

REFERENCE TITLE: ESA program; performance review; termination.

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HB 2562

Introduced by
Representatives Gutierrez: Austin, Crews, Ortiz, Pawlik, Quiñonez,
Schwiebert, Seaman, Stahl Hamilton, Terech, Villegas; Senator Sundareshan

AN ACT

AMENDING TITLE 15, CHAPTER 19, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTIONS 15-2407 AND 15-2408; RELATING TO ARIZONA EMPOWERMENT
SCHOLARSHIP ACCOUNTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 15, chapter 19, article 1, Arizona Revised
3 Statutes, is amended by adding sections 15-2407 and 15-2408, to read:

4 15-2407. Joint legislative audit committee; committees of
5 reference; program review; reports; auditor
6 general; audit; continuation; definitions

7 A. THE JOINT LEGISLATIVE AUDIT COMMITTEE SHALL DIRECT THE
8 APPROPRIATE LEGISLATIVE COMMITTEES OF REFERENCE ESTABLISHED PURSUANT TO
9 SECTION 41-2954 TO WHICH THE DEPARTMENT IS ASSIGNED TO COMPLETE A PROGRAM
10 REVIEW OF THE ARIZONA EMPOWERMENT SCHOLARSHIP ACCOUNTS PROGRAM AT LEAST
11 SEVENTEEN MONTHS BEFORE THE TERMINATION DATE FOR THE PROGRAM PRESCRIBED BY
12 SECTION 15-2409.

13 B. THE COMMITTEES OF REFERENCE SHALL UNDERTAKE THE PROGRAM REVIEW
14 IN THE SCOPE AND DETAIL THE COMMITTEES OF REFERENCE DEEM APPROPRIATE AND
15 SHALL ADDRESS WHETHER THERE IS A NEED FOR THE PROGRAM IN THIS STATE AND,
16 IF SO, ASSESS THE DEGREE TO WHICH THE ORIGINAL OBJECTIVES OF THE PROGRAM
17 HAVE BEEN ACHIEVED EXPRESSED IN TERMS OF THE PERFORMANCE, IMPACT OR
18 ACCOMPLISHMENTS OF THE PROGRAM AND OF THE SITUATION THE PROGRAM WAS
19 INTENDED TO ADDRESS.

20 C. THE COMMITTEES OF REFERENCE SHALL COMPLETE THE DRAFT PROGRAM
21 REVIEW REPORT NOT LATER THAN ELEVEN MONTHS BEFORE THE TERMINATION DATE FOR
22 THE PROGRAM PRESCRIBED BY SECTION 15-2409. BEFORE THE DRAFT PROGRAM
23 REVIEW REPORT IS SUBMITTED, THE DEPARTMENT SHALL BE GIVEN AN OPPORTUNITY
24 TO REVIEW, WITHIN FORTY CALENDAR DAYS, THE DRAFT PROGRAM REVIEW REPORT AND
25 SUBMIT WRITTEN COMMENTS OR A REBUTTAL TO BE INCLUDED IN THE PRELIMINARY
26 PROGRAM REVIEW REPORT.

27 D. THE COMMITTEES OF REFERENCE SHALL SUBMIT THE PRELIMINARY PROGRAM
28 REVIEW REPORT TO THE GOVERNOR, TO EACH MEMBER OF THE JOINT LEGISLATIVE
29 AUDIT COMMITTEE, TO EACH MEMBER OF THE COMMITTEES OF REFERENCE TO WHICH
30 THE DEPARTMENT IS ASSIGNED AND TO THE DEPARTMENT ON OR BEFORE OCTOBER 1 OF
31 THE YEAR BEFORE THE SCHEDULED TERMINATION DATE FOR THE PROGRAM PRESCRIBED
32 BY SECTION 15-2409.

33 E. THE JOINT LEGISLATIVE AUDIT COMMITTEE SHALL DIRECT THE AUDITOR
34 GENERAL TO CONDUCT A PROGRAM PERFORMANCE AUDIT TO DETERMINE ONE OR MORE OF
35 THE FOLLOWING:

36 1. WHETHER THE DEPARTMENT IS MANAGING THE PROGRAM IN AN ECONOMICAL
37 AND EFFICIENT MANNER.

38 2. CAUSES OF INEFFICIENCIES OR UNECONOMICAL PRACTICES IN THE
39 PROGRAM, INCLUDING INADEQUACIES IN MANAGEMENT INFORMATION SYSTEMS,
40 INTERNAL AND ADMINISTRATIVE PROCEDURES, ORGANIZATIONAL STRUCTURE, USE OF
41 RESOURCES, ALLOCATION OF PERSONNEL, PURCHASING POLICIES AND EQUIPMENT.

42 3. WHETHER THE DESIRED RESULTS OF THE PROGRAM ARE BEING ACHIEVED.

43 4. WHETHER THE OBJECTIVES OF THE PROGRAM AS ESTABLISHED BY THE
44 LEGISLATURE ARE BEING MET.

1 F. THE AUDITOR GENERAL SHALL CONDUCT THE PROGRAM PERFORMANCE AUDIT
2 IN A MANNER THAT IS CONSISTENT WITH THE PERFORMANCE AUDIT PROCEDURES
3 PRESCRIBED IN TITLE 41, CHAPTER 7, ARTICLE 10.1 AND SHALL SUBMIT TO THE
4 GOVERNOR, TO EACH MEMBER OF THE JOINT LEGISLATIVE AUDIT COMMITTEE, TO THE
5 COMMITTEES OF REFERENCE TO WHICH THE DEPARTMENT IS ASSIGNED AND TO THE
6 DEPARTMENT ON OR BEFORE OCTOBER 1 OF THE YEAR BEFORE THE SCHEDULED
7 TERMINATION DATE FOR THE PROGRAM PRESCRIBED BY SECTION 15-2409.

8 G. AFTER RECEIPT OF THE PROGRAM PERFORMANCE AUDIT, THE COMMITTEES
9 OF REFERENCE SHALL HOLD AT LEAST ONE PUBLIC HEARING TO RECEIVE TESTIMONY
10 FROM THE PUBLIC AND FROM THE OFFICIALS OF THE DEPARTMENT. THE COMMITTEES
11 OF REFERENCE MAY HOLD ADDITIONAL PUBLIC HEARINGS FOR THE PURPOSES PROVIDED
12 IN SECTION 41-2954, SUBSECTION C AS APPLICABLE TO THE PROGRAM.

13 H. IN DETERMINING WHETHER TO CONTINUE OR TERMINATE THE PROGRAM,
14 EACH COMMITTEE OF REFERENCE SHALL CONSIDER THE INFORMATION PROVIDED IN THE
15 PRELIMINARY PROGRAM REVIEW REPORT AND THE PROGRAM PERFORMANCE AUDIT AND
16 THE FACTORS PROVIDED IN SECTION 41-2954, SUBSECTION D AS APPLICABLE TO THE
17 PROGRAM.

18 I. THE PROGRAM IS CONTINUED PURSUANT TO THIS SECTION IF LEGISLATION
19 TO CONTINUE THE PROGRAM IS PASSED BY THE LEGISLATURE AND SIGNED BY THE
20 GOVERNOR BEFORE THE TERMINATION DATE FOR THE PROGRAM PURSUANT TO SECTION
21 15-2409 EVEN IF THE LEGISLATION TO CONTINUE THE PROGRAM HAS NOT BECOME
22 EFFECTIVE ON THE DATE OF SCHEDULED TERMINATION.

23 J. IF THE LEGISLATURE CONTINUES THE PROGRAM, THE JOINT LEGISLATIVE
24 AUDIT COMMITTEE MAY DIRECT THE AUDITOR GENERAL OR THE COMMITTEES OF
25 REFERENCE TO CONDUCT A FOLLOW-UP REVIEW OF THE PROGRAM TO DETERMINE HOW
26 THE DEPARTMENT HAS PERFORMED ITS STATUTORY FUNCTIONS OR CORRECTED
27 DEFICIENCIES RELATING TO THE PROGRAM BEFORE PROGRAM REVIEW, OR BOTH.

28 K. FOR THE PURPOSES OF THIS SECTION:

29 1. "COMMITTEE OF REFERENCE" HAS THE SAME MEANING PRESCRIBED IN
30 SECTION 41-2952.

31 2. "PROGRAM" MEANS THE ARIZONA EMPOWERMENT SCHOLARSHIP ACCOUNTS
32 PROGRAM.

33 3. "PROGRAM REVIEW" MEANS A SYSTEMATIC EVALUATION BY THE COMMITTEES
34 OF REFERENCE UNDER THE SUPERVISION OF THE JOINT LEGISLATIVE AUDIT
35 COMMITTEE, WITH THE ASSISTANCE OF THE DEPARTMENT, JOINT LEGISLATIVE BUDGET
36 COMMITTEE, AUDITOR GENERAL AND SUPPORT STAFF, TO DETERMINE IF THE MERITS
37 OF THE PROGRAM JUSTIFY ITS CONTINUATION RATHER THAN TERMINATION, OR ITS
38 CONTINUATION AT A LEVEL LESS THAN OR GREATER THAN THE EXISTING LEVEL.

39 15-2408. Arizona empowerment scholarship accounts program;
40 termination July 1, 2032; delayed repeal

41 A. THE ARIZONA EMPOWERMENT SCHOLARSHIP ACCOUNTS PROGRAM TERMINATES
42 ON JULY 1, 2032.

43 B. THIS CHAPTER IS REPEALED FROM AND AFTER DECEMBER 31, 2032.