that quorum is prohibited by the charter school's operating agreement.
- 9. Ensure that it provides a minimum of one hundred eighty instructional days before June 30 of each fiscal year unless it is operating on an alternative calendar approved by its sponsor. The superintendent of public instruction shall adjust the apportionment schedule accordingly to accommodate a charter school utilizing an alternative calendar.
- F. A charter school shall keep in the personnel file of each current employee who provides instruction to pupils at the charter school COLLECT AND MAINTAIN information about the employee's EACH TEACHER'S educational and teaching background and experience in a particular academic content subject area. A charter school shall inform parents and guardians of the availability of the information and shall EITHER POST THE INFORMATION ON THE CHARTER SCHOOL'S WEBSITE OR make the information available for inspection on request of parents and guardians of pupils enrolled at the charter school. This subsection does not require any charter school to release personally identifiable information in relation to any teacher or employee, including the teacher's or employee's address, salary, social security number or telephone number.
- G. The charter of a charter school may be amended at the request of the governing body of the charter school and on the approval of the sponsor.
 - H. Charter schools may contract, sue and be sued.
- I. The charter is effective for fifteen years from the first day of the fiscal year as specified in the charter, subject to the following:
- 1. At least eighteen months before the charter expires, the sponsor shall notify the charter school that the charter school may apply for renewal and shall make the renewal application available to the charter school. A charter school that elects to apply for renewal shall file a complete renewal application at least fifteen months before the charter expires. A sponsor shall give written notice of its intent not to renew the charter school's request for renewal to the charter school at least twelve months before the expiration of the charter. The sponsor shall make data used in making renewal decisions available to the school and the public and shall provide a public report summarizing the evidence basis

- 6 -

for each decision. The sponsor may deny the request for renewal if, in its judgment, the charter holder has failed to do any of the following:

- (a) Meet or make sufficient progress toward the academic performance expectations set forth in the performance framework.
- (b) Meet the operational performance expectations set forth in the performance framework or any improvement plans.
- (c) Meet the financial performance expectations set forth in the performance framework or any improvement plans.
 - (d) Complete the obligations of the contract.
- (e) Comply with this article or any provision of law from which the charter school is not exempt.
- 2. A charter operator may apply for early renewal. At least nine months before the charter school's intended renewal consideration, the operator of the charter school shall submit a letter of intent to the sponsor to apply for early renewal. The sponsor shall review fiscal audits and academic performance data for the charter school that are annually collected by the sponsor, review the current contract between the sponsor and the charter school and provide the qualifying charter school with a renewal application. On submission of a complete application, the sponsor shall give written notice of its consideration of the renewal application. The sponsor may deny the request for early renewal if, in the sponsor's judgment, the charter holder has failed to do any of the following:
- (a) Meet or make sufficient progress toward the academic performance expectations set forth in the performance framework.
- (b) Meet the operational performance expectations set forth in the performance framework or any improvement plans.
- (c) Meet the financial performance expectations set forth in the performance framework or any improvement plans.
 - (d) Complete the obligations of the contract.
- (e) Comply with this article or any provision of law from which the charter school is not exempt.
- 3. A sponsor shall review a charter at five-year intervals using a performance framework adopted by the sponsor and may revoke a charter at any time if the charter school breaches one or more provisions of its charter or if the sponsor determines that the charter holder has failed to do any of the following:
- (a) Meet or make sufficient progress toward the academic performance expectations set forth in the performance framework.
- (b) Meet the operational performance expectations set forth in the performance framework or any improvement plans.
- (c) Meet the financial performance expectations set forth in the performance framework or any improvement plans.
- (d) Comply with this article or any provision of law from which the charter school is not exempt.

- 7 -

2

3

4

5

6

7

8

9

10

11

12 13

14

1516

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33 34

35 36

37

38

39 40

41

42

43

44 45

- 4. In determining whether to renew or revoke a charter holder, the sponsor must consider making sufficient progress toward the academic performance expectations set forth in the sponsor's performance framework as one of the most important factors.
- 5. Before the sponsor adopts a determination of intent to revoke a charter, the charter holder shall have at least thirty days to address the problems, as necessary or applicable, associated with the reason or reasons for the determination of intent to revoke. The sponsor is not required to provide the charter holder with thirty days to correct the associated with the reason or reasons for adopting determination of intent to revoke if the reason or reasons cannot be remedied, including a failure to submit required financial audits pursuant to subsection E, paragraph 6 of this section and section 15–914, or for a matter of health or safety, or both. Before the sponsor adopts a determination of intent to revoke a charter, the sponsor shall give written notice to the charter holder that includes the reason or reasons for the sponsor's consideration to revoke the charter. Notice may be provided by electronic means or by United States mail and is effective on the date of email or, if sent by United States mail, the earlier of the date of receipt by the charter holder or within five days after the notice is mailed. The determination of whether to proceed to revocation shall be made at a public meeting called for that purpose.
- J. The charter may be renewed for successive periods of twenty years.
- K. A charter school that is sponsored by the state board of education, the state board for charter schools, a university, a community college district or a group of community college districts may not be located on the property of a school district unless the district governing board grants this authority.
- L. A governing board or a school district employee who has control over personnel actions shall not take unlawful reprisal against another employee of the school district because the employee is directly or indirectly involved in an application to establish a charter school. A governing board or a school district employee shall not take unlawful reprisal against an educational program of the school or the school district because an application to establish a charter school proposes to convert all or a portion of the educational program to a charter school. For the purposes of this subsection, "unlawful reprisal" means an action that is taken by a governing board or a school district employee as a direct result of a lawful application to establish a charter school and that is adverse to another employee or an education program and:
- 1. With respect to a school district employee, results in one or more of the following:
 - (a) Disciplinary or corrective action.
 - (b) Detail, transfer or reassignment.

- 8 -

- (c) Suspension, demotion or dismissal.
- (d) An unfavorable performance evaluation.
- (e) A reduction in pay, benefits or awards.
- (f) Elimination of the employee's position without a reduction in force by reason of lack of monies or work.
- (g) Other significant changes in duties or responsibilities that are inconsistent with the employee's salary or employment classification.
- 2. With respect to an educational program, results in one or more of the following:
 - (a) Suspension or termination of the program.
- (b) Transfer or reassignment of the program to a less favorable department.
- (c) Relocation of the program to a less favorable site within the school or school district.
- (d) Significant reduction or termination of funding for the program.
- M. Charter schools shall secure insurance for liability and property loss. The governing body of a charter school that is sponsored by the state board of education or the state board for charter schools may enter into an intergovernmental agreement or otherwise contract to participate in an insurance program offered by a risk retention pool established pursuant to section 11-952.01 or 41-621.01 or the charter school may secure its own insurance coverage. The pool may charge the requesting charter school reasonable fees for any services it performs in connection with the insurance program.
- N. Charter schools do not have the authority to acquire property by eminent domain.
- O. A sponsor, including members, officers and employees of the sponsor, is immune from personal liability for all acts done and actions taken in good faith within the scope of its authority.
- P. Charter school sponsors and this state are not liable for the debts or financial obligations of a charter school or persons who operate charter schools.
- Q. The sponsor of a charter school shall establish procedures to conduct administrative hearings on determination by the sponsor that grounds exist to revoke a charter. Procedures for administrative hearings shall be similar to procedures prescribed for adjudicative proceedings in title 41, chapter 6, article 10. Except as provided in section 41-1092.08, subsection H, final decisions of the state board of education and the state board for charter schools from hearings conducted pursuant to this subsection are subject to judicial review pursuant to title 12, chapter 7, article 6.
- R. The sponsoring entity of a charter school shall have oversight and administrative responsibility for the charter schools that it sponsors. In implementing its oversight and administrative

- 9 -

responsibilities, the sponsor shall ground its actions in evidence of the charter holder's performance in accordance with the performance framework adopted by the sponsor. The performance framework shall be publicly available, shall be placed on the sponsoring entity's website and shall include:

- 1. The academic performance expectations of the charter school and the measurement of sufficient progress toward the academic performance expectations.
- 2. The operational expectations of the charter school, including adherence to all applicable laws and obligations of the charter contract.
 - 3. The financial expectations of the charter school.
 - 4. Intervention and improvement policies.
- S. Charter schools may pledge, assign or encumber their assets to be used as collateral for loans or extensions of credit.
- T. All property accumulated by a charter school shall remain the property of the charter school.
- U. Charter schools may not locate a school on property that is less than one-fourth mile from agricultural land regulated pursuant to section 3-365, except that the owner of the agricultural land may agree to comply with the buffer zone requirements of section 3-365. If the owner agrees in writing to comply with the buffer zone requirements and records the agreement in the office of the county recorder as a restrictive covenant running with the title to the land, the charter school may locate a school within the affected buffer zone. The agreement may include any stipulations regarding the charter school, including conditions for future expansion of the school and changes in the operational status of the school that will result in a breach of the agreement.
- V. A transfer of a charter to another sponsor, a transfer of a charter school site to another sponsor or a transfer of a charter school site to a different charter shall be completed before the beginning of the fiscal year that the transfer is scheduled to become effective. An entity that sponsors charter schools may accept a transferring school after the beginning of the fiscal year if the transfer is approved by the superintendent of public instruction. The superintendent of public instruction shall have the discretion to consider each transfer during the fiscal year on a case-by-case basis. A charter holder seeking to transfer sponsors shall comply with the current charter terms regarding assignment of the charter. A charter holder transferring sponsors shall notify the current sponsor that the transfer has been approved by the new sponsor.
- W. Notwithstanding subsection V of this section, a charter holder on an improvement plan must notify parents or guardians of registered students of the intent to transfer the charter and the timing of the proposed transfer. On the approved transfer, the new sponsor shall enforce the improvement plan but may modify the plan based on performance.

- 10 -

- Notwithstanding subsection Y of this section, the state board for charter schools shall charge a processing fee to any charter school that amends its contract to participate in Arizona online instruction pursuant to section 15-808. The charter Arizona online instruction processing fund is established consisting of fees collected administered by the state board for charter schools. The state board for charter schools shall use monies in the fund only for processing contract charter schools participating for in Arizona instruction. Monies in the fund are continuously appropriated.
- Y. The sponsoring entity may not charge any fees to a charter school that it sponsors unless the sponsor has provided services to the charter school and the fees represent the full value of those services provided by the sponsor. On request, the value of the services provided by the sponsor to the charter school shall be demonstrated to the department of education.
- Z. Charter schools may enter into an intergovernmental agreement with a presiding judge of the juvenile court to implement a law-related education program as defined in section 15-154. The presiding judge of the juvenile court may assign juvenile probation officers to participate in a law-related education program in any charter school in the county. The cost of juvenile probation officers who participate in the program implemented pursuant to this subsection shall be funded by the charter school.
- AA. The sponsor of a charter school shall modify previously approved curriculum requirements for a charter school that wishes to participate in the board examination system prescribed in chapter 7, article 6 of this title.
- BB. If a charter school decides not to participate in the board examination system prescribed in chapter 7, article 6 of this title, pupils enrolled at that charter school may earn a Grand Canyon diploma by obtaining a passing score on the same board examinations.
- CC. Notwithstanding subsection Y of this section, a sponsor of charter schools may charge a new charter application processing fee to any applicant. The application fee shall fully cover the cost of application review and any needed technical assistance. Authorizers may approve policies that allow a portion of the fee to be returned to the applicant whose charter is approved.
- DD. A charter school may choose to provide a preschool program for children with disabilities pursuant to section 15-771.
- EE. Pursuant to the prescribed graduation requirements adopted by the state board of education, the governing body of a charter school operating a high school may approve a rigorous computer science course that would fulfill a mathematics course required for graduation from high school. The governing body may approve a rigorous computer science course only if the rigorous computer science course includes significant

- 11 -

mathematics content and the governing body determines the high school where the rigorous computer science course is offered has sufficient capacity, infrastructure and qualified staff, including competent teachers of computer science.

- FF. A charter school may allow the use of school property, including school buildings, grounds, buses and equipment, by any person, group or organization for any lawful purpose, including a recreational, educational, political, economic, artistic, moral, scientific, social, religious or other civic or governmental purpose. The charter school may charge a reasonable fee for the use of the school property.
- GG. A charter school and its employees, including the governing body, or chief administrative officer, are immune from civil liability with respect to all decisions made and actions taken to allow the use of school property, unless the charter school or its employees are guilty of gross negligence or intentional misconduct. This subsection does not limit any other immunity provisions that are prescribed by law.
- HH. Sponsors authorized pursuant to this section shall submit an annual report to the auditor general on or before October 1. The report shall include:
- 1. The current number of charters authorized and the number of schools operated by authorized charter holders.
- 2. The academic, operational and financial performance of the sponsor's charter portfolio as measured by the sponsor's adopted performance framework.
- 3. For the prior year, the number of new charters approved, the number of charter schools closed and the reason for the closure.
- 4. The sponsor's application, amendment, renewal and revocation processes, charter contract template and current performance framework as required by this section.
- II. The auditor general shall prescribe the format for the annual report required by subsection HH of this section and may require that the annual report be submitted electronically. The auditor general shall review the submitted annual reports to ensure that the reports include the required items in subsection HH of this section and shall make the annual reports available on request. If the auditor general finds significant noncompliance or if a sponsor fails to submit the annual report required by subsection HH of this section, on or before December 31 of each year the auditor general shall report to the governor, the president of the senate, the speaker of the house of representatives and the chairs of the senate and house education committees or their successor committees, and the legislature shall consider revoking the sponsor's authority to sponsor charter schools.

- 12 -

 Sec. 3. Section 15-211, Arizona Revised Statutes, is amended to read:

15-211. <u>K-3 reading program; dyslexia specialist; dyslexia</u>
training; receipt and use of monies; additional
funding; annual report

- A. The department of education shall administer a K-3 reading program to improve the reading proficiency of pupils in kindergarten programs and grades one, two and three in the public schools of this state.
- B. The department of education shall designate a dyslexia specialist for the department to provide school districts and charter schools with support and resources that are necessary to assist students with dyslexia.
- C. On or before July 1, 2022, each school district and charter school shall ensure that at least one kindergarten through third grade teacher, LITERACY COACH OR LITERACY SPECIALIST in each school has received training related to dyslexia that complies with the requirements prescribed in section 15-219.
- D. Each school district and charter school shall submit to the department of education a plan for improving the reading proficiency of the school district's or the charter school's pupils in kindergarten programs and grades one, two and three. The plan shall include baseline data on the reading proficiency of the school district's or the charter school's pupils in kindergarten programs and grades one, two and three and a budget for spending monies from both the K-3 support level weight and the K-3 reading support level weight established in section 15-943. Each school district and charter school shall annually submit to the department of education on or before October 1 an updated K-3 reading program plan that includes data on program expenditures and results.
- E. School districts and charter schools shall use monies generated by the K-3 reading support level weight established in section 15-943 only on instructional purposes based on the plan submitted pursuant to subsection D of this section intended to improve reading proficiency for pupils in kindergarten programs and grades one, two and three with particular emphasis on pupils in kindergarten programs and grades one and two.
- F. Each school district and charter school that is assigned a letter grade of C, D or F pursuant to section 15-241 or that has more than ten percent of its pupils in grade three who do not demonstrate sufficient reading skills as established by the state board of education according to the reading portion of the statewide assessment shall receive monies generated by the K-3 reading support level weight established in section 15-943 only after the K-3 reading program plan of the school district or charter school has been submitted, reviewed and recommended for approval by the department of education and approved by the state board. The state

- 13 -

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32 33

34 35

36

37

38

39 40

41

42

43

44

45

board must give approval to a school district or charter school before any portion of the monies generated by the K-3 reading support level weight may be distributed to the school district or charter school pursuant to this subsection.

- G. Pupils in a charter school that is in its first year of operation and that is sponsored by the state board of education, the state board for charter schools, a university under the jurisdiction of the Arizona board of regents, a community college district or a group of community college districts are eligible for the K-3 reading support level weight.
- H. The department of education shall solicit gifts, grants and donations from any lawful public or private source in order to provide additional funding for the K-3 reading program.
- I. The state board of education may establish rules and policies for the K-3 reading program, including:
- 1. The proper use of monies in accordance with subsection ${\sf E}$ of this section.
- 2. The distribution of monies by the department of education in accordance with subsection D of this section.
- 3. The compliance of reading proficiency plans submitted pursuant to subsection D of this section with section 15-704.
- J. Pursuant to subsection I of this section, the department of education shall develop program implementation guidance for school districts and charter schools to assist schools in administering an effective K-3 evidence-based reading program plan. This guidance shall include identifying and recommending appropriate program expenditures, providing technical oversight and assistance for annually updating reading program plans, selecting and adopting evidence-based reading curricula and providing and promoting teacher professional development that is based on evidence-based reading research. The department shall prioritize supports interventions, including enrollment in reading trainings professional development, for school districts and charter schools that have the highest percentage of pupils who do not demonstrate sufficient reading skills as established by the state board of education. The department shall deposit any monies received for offering reading trainings or professional development, including coaching, the in department of education professional development revolving fund established by section 15-237.01.
- K. On or before December 15, the department of education shall submit an annual report on the K-3 reading program to the governor, the president of the senate and the speaker of the house of representatives and shall provide a copy of this annual report to the secretary of state, the state board of education and the chairpersons of the education committees of the senate and the house of representatives. The report shall contain all of the following:

- 14 -

- 1. Information on the improvement of K-3 reading in this state, including achievement data statewide and achievement data at the school district and charter school level. The information pursuant to this paragraph shall include data and information on continued proficiency on the statewide assessment in subsequent grades.
- 2. A description of the activities of the department to support school districts and charter schools in improving K-3 reading.
- 3. Specific findings on methods by which the department may continue to improve support and assistance for school districts and charter schools in the administration of K-3 reading program plans.
- 4. Information and data on K-3 reading program plans throughout this state and the expenditure of K-3 reading monies by school districts and charter schools.
- 5. Data reported pursuant to section 15-701, subsection A, paragraph 2, subdivision (d).
- Sec. 4. Section 15-219, Arizona Revised Statutes, is amended to read:

```
15-219. <u>Dyslexia and reading impairment screening.</u>
<a href="mailto:intervention.commodation">intervention.commodation</a> and technology:
<a href="mailto:continuing.commodation">continuing.commodation</a>; rules; training
```

- A. The state board of education shall adopt rules to allow certificated teachers, LITERACY COACHES, LITERACY SPECIALISTS and administrators to count training regarding screening, intervention, accommodation, use of technology and advocacy for students with reading impairments, including dyslexia, as continuing education credits.
- B. The department of education shall annually develop a list of training opportunities related to dyslexia that satisfy the requirements prescribed in subsection C of this section.
- C. The training opportunities related to dyslexia developed pursuant to this section must meet professional development requirements and all of the following requirements:
- 1. Include at least one training opportunity that is provided entirely online.
- 2. Include the knowledge and practice standards of an international organization on dyslexia that is designated by the department of education.
- 3. Enable teachers, LITERACY COACHES, LITERACY SPECIALISTS AND ADMINISTRATORS to understand and recognize dyslexia.
- 4. Enable teachers, LITERACY COACHES, LITERACY SPECIALISTS AND ADMINISTRATORS to implement structured literacy instruction that is systematic, explicit, multisensory and evidence-based to meet the educational needs of students with dyslexia.

- 15 -

Sec. 5. Section 15-249.16, Arizona Revised Statutes, is amended to read:

15-249.16. Statutory handbooks of parental rights; posting

- A. The department OF EDUCATION shall establish DEVELOP and post on its website a statutory handbook of parental rights that consists OUTLINING THE RIGHTS OF PARENTS OF CHILDREN ENROLLED IN SCHOOL DISTRICTS AND A STATUTORY HANDBOOK OF PARENTAL RIGHTS OUTLINING THE RIGHTS OF PARENTS OF CHILDREN ENROLLED IN CHARTER SCHOOLS.
- B. THE STATUTORY HANDBOOK OF PARENTAL RIGHTS OUTLINING THE RIGHTS OF PARENTS OF CHILDREN ENROLLED IN SCHOOL DISTRICTS SHALL CONSIST of the text of the following statutes:
 - 1. Title 1, chapter 6.
 - 2. Section 15-102.
 - 3. Section 15-110.
 - 4. Section 15-113.
 - 5. Section 15-117.
 - 6. Section 15-351.
 - 7. Section 15-721.
 - 8. Section 15-722.
 - 9. Section 15-730.
- C. THE STATUTORY HANDBOOK OF PARENTAL RIGHTS OUTLINING THE RIGHTS OF PARENTS OF CHILDREN ENROLLED IN CHARTER SCHOOLS SHALL CONSIST OF THE
- TEXT OF THE FOLLOWING STATUTES:

 1. TITLE 1, CHAPTER 6.
 - 2. SECTION 15-110.
 - 3. SECTION 15-113.
 - 4. SECTION 15-117.
- 8. D. Each school district and charter school in this state shall prominently post on a publicly accessible portion of its website a link to the statutory handbook of parental rights established DEVELOPED pursuant to subsection A of this section.
- Sec. 6. Section 15-341, Arizona Revised Statutes, is amended to read:

15-341. General powers and duties; immunity; delegation

- A. The governing board shall:
- 1. Prescribe and enforce policies and procedures to govern the schools that are not inconsistent with the laws or rules prescribed by the state board of education.
- 2. Exclude from schools all books, publications, papers or audiovisual materials of a sectarian, partisan or denominational character. This paragraph does not prohibit the elective course allowed by section 15-717.01.
- 3. Manage and control the school property within its district, except that a district may enter into a partnership with an entity, including a charter school, another school district or a military base, to

- 16 -

operate a school or offer educational services in a district building, including at a vacant or partially used building, or in any building on the entity's property pursuant to a written agreement between the parties.

- 4. Acquire school furniture, apparatus, equipment, library books and supplies for the schools to use.
- 5. Prescribe the curricula and criteria for the promotion and graduation of pupils as provided in sections 15-701 and 15-701.01.
- 6. Furnish, repair and insure, at full insurable value, the school property of the district.
- 7. Construct school buildings on approval by a vote of the district electors.
- 8. In the name of the district, convey property belonging to the district and sold by the board.
- 9. Purchase school sites when authorized by a vote of the district at an election conducted as nearly as practicable in the same manner as the election provided in section 15-481 and held on a date prescribed in section 15-491, subsection E, but such authorization shall not necessarily specify the site to be purchased and such authorization shall not be necessary to exchange unimproved property as provided in section 15-342, paragraph 23.
- 10. Construct, improve and furnish buildings used for school purposes when such buildings or premises are leased from the national park service.
- 11. Purchase school sites or construct, improve and furnish school buildings from the proceeds of the sale of school property only on approval by a vote of the district electors.
- 12. Hold pupils to strict account for disorderly conduct on school property.
- 13. Discipline students for disorderly conduct on the way to and from school.
- 14. Except as provided in section 15-1224, deposit all monies received by the district as gifts, grants and devises with the county treasurer who shall credit the deposits as designated in the uniform system of financial records. If not inconsistent with the terms of the gifts, grants and devises given, any balance remaining after expenditures for the intended purpose of the monies have been made shall be used to reduce school district taxes for the budget year, except that in the case of accommodation schools the county treasurer shall carry the balance forward for use by the county school superintendent for accommodation schools for the budget year.
- 15. Provide that, if a parent or legal guardian chooses not to accept a decision of the teacher as provided in paragraph 42 of this subsection, the parent or legal guardian may request in writing that the governing board review the teacher's decision. This paragraph does not

- 17 -

 release school districts from any liability relating to a child's promotion or retention.

- 16. Provide for adequate supervision over pupils in instructional and noninstructional activities by certificated or noncertificated personnel.
- 17. Use school monies received from the state and county school apportionment exclusively to pay salaries of teachers and other employees and contingent expenses of the district.
- 18. Annually report to the county school superintendent on or before October 1 in the manner and form and on the blanks prescribed by the superintendent of public instruction or county school superintendent. The board shall also report directly to the county school superintendent or the superintendent of public instruction whenever required.
- 19. Deposit all monies received by school districts other than student activities monies or monies from auxiliary operations as provided in sections 15-1125 and 15-1126 with the county treasurer to the credit of the school district except as provided in paragraph 20 of this subsection and sections 15-1223 and 15-1224, and the board shall spend the monies as provided by law for other school funds.
- 20. Establish bank accounts in which the board during a month may deposit miscellaneous monies received directly by the district. The board shall remit monies deposited in the bank accounts at least monthly to the county treasurer for deposit as provided in paragraph 19 of this subsection and in accordance with the uniform system of financial records.
- 21. Prescribe and enforce policies and procedures for disciplinary action against a teacher who engages in conduct that is a violation of the policies of the governing board but that is not cause for dismissal of the teacher or for revocation of the certificate of the teacher. Disciplinary action may include suspension without pay for a period of time not to exceed ten school days. Disciplinary action shall not include suspension with pay or suspension without pay for a period of time longer than ten school days. The procedures shall include notice, hearing and appeal provisions for violations that are cause for disciplinary action. The governing board may designate a person or persons to act on behalf of the board on these matters.
- 22. Prescribe and enforce policies and procedures for disciplinary action against an administrator who engages in conduct that is a violation of the policies of the governing board regarding duties of administrators but that is not cause for dismissal of the administrator or for revocation of the certificate of the administrator. Disciplinary action may include suspension without pay for a period of time not to exceed ten school days. Disciplinary action shall not include suspension with pay or suspension without pay for a period of time longer than ten school days. The procedures shall include notice, hearing and appeal provisions for violations that are cause for disciplinary action. The governing board

- 18 -

2

3

4

6

7

8

9

10 11

12

13

14

15

16

17

18

19

20

21

22

23 24

25

26

27

28 29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

may designate a person or persons to act on behalf of the board on these matters. For violations that are cause for dismissal, the provisions of notice, hearing and appeal in chapter 5, article 3 of this title apply. The filing of a timely request for a hearing suspends the imposition of a suspension without pay or a dismissal pending completion of the hearing.

- 23. Notwithstanding sections 13-3108 and 13-3120, prescribe and enforce policies and procedures that prohibit a person from carrying or possessing a weapon on school grounds unless the person is a peace officer or has obtained specific authorization from the school administrator.
- 24. Prescribe and enforce policies and procedures relating to the health and safety of all pupils participating in district-sponsored practice sessions or games or other interscholastic athletic activities, including:
 - (a) The provision of water.
- (b) Guidelines, information and forms, developed in consultation private entity that statewide supervises interscholastic activities, to inform and educate coaches, pupils and parents of the dangers of concussions and head injuries and the risks of continued participation in athletic activity after a concussion. The policies and procedures shall require that, before a pupil participates in an athletic activity, the pupil and the pupil's parent sign an information form at least once each school year that states that the parent is aware of the nature and risk of concussion. The policies and procedures shall require that a pupil who is suspected of sustaining a concussion in a practice session, game or other interscholastic athletic activity be immediately removed from the athletic activity and that the pupil's parent or guardian be notified. A coach from the pupil's team or an official or a licensed health care provider may remove a pupil from play. A team parent may also remove the parent's own child from play. A pupil may return to play on the same day if a health care provider rules out a suspected concussion at the time the pupil is removed from play. On a subsequent day, the pupil may return to play if the pupil has been evaluated by and received written clearance to resume participation in athletic activity from a health care provider who has been trained in evaluating and managing concussions and head injuries. A health care provider who is a volunteer and who provides clearance to participate in athletic activity on the day of the suspected injury or on a subsequent day is immune from civil liability with respect to all decisions made and actions taken that are based on good faith implementation of the requirements of this subdivision, except in cases of gross negligence or wanton or wilful neglect. A school district, school district employee, team coach, official or team volunteer or a parent or guardian of a team member is not subject to civil liability for any act, omission or policy undertaken in good faith to comply with the requirements of this subdivision or for a decision made or an action taken

- 19 -

2

3

4

5

6

7

8

9

10

11

12

13

14

1516

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

by a health care provider. A group or organization that uses property or facilities owned or operated by a school district for athletic activities shall comply with the requirements of this subdivision. A school district and its employees and volunteers are not subject to civil liability for any other person or organization's failure or alleged failure to comply with the requirements of this subdivision. This subdivision does not apply to teams that are based in another state and that participate in an athletic activity in this state. For the purposes of this subdivision, activity does not include dance, athletic rhythmic gymnastics, competitions or exhibitions of academic skills or knowledge or other similar forms of physical noncontact activities, civic activities or academic activities, whether engaged in for the purposes of competition or recreation. For the purposes of this subdivision, "health care provider" means a physician who is licensed pursuant to title 32, chapter 13, 14 or 17, an athletic trainer who is licensed pursuant to title 32, chapter 41, a nurse practitioner who is licensed pursuant to title 32, chapter 15, and a physician assistant who is licensed pursuant to title 32, chapter 25.

- Guidelines, information and forms that are developed consultation with a statewide private entity that supervises interscholastic activities to inform and educate coaches, pupils and parents of the dangers of heat-related illnesses, sudden cardiac death and prescription opioid use. Before а pupil participates any district-sponsored practice session or game or other interscholastic athletic activity, the pupil and the pupil's parent must be provided with information at least once each school year on the risks of heat-related illnesses, sudden cardiac death and prescription opioid addiction.
- 25. Establish an assessment, data gathering and reporting system as prescribed in chapter 7, article 3 of this title.
- 26. Provide special education programs and related services pursuant to section 15-764, subsection A to all children with disabilities as defined in section 15-761.
- 27. Administer competency tests prescribed by the state board of education for the graduation of pupils from high school.
- 28. Ensure that insurance coverage is secured for all construction projects for purposes of general liability, property damage and workers' compensation and secure performance and payment bonds for all construction projects.
- 29. Keep in the personnel file of all current and former employees who provide instruction to pupils at a school COLLECT AND MAINTAIN information about the employee's EACH CURRENT AND FORMER TEACHER'S educational and teaching background and experience in a particular academic content subject area. A school district shall inform parents and guardians of the availability of the information and shall EITHER POST THE INFORMATION ON THE SCHOOL DISTRICT'S WEBSITE OR make the information available for inspection on request of parents and guardians of pupils

- 20 -

2

3

4

5

6

7

8

9

10 11

12

13

14

15

16

17

18

19

20

21

22

23 24

2526

27

28 29

30 31

32

33

34 35

36

3738

39

40

41

42

43

44 45 enrolled at a school. This paragraph does not require any school to release personally identifiable information in relation to any teacher or employee, including the teacher's or employee's address, salary, social security number or telephone number.

- 30. Report to local law enforcement agencies any suspected crime against a person or property that is a serious offense as defined in section 13-706 or that involves a deadly weapon or dangerous instrument or serious physical injury and any conduct that poses a threat of death or serious physical injury to employees, students or anyone on the property of the school. This paragraph does not limit or preclude the reporting by a school district or an employee of a school district of suspected crimes other than those required to be reported by this paragraph. For the purposes of this paragraph, "dangerous instrument", "deadly weapon" and "serious physical injury" have the same meanings prescribed in section 13-105.
- 31. In conjunction with local law enforcement agencies and emergency response agencies, develop an emergency response plan for each school in the school district in accordance with minimum standards developed jointly by the department of education and the division of emergency management within the department of emergency and military affairs.
- 32. Provide written notice to the parents or guardians of all students enrolled in the school district at least ten days before a public meeting to discuss closing a school within the school district. The notice shall include the reasons for the proposed closure and the time and place of the meeting. The governing board shall fix a time for a public meeting on the proposed closure not less than ten days before voting in a public meeting to close the school. The school district governing board shall give notice of the time and place of the meeting. At the time and place designated in the notice, the school district governing board shall hear reasons for or against closing the school. The school district governing board is exempt from this paragraph if the governing board determines that the school shall be closed because it poses a danger to the health or safety of the pupils or employees of the school. A governing board may consult with the division of school facilities within the department of administration for technical assistance and for information on the impact of closing a school. The information provided from the division of school facilities within the department of administration shall not require the governing board to take or not take any action.
- 33. Incorporate instruction on Native American history into appropriate existing curricula.
 - 34. Prescribe and enforce policies and procedures:
- (a) Allowing pupils who have been diagnosed with anaphylaxis by a health care provider licensed pursuant to title 32, chapter 13, 14, 17 or

- 21 -

25 or by a registered nurse practitioner licensed and certified pursuant chapter 15 to carry and self-administer emergency to title 32. medications, including epinephrine auto-injectors, while at school and at school-sponsored activities. The pupil's name on the prescription label on the medication container or on the medication device and annual written documentation from the pupil's parent or guardian to the school that authorizes possession and self-administration is sufficient proof that the pupil is entitled to possess and self-administer the medication. policies shall require a pupil who uses an epinephrine auto-injector while at school and at school-sponsored activities to notify the nurse or the designated school staff person of the use of the medication as soon as A school district and its employees are immune from civil practicable. liability with respect to all decisions made and actions taken that are on good faith implementation of the requirements of this subdivision, except in cases of wanton or wilful neglect.

- (b) For the emergency administration of epinephrine auto-injectors by a trained employee of a school district pursuant to section 15-157.
- 35. Allow the possession and self-administration of prescription medication for breathing disorders in handheld inhaler devices by pupils who have been prescribed that medication by a health care professional licensed pursuant to title 32. The pupil's name on the prescription label on the medication container or on the handheld inhaler device and annual written documentation from the pupil's parent or guardian to the school that authorizes possession and self-administration is sufficient proof that the pupil is entitled to possess and self-administer the medication. A school district and its employees are immune from civil liability with respect to all decisions made and actions taken that are based on a good faith implementation of the requirements of this paragraph.
- 36. Prescribe and enforce policies and procedures to prohibit pupils from harassing, intimidating and bullying other pupils on school grounds, on school property, on school buses, at school bus stops, at school-sponsored events and activities and through the use of electronic technology or electronic communication on school computers, networks, forums and mailing lists that include the following components:
- (a) A procedure for pupils, parents and school district employees to confidentially report to school officials incidents of harassment, intimidation or bullying. The school shall make available written forms designed to provide a full and detailed description of the incident and any other relevant information about the incident.
- (b) A requirement that school district employees report in writing suspected incidents of harassment, intimidation or bullying to the appropriate school official and a description of appropriate disciplinary procedures for employees who fail to report suspected incidents that are known to the employee.

- 22 -

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23 24

25

26

27

28 29

30 31

32

33

34

35

36

37

38

39

40

41

42

43

44

- (c) A requirement that, at the beginning of each school year, school officials provide all pupils with a written copy of the rights, protections and support services available to a pupil who is an alleged victim of an incident reported pursuant to this paragraph.
- (d) If an incident is reported pursuant to this paragraph, a requirement that school officials provide a pupil who is an alleged victim of the incident with a written copy of the rights, protections and support services available to that pupil.
- (e) A formal process for documenting reported incidents of intimidation providing harassment. or bullying and for the confidentiality, maintenance and disposition of this documentation. School districts shall maintain documentation of all incidents reported pursuant to this paragraph for at least six years. The school shall not that documentation to impose disciplinary action unless appropriate school official has investigated and determined that the reported incidents of harassment, intimidation or bullying occurred. If a school provides documentation of reported incidents to persons other than school officials or law enforcement, all individually identifiable information shall be redacted.
- (f) A formal process for the appropriate school officials to investigate suspected incidents of harassment, intimidation or bullying, including procedures for notifying the alleged victim and the alleged victim's parent or guardian when a school official or employee becomes aware of the suspected incident of harassment, intimidation or bullying.
- (g) Disciplinary procedures for pupils who have admitted or been found to have committed incidents of harassment, intimidation or bullying.
- (h) A procedure that sets forth consequences for submitting false reports of incidents of harassment, intimidation or bullying.
- (i) Procedures designed to protect the health and safety of pupils who are physically harmed as the result of incidents of harassment, intimidation and bullying, including, if appropriate, procedures to contact emergency medical services or law enforcement agencies, or both.
 - (j) Definitions of harassment, intimidation and bullying.
- 37. Prescribe and enforce policies and procedures regarding changing or adopting attendance boundaries that include the following components:
- (a) A procedure for holding public meetings to discuss attendance boundary changes or adoptions that allows public comments.
- (b) A procedure to notify the parents or guardians of the students affected, including assurance that, if that school remains open as part of the boundary change and capacity is available, students assigned to a new attendance area may stay enrolled in their current school.
- (c) A procedure to notify the residents of the households affected by the attendance boundary changes.

- 23 -

- (d) A process for placing public meeting notices and proposed maps on the school district's website for public review, if the school district maintains a website.
- (e) A formal process for presenting the attendance boundaries of the affected area in public meetings that allows public comments.
- (f) A formal process for notifying the residents and parents or guardians of the affected area as to the decision of the governing board on the school district's website, if the school district maintains a website.
- (g) A formal process for updating attendance boundaries on the school district's website within ninety days after an adopted boundary change. The school district shall send a direct link to the school district's attendance boundaries website to the department of real estate.
- 38. If the state board of education determines that the school district has committed an overexpenditure as defined in section 15-107, provide a copy of the fiscal management report submitted pursuant to section 15-107, subsection H on its website and make copies available to the public on request. The school district shall comply with a request within five business days after receipt.
- 39. Ensure that the contract for the superintendent is structured in a manner in which up to twenty percent of the total annual salary included for the superintendent in the contract is classified as performance pay. This paragraph does not require school districts to increase total compensation for superintendents. Unless the school district governing board votes to implement an alternative procedure at a public meeting called for this purpose, the performance pay portion of the superintendent's total annual compensation shall be determined as follows:
- (a) Twenty-five percent of the performance pay shall be determined based on the percentage of academic gain determined by the department of education of pupils who are enrolled in the school district compared to the academic gain achieved by the highest ranking of the fifty largest school districts in this state. For the purposes of this subdivision, the department of education shall determine academic gain by the academic growth achieved by each pupil who has been enrolled at the same school in a school district for at least five consecutive months measured against that pupil's academic results in the 2008-2009 school year. For the purposes of this subdivision, of the fifty largest school districts in this state, the school district with pupils who demonstrate the highest statewide percentage of overall academic gain measured against academic results for the 2008–2009 school year shall be assigned a score of 100 and the school district with pupils who demonstrate the lowest statewide percentage of overall academic gain measured against academic results for the 2008-2009 school year shall be assigned a score of 0.
- (b) Twenty-five percent of the performance pay shall be determined by the percentage of parents of pupils who are enrolled at the school

- 24 -

district who assign a letter grade of "A" to the school on a survey of parental satisfaction with the school district. The parental satisfaction survey shall be administered and scored by an independent entity that is selected by the governing board and that demonstrates sufficient expertise and experience to accurately measure the results of the survey. The parental satisfaction survey shall use standard random sampling procedures and provide anonymity and confidentiality to each parent who participates in the survey. The letter grade scale used on the parental satisfaction survey shall direct parents to assign one of the following letter grades:

- (i) A letter grade of "A" if the school district is excellent.
- (ii) A letter grade of "B" if the school district is above average.
- (iii) A letter grade of "C" if the school district is average.
- (iv) A letter grade of "D" if the school district is below average.
- (v) A letter grade of "F" if the school district is a failure.
- (c) Twenty-five percent of the performance pay shall be determined by the percentage of teachers who are employed at the school district and who assign a letter grade of "A" to the school on a survey of teacher satisfaction with the school. The teacher satisfaction survey shall be administered and scored by an independent entity that is selected by the governing board and that demonstrates sufficient expertise and experience to accurately measure the results of the survey. The teacher satisfaction survey shall use standard random sampling procedures and provide anonymity and confidentiality to each teacher who participates in the survey. The letter grade scale used on the teacher satisfaction survey shall direct teachers to assign one of the following letter grades:
 - (i) A letter grade of "A" if the school district is excellent.
 - (ii) A letter grade of "B" if the school district is above average.
 - (iii) A letter grade of "C" if the school district is average.
 - (iv) A letter grade of "D" if the school district is below average.
 - (v) A letter grade of "F" if the school district is a failure.
- (d) Twenty-five percent of the performance pay shall be determined by other criteria selected by the governing board.
- 40. Maintain and store permanent public records of the school district as required by law. Notwithstanding section 39-101, the standards adopted by the Arizona state library, archives and public records for the maintenance and storage of school district public records shall allow school districts to elect to satisfy the requirements of this paragraph by maintaining and storing these records either on paper or in an electronic format, or a combination of a paper and electronic format.
- 41. Adopt in a public meeting and implement policies for principal evaluations. Before adopting principal evaluation policies, the school district governing board shall provide opportunities for public discussion on the proposed policies. The governing board shall adopt policies that:
- (a) Are designed to improve principal performance and improve student achievement.

- 25 -

2

3

4

5

6

7

8

9

10

11

12

13

14

1516

17

18

19

20

21

22

23 24

2526

27

28 29

30

31

32

33

34

35 36

37

38

39

40

41

42

43

44 45

- (b) Include the use of quantitative data on the academic progress for all students, which shall account for between twenty percent and thirty-three percent of the evaluation outcomes.
- (c) Include four performance classifications, designated as highly effective, effective, developing and ineffective.
 - (d) Describe both of the following:
- (i) The methods used to evaluate the performance of principals, including the data used to measure student performance and job effectiveness.
 - (ii) The formula used to determine evaluation outcomes.
- 42. Prescribe and enforce policies and procedures that define the duties of principals and teachers. These policies and procedures shall authorize teachers to take and maintain daily classroom attendance, make the decision to promote or retain a pupil in a grade in common school or to pass or fail a pupil in a course in high school, subject to review by the governing board in the manner provided in section 15-342, paragraph 11.
- 43. Prescribe and enforce policies and procedures for the emergency administration by an employee of a school district pursuant to section 36-2267 of naloxone hydrochloride or any other opioid antagonist approved by the United States food and drug administration.
- 44. In addition to the notification requirements prescribed in paragraph 36 of this subsection, prescribe and enforce reasonable and appropriate policies to notify a pupil's parent or guardian if any person engages in harassing, threatening or intimidating conduct against that pupil. A school district and its officials and employees are immune from civil liability with respect to all decisions made and actions taken that are based on good faith implementation of the requirements of this paragraph, except in cases of gross negligence or wanton or wilful neglect. A person engages in threatening or intimidating if the person threatens or intimidates by word or conduct to cause physical injury to another person or serious damage to the property of another on school grounds. A person engages in harassment if, with intent to harass or with knowledge that the person is harassing another person, the person anonymously or otherwise contacts, communicates or causes a communication with another person by verbal, electronic, mechanical, telephonic or written means in a manner that harasses on school grounds or substantially disrupts the school environment.
- 45. Each fiscal year, provide to each school district employee a total compensation statement that is broken down by category of benefit or payment and that includes, for that employee, at least all of the following:
 - (a) Base salary and any additional pay.
- (b) Medical benefits and the value of any employer-paid portions of insurance plan premiums.

- 26 -

- (c) Retirement benefit plans, including social security.
- (d) Legally required benefits.
- (e) Any paid leave.
- (f) Any other payment made to or on behalf of the employee.
- (g) Any other benefit provided to the employee.
- 46. Develop and adopt in a public meeting policies to allow for visits, tours and observations of all classrooms by parents of enrolled pupils and parents who wish to enroll their children in the school district unless a visit, tour or observation threatens the health and safety of pupils and staff. These policies and procedures must be easily accessible from the home page on each school's website.
- B. Notwithstanding subsection A, paragraphs 7, 9 and 11 of this section, the county school superintendent may construct, improve and furnish school buildings or purchase or sell school sites in the conduct of an accommodation school.
- C. If any school district acquires real or personal property, whether by purchase, exchange, condemnation, gift or otherwise, the governing board shall pay to the county treasurer any taxes on the property that were unpaid as of the date of acquisition, including penalties and interest. The lien for unpaid delinquent taxes, penalties and interest on property acquired by a school district:
- 1. Is not abated, extinguished, discharged or merged in the title to the property.
 - 2. Is enforceable in the same manner as other delinquent tax liens.
- D. The governing board may not locate a school on property that is less than one-fourth mile from agricultural land regulated pursuant to section 3-365, except that the owner of the agricultural land may agree to comply with the buffer zone requirements of section 3-365. If the owner agrees in writing to comply with the buffer zone requirements and records the agreement in the office of the county recorder as a restrictive covenant running with the title to the land, the school district may locate a school within the affected buffer zone. The agreement may include any stipulations regarding the school, including conditions for future expansion of the school and changes in the operational status of the school that will result in a breach of the agreement.
- E. A school district, its governing board members, its school council members and its employees are immune from civil liability for the consequences of adopting and implementing policies and procedures pursuant to subsection A of this section and section 15-342. This waiver does not apply if the school district, its governing board members, its school council members or its employees are guilty of gross negligence or intentional misconduct.
- F. A governing board may delegate in writing to a superintendent, principal or head teacher the authority to prescribe procedures that are consistent with the governing board's policies.

- 27 -

2

3

4

5

6

7

8

9

10 11

12

13

14 15

16

17

18

19

20

21

22

23

24

2526

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

- Notwithstanding any other provision of this title, a school district governing board shall not take any action that would result in a reduction of pupil square footage unless the governing board notifies the school facilities oversight board established by section 41-5701.02 of the proposed action and receives written approval from the school facilities oversight board to take the action. A reduction includes an increase in administrative space that results in a reduction of pupil square footage or sale of school sites or buildings, or both. A reduction includes a reconfiguration of grades that results in a reduction of pupil square footage of any grade level. This subsection does not apply to temporary reconfiguration of grades to accommodate new school construction if the temporary reconfiguration does not exceed one year. The sale of equipment that results in a reduction that falls below the equipment requirements prescribed in section 41-5711, subsection B is subject to commensurate withholding of school district district additional assistance monies pursuant to the direction of the school facilities board. Except as provided in section 15–342, paragraph 10, proceeds from the sale of school sites, buildings or other equipment shall be deposited in the school plant fund as provided in section 15-1102.
- H. Subsections C through G of this section apply to a county board of supervisors and a county school superintendent when operating and administering an accommodation school.
- I. A school district governing board may delegate authority in writing to the superintendent of the school district to submit plans for new school facilities to the school facilities oversight board for the purpose of certifying that the plans meet the minimum school facility adequacy guidelines prescribed in section 41-5711.
- J. For the purposes of subsection A, paragraph 37 of this section, attendance boundaries may not be used to require students to attend certain schools based on the student's place of residence.
- Sec. 7. Section 15-701, Arizona Revised Statutes, is amended to read:

```
15-701. Common schools; promotions; requirements; certificate; supervision of eighth grades by superintendent of high school district; high school admissions; academic credit; definition
```

- A. The state board of education shall:
- 1. Prescribe a minimum course of study incorporating the academic standards adopted by the state board of education to be taught in the common schools.
- 2. Prescribe competency requirements for the promotion of pupils from the eighth grade and competency requirements for the promotion of pupils from the third grade incorporating THAT INCORPORATE the academic standards in at least the areas of reading, writing, mathematics, science

- 28 -

2

3

4

5

6

7

8

9

10

11

12

13

14

1516

17

18

19

20

21

22

23

24

2526

27

28 29

30 31

32

33

34

35 36

37

38

39

40 41

42 43

44 45 and social studies. The competency requirements for the promotion of pupils from the third grade shall include the following:

- (a) A requirement that a pupil not be promoted from the third grade if the pupil obtains a score on the reading portion of the statewide assessment that does not demonstrate sufficient reading skills as established by the state board. A pupil may not be retained pursuant to this subdivision if data regarding the pupil's performance on the statewide assessment is not available before the end of the current academic year and may not be retained more than once. A pupil who is not unavailability of due to the test data must receive evidence-based intervention and remedial strategies pursuant subdivision (c) of this paragraph if the third grade assessment data subsequently does not demonstrate sufficient reading skills.
- (b) A mechanism to allow a school district governing board or the governing body of a charter school GOVERNING BODY to promote from the third grade a pupil who does not demonstrate sufficient reading skills pursuant to subdivision (a) of this paragraph if the pupil:
- (i) Is an English learner or a limited English proficient student as defined in section 15-751 and has had fewer than three years of English language instruction.
- (ii) Is in the process of a special education referral or evaluation for placement in special education, has been diagnosed as having a significant reading impairment, including dyslexia, or is a child with a disability as defined in section 15-761 if the pupil's individualized education program team and the pupil's parent or guardian agree that promotion is appropriate based on the pupil's individualized education program.
- (iii) Has demonstrated or subsequently demonstrates sufficient reading skills or adequate progress toward sufficient reading skills of the third grade reading standards as evidenced through a collection of reading assessments approved by the state board of education, which includes an alternative standardized reading assessment approved by the state board.
- (iv) Receives intervention and remedial services during the summer or a subsequent school year pursuant to subdivision (c) of this paragraph and demonstrates sufficient progress based on guidelines issued pursuant to subsection B, paragraph 7 of this section.
- (c) Evidence-based intervention and remedial strategies developed by the state board of education for pupils who are not promoted from the third grade. A school district governing board or the governing body of a charter school GOVERNING BODY shall offer more than one of the intervention and remedial strategies developed by the state board of education. The parent or guardian of a pupil who is not promoted from the third grade and the pupil's teacher and principal may choose the most appropriate intervention and remedial strategies that will be provided to

- 29 -

2

3

4

5

6

7

8

9

10 11

12

13

14 15

16

17 18

19 20

21

22

23

24

25

26

27

28 29

30

31

32

34 35

36

37

38 39

40 41

42

43

44

45

that pupil. The intervention and remedial strategies developed by the state board of education shall include:

- (i) A requirement that the pupil be assigned for evidence-based reading instruction by a different teacher who was designated in that teacher's most recent performance evaluation in one of the top two performance classifications.
 - (ii) Summer school reading instruction.
- (iii) In the next academic year, intensive reading instruction that occurs before, during or after the regular school day, or any combination of before, during and after the regular school day.
- (iv) Small group and teacher-led evidence-based reading instruction, which may include computer-based or online reading instruction.
- (d) A requirement that a school district governing board or charter school governing body that promotes a pupil pursuant to subdivision (b) of this paragraph provide annual reporting to the department of education on or before October 1 that includes information on the total number of pupils subject to the retention provisions of subdivision (a) of this paragraph, the total number of students promoted pursuant to subdivision (b) of this paragraph, the total number of pupils retained in grade three and the interventions administered pursuant to subdivision (c) of this paragraph.
- Provide for universal screening of pupils in preschool programs, kindergarten programs and grades one through three that is designed to identify pupils who have reading deficiencies pursuant to section 15-704. If sufficient monies are appropriated, beginning in the 2022-2023 school year, the state board of education shall adopt a statewide kindergarten entry evaluation tool to THAT SCHOOL DISTRICTS AND CHARTER SCHOOLS MAY administer to pupils in kindergarten programs within forty-five calendar days after the beginning of each school year or within forty-five calendar days after a pupil enrolls. EACH SCHOOL DISTRICT GOVERNING BOARD AND CHARTER SCHOOL GOVERNING BODY SHALL SELECT APPROPRIATE EVALUATION METHODS OR ASSESSMENTS, OR BOTH, TO ADMINISTER TO PUPILS IN KINDERGARTEN PROGRAMS FOR THE PURPOSES OF THIS PARAGRAPH. A SCHOOL DISTRICT OR CHARTER SCHOOL SHALL ADMINISTER THE EVALUATION TOOL SELECTED BY THE SCHOOL DISTRICT GOVERNING BOARD OR CHARTER SCHOOL GOVERNING BODY PURSUANT TO THIS PARAGRAPH WITHIN FORTY-FIVE CALENDAR DAYS AFTER THE BEGINNING OF EACH SCHOOL YEAR OR WITHIN FORTY-FIVE CALENDAR DAYS AFTER A PUPIL ENROLLS. SCHOOL DISTRICTS AND CHARTER SCHOOLS ARE NOT REQUIRED TO ADMINISTER THE KINDERGARTEN ENTRY EVALUATION TOOL ADOPTED BY THE STATE BOARD OF EDUCATION PURSUANT TO THIS PARAGRAPH.
- 4. Develop evidence-based intervention and remedial strategies pursuant to paragraph 2, subdivision (c) of this subsection for pupils in kindergarten programs and grades one through three who are identified as having reading deficiencies pursuant to section 15-704.

- 30 -

- 5. Distribute guidelines for the school districts to follow in prescribing criteria for the promotion of pupils from grade to grade in the common schools. These guidelines shall include recommended procedures for ensuring that the cultural background of a pupil is taken into consideration when criteria for promotion are being applied.
- B. School districts and charter schools shall provide annual written notification to parents of pupils in kindergarten programs and first, second and third grades that a pupil who does not demonstrate sufficient reading skills pursuant to subsection A of this section will not be promoted from the third grade. School districts and charter schools shall identify each pupil who is at risk of reading below grade level in kindergarten and grades one, two and three, based on local or statewide assessments, and shall provide to the parent of that pupil a specific written notification of the reading deficiency within three weeks after identifying the reading deficiency. The notification shall include the following information:
 - 1. A description of the pupil's specific individual needs.
- 2. A description of the current reading services provided to the pupil.
- 3. A description of the available supplemental instructional services and supporting programs that are designed to remediate reading deficiencies. Each school district or charter school shall offer more than one evidence-based intervention strategy and more than one remedial strategy developed by the state board of education for pupils with reading deficiencies. The notification shall list the intervention and remedial strategies offered and shall instruct the parent to choose, in consultation with the pupil's teacher, the most appropriate strategies to be provided and implemented for that child.
- 4. Parental strategies to assist the pupil to attain reading proficiency.
- 5. The frequency with which the school district or charter school will provide timely updates and information to the parent on the pupil's progress toward reading proficiency.
- 6. A statement that the pupil will not be promoted from the third grade if the pupil does not demonstrate sufficient reading skills pursuant to subsection A, paragraph 2, subdivision (a) of this section, unless the pupil is exempt from mandatory retention in grade three or the pupil qualifies for an exemption pursuant to subsection A, paragraph 2, subdivision (b) of this section.
- 7. A description of the school district or charter school policies on midyear promotion to a higher grade.
- C. Pursuant to the guidelines that the state board of education distributes, the governing board of a school district shall:

- 31 -

- 1. Prescribe curricula that include the academic standards in the required subject areas pursuant to subsection A, paragraph 1 of this section.
- 2. Prescribe criteria for the promotion of pupils from grade to grade in the common schools in the school district. These criteria shall include accomplishment of the academic standards in at least reading, writing, mathematics, science and social studies, as determined by district assessment. Other criteria may include additional measures of academic achievement and attendance.
- D. The governing board may prescribe the course of study and competency requirements for promotion that are in addition to or higher than the course of study and competency requirements the state board prescribes.
- E. A teacher shall determine whether to promote or retain a pupil in a grade in a common school on the basis of the prescribed criteria. The governing board, if it reviews the decision of a teacher to promote or retain a pupil in a grade in a common school as provided in section 15-342, paragraph 11, shall base its decision on the prescribed criteria.
- F. A governing board may provide and issue certificates of promotion to pupils whom it promotes from the eighth grade of a common school. Such certificates shall be signed by the principal or superintendent of schools. If there is no principal or superintendent of schools, the certificates shall be signed by the teacher of an eighth grade TEACHER. The certificates shall admit the holders to any high school in the THIS state.
- G. Within any high school district or union high school district, the superintendent of the high school district shall supervise the work of the eighth grade of all schools $\frac{\text{employing no}}{\text{THAT DO NOT EMPLOY A}}$ superintendent or principal.
- H. A school district shall not deny a pupil who is between the ages of sixteen and twenty-one years admission to a high school because the pupil does not hold an eighth grade certificate. Governing boards shall establish procedures for determining the admissibility of pupils who are under sixteen years of age and who do not hold eighth grade certificates.
- I. The state board of education shall adopt rules to allow common school pupils who can demonstrate competency in a particular academic course or subject to obtain academic credit for the course or subject without enrolling in the course or subject.
- J. A school district may conduct a ceremony to honor pupils who have been promoted from the eighth grade.
- K. For the purposes of this section, "dyslexia" means a condition that:
 - 1. Is neurological in origin.

- 32 -

- 2. Is characterized by difficulties with accurate or fluent word recognition and by poor spelling and decoding abilities, including difficulties that typically result from a deficit in the phonological component of language that is often unexpected in relation to other cognitive abilities and to the provision of effective classroom instruction.
- 3. May include secondary consequences such as problems with reading comprehension and reduced reading experience that may impede the growth of vocabulary and background knowledge.
- Sec. 8. Section 15-704, Arizona Revised Statutes, is amended to read:

15-704. Reading proficiency; dyslexia screening plan; parental notification; definitions

- A. Each school district or charter school that provides instruction in kindergarten programs and grades one through three shall select and administer screening, ongoing diagnostic and classroom-based instructional reading assessments, including a motivational assessment, as defined by the state board of education, and the kindergarten entry evaluation tool adopted SELECTED BY THE SCHOOL DISTRICT GOVERNING BOARD OR CHARTER SCHOOL GOVERNING BODY pursuant to section 15-701, subsection A, paragraph 3, to monitor student progress. Each school shall use the diagnostic information to plan evidence-based appropriate and effective instruction and intervention.
- B. On or before July 1, 2022, the department of education shall develop a dyslexia screening plan that meets all of the following requirements:
- 1. Ensures that within forty-five calendar days after the beginning of each school year or within forty-five calendar days after a student enrollment occurs after the first day of school, every student who is enrolled in a kindergarten program or grade one in a public school in this state is screened for indicators of dyslexia.
- 2. Provides guidance for notifications sent by public schools to parents of students who are identified as having indicators of dyslexia based on a screening for indicators.
- 3. Is developed collaboratively with the dyslexia specialist for the department designated pursuant to section 15-211, and other experts on dyslexia, including representatives in this state of an international organization on dyslexia.
- 4. Ensures that screening for indicators of dyslexia includes the following:
 - (a) Phonological and phonemic awareness.
 - (b) Rapid naming skills.
 - (c) Correspondence between sounds and letters.
 - (d) Nonsense word fluency.
 - (e) Sound symbol recognition.

- 33 -

- C. The screening for indicators of dyslexia may be integrated with reading proficiency screenings as prescribed in this section.
- D. Each school district or charter school that provides instruction for pupils in kindergarten programs and grades one through three shall conduct a curriculum evaluation and adopt an evidence-based reading curriculum that includes the essential components of reading instruction. All school districts and charter schools that offer instruction in kindergarten programs and grades one through three shall provide ongoing teacher training based on evidence-based reading research.
- E. Each school district or charter school that provides instruction in kindergarten programs and grades one through three shall devote reasonable amounts of time to explicit evidence-based instruction and independent reading in grades one through three.
- F. A pupil in grade three who does not demonstrate proficiency on the reading standards measured by the statewide assessment administered pursuant to section 15-741 shall be provided core reading instruction and intensive, evidence-based reading instruction as defined by the state board of education until the pupil meets these standards.
- G. The governing board of each school district and the governing body of each charter school shall determine the percentage of pupils at each school in grade three who do not demonstrate proficiency on the reading standards prescribed by the state board of education and measured by the statewide assessment administered pursuant to section 15-741. If more than twenty percent of students in grade three at either the individual school level or at the school district level do not demonstrate proficiency on the standards, the governing board or governing body shall conduct a review of its reading program that includes curriculum and professional development in light of current, evidence-based reading research.
- H. Based on the review required in subsection G of this section, the governing board or governing body and the school principal of each school that does not demonstrate proficiency on the reading standards, in conjunction with school council members, if applicable, shall develop methods of best practices for teaching reading based on essential components of reading instruction and supported by evidence-based reading research. These methods shall be adopted at a public meeting and shall be implemented the following academic year.
- I. Subsections G and H of this section shall be coordinated with efforts to develop and implement an improvement plan if required pursuant to section 15-241.02.
 - J. For the purposes of this section:
- 1. "Essential components of reading instruction" means explicit and systematic instruction in the following:
 - (a) Phonological awareness, including phonemic awareness.
 - (b) Phonics encoding and decoding.

- 34 -

- (c) Vocabulary development.
- (d) Reading fluency as demonstrated by automatic reading of text.
- (e) Reading comprehension of written text.
- (f) Written and oral expression, including spelling and handwriting.
- 2. "Evidence-based reading research" means research that demonstrates either:
- (a) A statistically significant effect on improving student outcomes or other relevant outcomes based on either:
- (i) Strong evidence from at least one well-designed and well-implemented experimental study.
- (ii) Moderate evidence from at least one well-designed and well-implemented quasi-experimental study.
- (iii) Promising evidence from at least one well-designed and well-implemented correlational study with statistical controls for selection bias.
- (b) A rationale based on high-quality research findings or positive evaluation that an activity, strategy or intervention is likely to improve student outcomes or other relevant outcomes and that includes ongoing efforts to examine the effects of these activities, strategies or interventions.
- 3. "Reading" means a complex system of deriving meaning from written text that requires all of the following:
- (a) The skills and knowledge to understand how phonemes or speech sounds are connected to written text.
 - (b) The ability to decode unfamiliar words.
 - (c) The ability to read fluently.
- (d) Sufficient background information and vocabulary to foster reading comprehension.
- (e) The development of appropriate active strategies to construct meaning from written text.
 - (f) The development and maintenance of a motivation to read."
- Sec. 9. Section 15-828, Arizona Revised Statutes, is amended to read:

15-828. Birth certificate; school records; exception

- A. On enrollment of a pupil for the first time in a particular school district or private school offering instruction to pupils in any kindergarten programs or grades one through twelve, that school or school district shall notify the person enrolling the pupil in writing that within thirty days the person must provide one of the following:
 - 1. A certified copy of the pupil's birth certificate.
- 2. Other reliable proof of the pupil's identity and age, including the pupil's baptismal certificate, an application for a social security number or original school registration records and an affidavit explaining the inability to provide a copy of the birth certificate.

- 35 -

- 3. A letter from the authorized representative of an agency having custody of the pupil pursuant to title 8, chapter 2 certifying that the pupil has been placed in the custody of the agency as prescribed by law.
- B. If a child is instructed at home pursuant to section 15-802, the person who has custody of the child shall, within thirty days after the home instruction begins, provide to the county school superintendent of the county in which the child resides one of the following:
 - 1. A certified copy of the child's birth certificate.
- 2. Other reliable proof of the child's identity and age, including the child's baptismal certificate, an application for a social security number or original school registration records and an affidavit explaining the inability to provide a copy of the birth certificate.
- 3. A letter from the authorized representative of an agency having custody of the pupil pursuant to title 8, chapter 2 certifying that the pupil has been placed in the custody of the agency as prescribed by law.
- C. On presentation of a document pursuant to this section, a photocopy of the document shall be placed in the pupil's file and the document that is presented shall be returned.
- D. A pupil shall be enrolled in the school or school district, or the county school superintendent shall record the pupil's name, using the name that is printed on the birth certificate, other reliable proof of the pupil's identity, or letter from an agency having custody of the pupil provided pursuant to this section. This subsection does not prohibit a school or school district from calling a pupil by any name the pupil's parent or guardian wishes the pupil to be called.
- E. On the failure of a person enrolling a pupil or instructing a child at home to comply with subsection A or B of this section, the school, school district or county school superintendent shall notify that person in writing that, unless the person complies within ten days, the case shall be referred to the local law enforcement agency for investigation. If compliance is not obtained within the ten day TEN-DAY period, the school, school district or county school superintendent shall refer the case to the local law enforcement agency.
- F. The school, school district or county school superintendent shall immediately report to the local law enforcement agency any affidavit received pursuant to this section which THAT appears TO BE inaccurate or suspicious in form or content.
- G. Within five TEN school days after enrolling a transfer pupil from a private school or another school district, a school shall request directly from the pupil's previous school a certified copy of the pupil's record. The requesting school shall exercise due diligence in obtaining the copy of the record requested. Notwithstanding any financial debt owed by the pupil, any school requested to forward a copy of a transferring pupil's record to the new school shall comply and forward the record within ten school days after receipt of the request unless the record has

- 36 -

been flagged pursuant to section 15-829. If the record has been flagged, the requested school shall not forward the copy and shall notify the local law enforcement agency of the request. School districts shall include in the educational records required by this subsection data collected pursuant to sections 15-741 and 15-766, as prescribed by the state board of education.

- H. Any disclosure of educational records by the school district or charter school shall comply with the family educational rights and privacy act of 1974 (20 United States Code section 1232g).
- I. The provisions of This section $\frac{d\sigma}{d\sigma}$ DOES not apply to homeless pupils as defined in section 15-824, subsection C.
- Sec. 10. Section 15-903, Arizona Revised Statutes, is amended to read:

15-903. Budget format: prohibited expenditures: annual report

- A. The superintendent of public instruction in conjunction with the auditor general shall prepare and prescribe a budget format to be utilized USED by all school districts.
- B. The budget format shall be designed to allow all school districts to plan and provide in detail for the use of USING available funds MONIES. The budget format shall contain distinct sections for, but need not be limited to, maintenance and operation, debt service, special projects, capital outlay, adjacent ways and classroom site fund. The maintenance and operation section shall include, but need not be limited to, separate subsections for regular education programs, special education programs and operational expenditures for pupil transportation. Each subsection shall clearly distinguish classroom instruction expenditures. The special education program subsection shall include a subtotal for the disability classifications as defined in section 15–761 and programs for gifted, vocational and technical education, remedial education and bilingual students. The total expenditures for each of these programs shall be included on the budget form. The pupil transportation subsection shall include all operational expenditures relating to the transportation of TRANSPORTING pupils, including all operational expenditures within a contract if the school district contracts for pupil transportation.
- C. The capital outlay section of the budget shall include a subsection for unrestricted capital outlay. The unrestricted capital outlay subsection shall include budgeted expenditures for acquisitions by purchase, lease-purchase or lease of capital items as defined in the uniform system of financial records and shall include:
- 1. Land, buildings and improvements to land and buildings, including labor and related employee benefits costs and material costs if work is performed by school district employees.
- 2. Furniture, furnishings, athletic equipment and other equipment, including computer software.

- 37 -

- 3. Pupil and nonpupil transportation vehicles and equipment, including all capital expenditures within a contract if the school district contracts for pupil transportation.
- 4. Textbooks and related printed subject matter materials adopted by the governing board.
 - 5. Instructional aids.
 - 6. Library books.
 - 7. Payment of principal and interest on bonds.
- 8. School district administration emergency needs that are directly related to pupils.
- D. The budget format shall contain distinct subsections for the following:
- 1. Special programs to improve academic achievement of pupils in kindergarten programs and grades one through three as provided in section 15-482.
 - 2. School plant funds.
 - 3. Capital outlay budget increases as provided in section 15-481.
 - 4. Property taxation, including the following:
- (a) The primary tax rates for the school district for the current year and the budget year.
- (b) The secondary tax rates for maintenance and operation, K-3 and capital overrides for the school district for the current year and the budget year.
- (c) The secondary tax rates for class A bonds for the school district for the current year and the budget year.
- (d) The secondary tax rates for class B bonds for the school district for the current year and the budget year.
- 5. A description of any corrections or adjustments made to the budget pursuant to section 15-915.
 - E. The budget format shall also contain:
- $1.\ \ A$ statement identifying proposed pupil-teacher ratios and pupil-staff ratios relating to the provision of special education services for the budget year.
- 2. A statement identifying the number of full-time equivalent certified employees.
- 3. 2. The prominent display of the average salary of all teachers employed by the school district for the current year. The school district shall also prominently post this information on its website home page separately from its budget.
- 4. 3. The prominent display of the average salary of all teachers employed by the school district for the previous year. The school district shall also prominently post this information on its website home page separately from its budget.

- 38 -

- 5. 4. The prominent display of the dollar increase in the average salary of all teachers employed by the school district for the current year. The school district shall also prominently post this information on its website home page separately from its budget.
- 6. 5. The prominent display of the percentage increase in the average salary of all teachers employed by the school district for the current year. The school district shall also prominently post this information on its website home page separately from its budget.
- F. The special projects section shall include budgeted expenditures for state special projects, including special adult projects, career education, deficiencies correction fund projects and new school facilities fund projects, such federal special projects as ESEA title programs, vocational education and title IV Indian education, and other special projects.
- G. A school district shall not make expenditures for campaign literature associated with school district or charter school officials. If the superintendent of public instruction determines that a school district has violated this subsection, the superintendent of public instruction may withhold any portion of the school district's apportionment of state aid.
- H. The budget format shall include an electronic format that shall be submitted for each proposed, adopted and revised budget.
- I. On or before November 30 of each year, the department of education shall electronically submit to the joint legislative budget committee and the governor's office of strategic planning and budgeting a report that compiles the information required by subsection E, paragraphs $\frac{3}{2}$ through $\frac{6}{5}$ of this section for all school districts statewide.
- Sec. 11. Section 6, as added by Senate Bill 1720, fifty-sixth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 6. DEPARTMENT OF ADMINISTRATION

32		<u> 2023 - 24</u>
33	FTE positions	539.1
34	Operating lump sum appropriation	\$ 91,914,700
35	Utilities	7,649,900
36	Arizona financial information	
37	system	14,442,100
38	Risk management administrative	
39	expenses	10,870,700
40	Risk management losses and	
41	premiums	52,436,300

- 39 -

1	W	orkers' compensation losses	
2		and premiums	28,395,000
3	C,	yber risk insurance	23,037,200
4	I	nformation technology project	
5		management and oversight	1,667,300
6	S	tate surplus property sales	
7		agency proceeds	1,810,000
8	E	mployee compensation study	4,000,000
9	H	ealth care interoperability grants	3,000,000
10	F	ire incident management	
11		fund deposit	12,200,000
12	K	irkland SKULL VALLEY school	
13		district distribution	300,000
14	E	arly literacy	250,000
15		-12 transportation grants	15,000,000
16	М	iami unified school district	
17		gym floors	350,000
18	S	outhwest defense contracts	25,000
19	G	overnment transformation office	2,063,000
20		priation — department of	
21		dministration	\$269,411,200
22		sources:	
23		tate general fund	\$ 44,450,900
24		ir quality fund	928,000
25	A	rizona financial information	
26		system collections fund	14,442,100
27		utomation operations fund	29,901,000
28		apital outlay stabilization fund	19,200,200
29		orrections fund	634,600
30		yber risk insurance fund	23,037,200
31	F	ederal surplus materials revolving	
32		fund	468,500
33		nformation technology fund	2,292,000
34		ersonnel division fund	13,779,500
35		isk management revolving fund	99,955,800
36	S	pecial employee health insurance	
37	_	trust fund	5,719,900
38		pecial services revolving fund	1,257,300
39	S	tate surplus materials revolving	0.004.000
40	•	fund	3,064,600
41		tate web portal fund	8,465,600
42	Т	elecommunications fund	1,814,000

The amount appropriated for southwest defense contracts shall be distributed to a nonprofit organization that advocates for preserving and enhancing critical defense missions and assets in the southwestern United States.

The appropriation from the automation operations fund established by section 41-711, Arizona Revised Statutes, is an estimate representing all monies, including balance forward, revenues and transfers during fiscal year 2023-2024. These monies are appropriated to the department of administration for the purposes established in section 41-711, Arizona Revised Statutes. The appropriation is adjusted as necessary to reflect monies credited to the automation operations fund for automation operation center projects. Before spending any automation operations fund monies in excess of \$29,901,000 in fiscal year 2023-2024, the department shall report the intended use of the monies to the joint legislative budget committee.

On or before September 1, 2024, the department shall submit a report to the joint legislative budget committee on the results of pilot projects implemented in fiscal year 2023-2024 for the state employee public transportation service reimbursements pursuant to section 41-710.01, Arizona Revised Statutes, in a vehicle emissions control area as defined in section 49-541, Arizona Revised Statutes, of a county with a population of more than four hundred thousand persons.

All state surplus materials revolving fund monies received by the department of administration in excess of \$3,064,600 in fiscal year 2023-2024 are appropriated to the department. Before spending state surplus materials revolving fund monies in excess of \$3,064,600 in fiscal year 2023-2024, the department shall report the intended use of the monies to the joint legislative budget committee.

Of the amount appropriated for the Arizona financial information system line item in fiscal year 2023-2024, \$4,000,000 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2025.

On or before November 1, 2024, the department shall submit a report to the director of the joint legislative budget committee on expenditures made from the cyber risk insurance fund established by section 41-622, Arizona Revised Statutes, from the prior year.

On or before October 1, 2024, the department shall submit a report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee on the outcome of the employee compensation study.

- 41 -

The amount appropriated for the K-12 transportation grants line item in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section 5 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until June 30, 2024.

The amount appropriated for the early literacy line item shall be distributed to a literacy program that places young adult role models in high-need preschool classrooms and childcare centers where they deliver targeted early literacy interventions to children who may otherwise never have had young adult role models.

The amount appropriated for the enduring freedom memorial repair line item in fiscal year 2021-2022 pursuant to Laws 2021, chapter 408, section 5 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until June 30, 2024.

APPROVED BY THE GOVERNOR JUNE 19, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 19, 2023.

- 42 -