

House Engrossed

school report cards; letter grades

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

# HOUSE BILL 2675

AN ACT

AMENDING SECTIONS 15-211, 15-215, 15-241, 15-241.01, 15-241.02, 15-393.01, 15-459, 15-537, 15-741.02, 15-746, 15-2401 AND 41-5841, ARIZONA REVISED STATUTES; RELATING TO SCHOOL ACCOUNTABILITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-211, Arizona Revised Statutes, is amended to  
3 read:

4 15-211. K-3 reading program; dyslexia specialist; dyslexia  
5 training; receipt and use of monies; additional  
6 funding; annual report

7 A. The department of education shall administer a K-3 reading  
8 program to improve the reading proficiency of pupils in kindergarten  
9 programs and grades one, two and three in the public schools of this  
10 state.

11 B. The department of education shall designate a dyslexia  
12 specialist for the department to provide school districts and charter  
13 schools with support and resources that are necessary to assist students  
14 with dyslexia.

15 C. ~~On or before July 1, 2022,~~ Each school district and charter  
16 school shall ensure that at least one kindergarten through third grade  
17 teacher, literacy coach or literacy specialist in each school has received  
18 training related to dyslexia that complies with the requirements  
19 prescribed in section 15-219.

20 D. Each school district and charter school shall submit to the  
21 department of education a plan for improving the reading proficiency of  
22 the school district's or the charter school's pupils in kindergarten  
23 programs and grades one, two and three. The plan shall include baseline  
24 data on the reading proficiency of the school district's or the charter  
25 school's pupils in kindergarten programs and grades one, two and three and  
26 a budget for spending monies from both the K-3 support level weight and  
27 the K-3 reading support level weight established in section 15-943. Each  
28 school district and charter school shall annually submit to the department  
29 of education on or before October 1 an updated K-3 reading program plan  
30 that includes data on program expenditures and results.

31 E. School districts and charter schools shall use monies generated  
32 by the K-3 reading support level weight established in section 15-943 only  
33 on instructional purposes based on the plan submitted pursuant to  
34 subsection D of this section intended to improve reading proficiency for  
35 pupils in kindergarten programs and grades one, two and three with  
36 particular emphasis on pupils in kindergarten programs and grades one and  
37 two.

38 F. Each school district and charter school that is assigned a  
39 ~~letter grade of C, D or F~~ PERFORMANCE CLASSIFICATION INDICATING THAT THE  
40 SCHOOL DISTRICT OR CHARTER SCHOOL DOES NOT EXCEED THE EXPECTED STANDARDS  
41 pursuant to section 15-241 or that has more than ten percent of its pupils  
42 in grade three who do not demonstrate sufficient reading skills as  
43 established by the state board of education according to the reading  
44 portion of the statewide assessment shall receive monies generated by the  
45 K-3 reading support level weight established in section 15-943 only after

1 the K-3 reading program plan of the school district or charter school has  
2 been submitted, reviewed and recommended for approval by the department of  
3 education and approved by the state board. The state board must give  
4 approval to a school district or charter school before any portion of the  
5 monies generated by the K-3 reading support level weight may be  
6 distributed to the school district or charter school pursuant to this  
7 subsection.

8 G. Pupils in a charter school that is in its first year of  
9 operation and that is sponsored by the state board of education, the state  
10 board for charter schools, a university under the jurisdiction of the  
11 Arizona board of regents, a community college district or a group of  
12 community college districts are eligible for the K-3 reading support level  
13 weight.

14 H. The department of education shall solicit gifts, grants and  
15 donations from any lawful public or private source in order to provide  
16 additional funding for the K-3 reading program.

17 I. The state board of education may establish rules and policies  
18 for the K-3 reading program, including:

19 1. The proper use of monies in accordance with subsection E of this  
20 section.

21 2. The distribution of monies by the department of education in  
22 accordance with subsection D of this section.

23 3. The compliance of reading proficiency plans submitted pursuant  
24 to subsection D of this section with section 15-704.

25 J. Pursuant to subsection I of this section, the department of  
26 education shall develop program implementation guidance for school  
27 districts and charter schools to assist schools in administering an  
28 effective K-3 evidence-based reading program plan. This guidance shall  
29 include identifying and recommending appropriate program expenditures,  
30 providing technical oversight and assistance for annually updating reading  
31 program plans, selecting and adopting evidence-based reading curricula and  
32 providing and promoting teacher professional development that is based on  
33 evidence-based reading research. The department shall prioritize supports  
34 and interventions, including enrollment in reading trainings and  
35 professional development, for school districts and charter schools that  
36 have the highest percentage of pupils who do not demonstrate sufficient  
37 reading skills as established by the state board of education. The  
38 department shall deposit any monies received for offering reading  
39 trainings or professional development, including coaching, in the  
40 department of education professional development revolving fund  
41 established by section 15-237.01.

42 K. On or before December 15, the department of education shall  
43 submit an annual report on the K-3 reading program to the governor, the  
44 president of the senate and the speaker of the house of representatives  
45 and shall provide a copy of this annual report to the secretary of state,

1 the state board of education and the chairpersons of the education  
2 committees of the senate and the house of representatives. The report  
3 shall contain all of the following:

4 1. Information on the improvement of K-3 reading in this state,  
5 including achievement data statewide and achievement data at the school  
6 district and charter school level. The information pursuant to this  
7 paragraph shall include data and information on continued proficiency on  
8 the statewide assessment in subsequent grades.

9 2. A description of the activities of the department to support  
10 school districts and charter schools in improving K-3 reading.

11 3. Specific findings on methods by which the department may  
12 continue to improve support and assistance for school districts and  
13 charter schools in the administration of K-3 reading program plans.

14 4. Information and data on K-3 reading program plans throughout  
15 this state and the expenditure of K-3 reading monies by school districts  
16 and charter schools.

17 5. Data reported pursuant to section 15-701, subsection A,  
18 paragraph 2, subdivision (d).

19 Sec. 2. Section 15-215, Arizona Revised Statutes, is amended to  
20 read:

21 15-215. Petition process for regulatory exemptions; annual  
22 report

23 A. Notwithstanding any other law, if a school district or charter  
24 school has been assigned ~~a letter grade of A~~ THE HIGHEST PERFORMANCE  
25 CLASSIFICATION pursuant to section 15-241 during at least two out of the  
26 last three consecutive years and has ~~not~~ been assigned ~~a letter grade of~~  
27 ~~C, D or F~~ PERFORMANCE CLASSIFICATIONS INDICATING THAT THE SCHOOL DISTRICT  
28 OR CHARTER SCHOOL EXCEEDED THE EXPECTED STANDARDS during the same three  
29 years and the school district or charter school does not have any schools  
30 under its control that have been assigned ~~a letter grade of F~~ THE LOWEST  
31 PERFORMANCE CLASSIFICATION pursuant to section 15-241 during the same  
32 three years, the school district or charter school may receive exemptions  
33 from statutes and rules as prescribed in this section.

34 B. If a school district or charter school qualifies for an  
35 exemption pursuant to subsection A of this section, the school district or  
36 charter school on approval of the charter school sponsor may identify and  
37 submit exemptions to statutes and rules relating to schools, charter  
38 schools, school district governing boards, charter school governing bodies  
39 and school districts to the state board of education for approval. The  
40 state board of education shall review and may approve the exemptions  
41 submitted by the school district or charter school, except for those  
42 statutes and rules that the state board of education determines directly  
43 apply to the following, as applicable:

- 44 1. Certification.
- 45 2. Health and safety.

- 1           3. State academic standards and assessments.
- 2           4. Requirements for the graduation of pupils from high school.
- 3           5. Special education.
- 4           6. Financial compliance and procurement requirements.
- 5           7. The school and school district accountability provisions of
- 6 section 15-241.

7           C. The state board of education may make adjustments to the list of  
8 exemptions submitted by school districts and charter schools to comply  
9 with voter-approved mandates and federal law in the least restrictive  
10 manner allowed by law.

11           D. Exemptions previously issued by the state board of education  
12 pursuant to this section shall be immediately discontinued if a school  
13 district or charter school falls below the criteria prescribed in  
14 subsection A of this section.

15           E. The state board of education shall submit to the governor, the  
16 president of the senate and the speaker of the house of representatives on  
17 or before December 1 of each year a report that includes a list of the  
18 exemptions submitted by school districts and charter schools and a list of  
19 the exemptions that were denied by the state board. The state board shall  
20 provide a copy of this report to the secretary of state.

21           Sec. 3. Section 15-241, Arizona Revised Statutes, is amended to  
22 read:

23           15-241. School, charter school and school district  
24 accountability; annual achievement profiles;  
25 performance classifications; profiles; appeals  
26 process; failing schools tutoring fund; definition

27           A. On or before November 1 of each year, the department of  
28 education shall compile for each public school and local education agency,  
29 and shall recommend to the state board of education, an annual achievement  
30 profile that consists of an educational dashboard that reflects the  
31 achievement for each public school and local education agency on the  
32 academic and educational performance indicators prescribed in subsection D  
33 of this section, except that a career technical education district may not  
34 be assigned a ~~letter-grade~~ PERFORMANCE CLASSIFICATION pursuant to this  
35 section. The department shall provide any technical assistance needed by  
36 the state board to make final adoption of the annual achievement profile.

37           B. Each school, charter holder and school district shall submit to  
38 the department of education any data that is required and requested and  
39 that is necessary to compile the achievement profile. A school or local  
40 education agency that fails to submit the information that is necessary is  
41 not eligible to receive monies from the classroom site fund established by  
42 section 15-977.

43           C. The annual achievement profile compiled by the department of  
44 education and recommended to the state board of education shall be used to  
45 determine a standard measurement of acceptable academic progress for each

1 school and local education agency and a school and local education agency  
2 classification pursuant to subsection G of this section. Any disclosure  
3 of educational records compiled by the department pursuant to this section  
4 shall comply with the family educational rights and privacy act of 1974  
5 (20 United States Code section 1232g).

6 D. The annual achievement profile for schools and local education  
7 agencies shall include, at a minimum, the following academic and  
8 educational performance indicators:

9 1. Multiple measures of academic performance or other academically  
10 relevant indicators of school quality that are appropriate to assess the  
11 educational impact of a school during the academic year as determined by  
12 the state board of education.

13 2. Academic progress on assessments adopted pursuant to sections  
14 15-741 and 15-741.02 in English language arts and mathematics.

15 3. Academic progress on the English language learner assessments  
16 administered pursuant to section 15-756, subsection B and section  
17 15-756.05.

18 4. Progress toward college and career readiness for all schools and  
19 local education agencies that offer instruction in any of grades nine  
20 through twelve.

21 5. Academic progress on assessments administered pursuant to  
22 section 15-741.02.

23 6. Multiple measures of educational performance or other relevant  
24 indicators of school quality that assess a school's educational impact,  
25 such as graduation rates and attendance rates.

26 E. If neither the school nor the school district meets the minimum  
27 student count as recommended by the department of education and approved  
28 by the state board of education for any of the performance indicators  
29 prescribed in subsection D of this section, the performance indicator  
30 shall not be factored into the ~~letter grade assigned~~ PERFORMANCE  
31 CLASSIFICATION pursuant to this section.

32 F. Subject to final adoption by the state board of education, the  
33 department of education shall determine the criteria for each school and  
34 local education agency classification on each performance indicator of the  
35 annual achievement profile prescribed in subsection D of this section  
36 using a ~~researched-based~~ RESEARCH-BASED methodology and shall recommend to  
37 the state board for final adoption the criteria for each school and local  
38 education agency classification. The department shall develop the  
39 methodology in collaboration with a coalition of qualified technical and  
40 policy stakeholders appointed by the state board. The department shall  
41 provide technical assistance and, on request, student or statewide  
42 performance indicator data needed to determine and calculate the  
43 methodology and final ~~letter grades~~ PERFORMANCE CLASSIFICATIONS. At a  
44 minimum, the methodology shall include the performance of pupils at all  
45 achievement levels, account for pupil mobility, account for the

1 distribution of pupil achievement at each school and local education  
2 agency and include longitudinal indicators of academic performance. For  
3 the purposes of this subsection, "~~researched-based~~ RESEARCH-BASED  
4 methodology" means the systematic and objective application of statistical  
5 and quantitative research principles to calculate the indicators used to  
6 determine ~~A through F letter grades~~ THE PERFORMANCE CLASSIFICATIONS.

7 G. The annual achievement profile shall use PERFORMANCE  
8 classifications based on ~~an A through F letter grade~~ A system adopted by  
9 the state board of education ~~in which a letter grade of A reflects an~~  
10 ~~excellent level of performance and a letter grade of F reflects a failing~~  
11 ~~level of performance.~~ The ~~A through F letter grade system~~ PERFORMANCE  
12 CLASSIFICATIONS shall be applied to each performance indicator of the  
13 annual achievement profile prescribed in subsection D of this section, and  
14 the state board shall assign an overall ~~letter grade~~ PERFORMANCE  
15 CLASSIFICATION for the public school or local education agency. The  
16 ~~A through F letter grade system~~ PERFORMANCE CLASSIFICATIONS shall indicate  
17 expected standards of performance for all schools on each performance  
18 indicator of the annual achievement profile prescribed in subsection D of  
19 this section and the manner in which schools may rise above or fall below  
20 those expected standards of performance. The state board may also assign  
21 THE LOWEST PERFORMANCE CLASSIFICATION TO a school ~~a letter grade of F on~~  
22 FOR each performance indicator of the annual achievement profile  
23 prescribed in subsection D of this section if the state board determines  
24 that the school is among the persistently lowest-achieving schools in the  
25 state on the majority of the performance indicators of the annual  
26 achievement profile under the federal school accountability requirements  
27 pursuant to section 1003(g) of the elementary and secondary education act  
28 (20 United States Code section 6303).

29 H. The classification on each performance indicator of the annual  
30 achievement profile for each school and the criteria used to determine THE  
31 PERFORMANCE classification ASSIGNED pursuant to subsections F and G of  
32 this section shall be included on the school report card prescribed in  
33 section 15-746. THE SCHOOL REPORT CARD SHALL ALSO EXPLAIN WHETHER THE  
34 PERFORMANCE CLASSIFICATION ASSIGNED PURSUANT TO SUBSECTIONS F AND G OF  
35 THIS SECTION INDICATES THAT THE SCHOOL MEETS THE EXPECTED STANDARDS, FAILS  
36 TO MEET THE EXPECTED STANDARDS OR EXCEEDS THE EXPECTED STANDARDS.

37 I. Subject to final adoption by the state board of education, the  
38 department of education shall use achievement profiles appropriately to  
39 assess the educational impact of accommodation schools, alternative  
40 schools and extremely small schools, may develop profiles for schools that  
41 participate in the board examination system prescribed in chapter 7,  
42 article 6 of this title and schools that participate in Arizona online  
43 instruction pursuant to section 15-808 and may develop other exceptions as  
44 prescribed by the state board for the purposes of this section.

1 J. The department of education shall establish a process, including  
2 a deadline for when requests must be submitted, for a school or local  
3 education agency to correct student data used to determine the school's or  
4 local education agency's annual achievement profile. If a correction to  
5 student data is required, the department shall notify the school or local  
6 education agency of the data correction process and shall annually process  
7 student data correction requests. The state board of education shall  
8 establish an appeals process to allow a school or local education agency  
9 to appeal the school's or local education agency's final ~~letter grade~~  
10 PERFORMANCE CLASSIFICATION, or a ~~letter grade~~ PERFORMANCE CLASSIFICATION  
11 applied to a performance indicator prescribed in subsection D of this  
12 section, based on mitigating factors, including achievement profile  
13 designations based on incorrect data, identified by the department.

14 K. The failing schools tutoring fund is established consisting of  
15 monies collected pursuant to section 42-5029, subsection E and section  
16 42-5029.02, subsection A, paragraph 8 as designated for this purpose. The  
17 department of education shall administer the fund. The department may use  
18 monies from the fund to purchase materials designed to assist students to  
19 meet the Arizona academic standards and to achieve a passing score on  
20 assessments adopted by the state board of education.

21 L. For the purposes of this section, "academic progress" means  
22 measures of both proficiency and academic gain.

23 Sec. 4. Section 15-241.01, Arizona Revised Statutes, is amended to  
24 read:

25 15-241.01. School accountability; public hearing; alternative  
26 operation plans; confidentiality

27 A. If a school district has six or more schools and at least  
28 one-half of the schools in the district are assigned a ~~letter grade of D~~  
29 ~~or F~~ PERFORMANCE CLASSIFICATION pursuant to this section THAT INDICATES  
30 THE SCHOOLS FAILED TO MEET THE EXPECTED STANDARDS and at least one school  
31 is assigned ~~a letter grade of F~~ THE LOWEST PERFORMANCE CLASSIFICATION, the  
32 department of education may submit to the state board of education a  
33 recommendation for a public hearing to determine ~~if~~ WHETHER the school  
34 district should be subject to an alternative operation plan and the  
35 reasons for that recommendation. When considering whether to recommend a  
36 public hearing pursuant to this subsection, the department shall consider  
37 at least the following:

38 1. The likelihood that continued school-based interventions will be  
39 successful.

40 2. The extent to which the school district administrators and the  
41 school district governing board impacted the assignment of the ~~letter~~  
42 ~~grades of D and F~~ FAILING PERFORMANCE CLASSIFICATIONS to the district's  
43 schools.



1           3. Whether those schools assigned a ~~letter grade of D or F~~ FAILING  
2 PERFORMANCE CLASSIFICATION have demonstrated reasonable academic growth as  
3 determined by the measure of academic progress established pursuant to  
4 this section.

5           B. If the department of education recommends a public hearing  
6 pursuant to subsection A of this section, the state board of education  
7 shall meet and may provide by a majority vote of the entire board for the  
8 development and implementation of an alternative operation plan as allowed  
9 by this section. When determining whether to place a school district  
10 under an alternative operation plan, the state board shall consider at  
11 least the following:

12           1. The likelihood that continued school-based interventions will be  
13 successful.

14           2. The extent to which the school district administrators and the  
15 school district governing board impacted the assignment of the ~~letter~~  
16 ~~grades D and F~~ FAILING PERFORMANCE CLASSIFICATIONS to the district's  
17 schools.

18           3. Whether those schools assigned a ~~letter grade of D or F~~ FAILING  
19 PERFORMANCE CLASSIFICATION have demonstrated reasonable academic growth as  
20 determined by the measure of academic progress established pursuant to  
21 this section.

22           C. Before a PUBLIC hearing is held pursuant to subsection B of this  
23 section, the department of education shall recommend to the state board of  
24 education at least three governmental, nonprofit or private organizations  
25 or persons to manage the school district's affairs. If the state board  
26 approves the implementation of an alternative operation plan, it shall  
27 ~~make an appointment~~ APPOINT AN ORGANIZATION OR PERSON from the list  
28 provided by the department of education. On making this appointment the  
29 state board shall immediately determine which powers enumerated in  
30 subsection D of this section ~~shall~~ WILL be temporarily granted to the  
31 appointed organization or person. The authority granted pursuant to this  
32 subsection ~~shall be~~ IS effective until the state board reviews the  
33 alternative operation plan as described in subsection E of this section.

34           D. An organization or person appointed pursuant to subsection C of  
35 this section shall begin a full review and investigation of the school  
36 district's educational affairs and shall submit to the state board of  
37 education a detailed report listing the findings of that investigation.  
38 This report shall include an alternative operation plan that details how  
39 the school district will raise the level of academic achievement so that  
40 all of the schools in the school district are assigned ~~grade letters of A,~~  
41 ~~B or C~~ PERFORMANCE CLASSIFICATIONS INDICATING THAT THE SCHOOLS MEET OR  
42 EXCEED THE EXPECTED STANDARDS pursuant to this section. The plan shall  
43 include a proposed timeline for improving academic achievement. The  
44 alternative operation plan shall also include a timeline and details  
45 concerning how the organization or person will transition the

1 administration of the school district back to the locally elected  
2 governing board. The organization or person shall submit the report  
3 within one hundred twenty days ~~from~~ AFTER the date the organization or  
4 person was appointed by the state board. If approved by the state board,  
5 the alternative operation plan may authorize the appointed organization or  
6 person to do any of the following:

7 1. Override any decisions of the school district governing board or  
8 the school district superintendent, or both, concerning the management and  
9 operation of the school district, and initiate and make decisions  
10 concerning the management and operation of the school district, including  
11 reopening the school as a charter school.

12 2. Hire personnel, terminate personnel and cancel existing  
13 employment contracts, including the district superintendent, to the extent  
14 permitted by law. The appointed organization or person may refuse to  
15 reemploy any certificated teacher who has not been employed by the school  
16 district for more than the major portion of three consecutive school years  
17 ~~as provided in section 15-536.~~

18 3. Attend any meetings of the school district governing board and  
19 administrative staff.

20 4. Supervise the activities of the school district's staff,  
21 including reassigning the duties and responsibilities of personnel in a  
22 manner that, as determined by the appointed organization or person, best  
23 suits the needs of the school district.

24 5. To the extent ~~permitted~~ ALLOWED by law, cancel or renegotiate  
25 any contract, other than contracts of certificated teachers who have been  
26 employed by the school district in the capacity of a certificated teacher  
27 for more than one year, to which the governing board or the school  
28 district is a party if the cancellation or renegotiation of the contract  
29 will produce needed economies in the operation of the district's schools.

30 E. The state board of education shall periodically review the  
31 status of a school district that is operating under an alternative  
32 operation plan pursuant to this section to determine whether the  
33 operations of the school district should be returned to the school  
34 district governing board. Before the state board makes a determination to  
35 terminate an alternative operation plan, the state board or its designee  
36 shall meet with the school district governing board or its designee to  
37 establish an appropriate time frame and address any additional operational  
38 considerations that are necessary to ensure a smooth transition of  
39 authority from the appointed organization or person back to the school  
40 district governing board. When determining whether to terminate an  
41 alternative operation plan, the state board shall consider whether the  
42 district's schools have made significant academic gains as determined by  
43 individual school achievement profiles established pursuant to this  
44 section.

1 F. If at any time the state board determines that the progress of  
2 an organization or person who is appointed pursuant to this subsection or  
3 subsection C of this section is insufficient, the state board may remove  
4 that organization or person and make an alternative appointment. All  
5 authority granted pursuant to the approved alternative operation plan  
6 shall be transferred to the newly appointed organization or person. The  
7 state board may require the newly appointed organization or person to  
8 prepare a revised alternative operation plan as described in subsection D  
9 of this section.

10 G. All expenses and costs of an organization or person appointed by  
11 the state board pursuant to subsection C or F of this section shall be  
12 paid by the school district. The state board of education shall review  
13 the expenses and costs at least twice each calendar year to ensure that  
14 the fees are reasonable and appropriate.

15 H. The operation of a school district by an organization or person  
16 appointed pursuant to this section shall not interfere with the election  
17 of school district governing board members.

18 I. The school district shall indemnify the organization or person  
19 appointed pursuant to subsection C or F of this section if that  
20 organization or person is made or threatened to be made a party to any  
21 litigation by reason of the organization's or person's status under this  
22 section AND if the organization or person acted in good faith and in a  
23 manner the organization or person believed to be lawful and in the best  
24 interest of the school district.

25 J. All information received and records or reports kept by the  
26 state board of education during an investigation resulting from a  
27 complaint against an organization or person appointed pursuant to  
28 subsection C or F of this section are confidential and are not public  
29 records.

30 Sec. 5. Section 15-241.02, Arizona Revised Statutes, is amended to  
31 read:

32 15-241.02. School improvement plans; solutions teams;  
33 withholding of state monies; posting and  
34 notification requirements

35 A. If a school WITHIN A SCHOOL DISTRICT is assigned a ~~letter grade~~  
36 ~~of D~~ FAILING PERFORMANCE CLASSIFICATION THAT IS NOT THE LOWEST PERFORMANCE  
37 CLASSIFICATION pursuant to section 15-241, within ninety days after  
38 receiving notice of the classification, the school district governing  
39 board shall develop an improvement plan for the school, submit a copy of  
40 the plan to the superintendent of public instruction and the county  
41 educational service agency and supervise the implementation of the plan.  
42 The governing board shall include in the plan necessary components as  
43 identified by the state board of education. Within thirty days after  
44 submitting the improvement plan to the superintendent of public  
45 instruction and the county educational service agency, the governing board

1 shall hold a public meeting in each school that has been assigned a ~~letter~~  
2 ~~grade of D~~ FAILING PERFORMANCE CLASSIFICATION THAT IS NOT THE LOWEST  
3 PERFORMANCE CLASSIFICATION and shall present the respective improvement  
4 plans that have been developed for each school. The governing board,  
5 within ~~thirty~~ SIXTY days after receiving notice of the classification,  
6 shall ~~provide written notification~~ NOTIFY THE PARENTS OF THE STUDENTS  
7 ATTENDING THE SCHOOL of the classification ~~to each residence within the~~  
8 ~~attendance area of the school~~ AS PROVIDED IN SUBSECTION U OF THIS SECTION.  
9 The notice shall explain the improvement plan process and provide  
10 information regarding the public meeting required by this subsection.

11 B. A school that has not submitted an improvement plan pursuant to  
12 subsection A of this section is not eligible to receive monies from the  
13 classroom site fund established by section 15-977 for every day that a  
14 plan has not been received by the superintendent of public instruction  
15 within the time specified in subsection A of this section plus an  
16 additional ninety days. The state board of education shall require the  
17 superintendent of the school district to testify before the STATE board  
18 and explain the reasons that an improvement plan for that school has not  
19 been submitted.

20 C. If a charter school is assigned a ~~letter grade of D~~ FAILING  
21 PERFORMANCE CLASSIFICATION THAT IS NOT THE LOWEST PERFORMANCE  
22 CLASSIFICATION pursuant to section 15-241, within ~~thirty~~ SIXTY days the  
23 school shall notify the parents of the students attending the school of  
24 the classification AS PROVIDED IN SUBSECTION U OF THIS SECTION. The  
25 notice shall explain the improvement plan process and provide information  
26 regarding the public meeting required by this subsection. Within ninety  
27 days after receiving the classification, the charter holder shall present  
28 an improvement plan to the charter sponsor at a public meeting and submit  
29 a copy of the plan to the sponsor of the charter school. The charter  
30 holder shall include in the improvement plan necessary components as  
31 identified by the state board of education. The school is not eligible to  
32 receive monies from the classroom site fund established by section 15-977  
33 for every day that an improvement plan has not been received by the  
34 sponsor of the charter school within the time specified in this subsection  
35 plus an additional ninety days. The charter holder shall appear before  
36 the sponsoring board and explain why the improvement plan has not been  
37 submitted.

38 D. If a school is assigned a ~~letter grade of D~~ FAILING PERFORMANCE  
39 CLASSIFICATION THAT IS NOT THE LOWEST PERFORMANCE CLASSIFICATION pursuant  
40 to section 15-241 for a third consecutive year, the department of  
41 education shall visit the school site to confirm the classification data  
42 and to review the implementation of the school's improvement plan. The  
43 school shall be assigned a ~~letter grade of F~~ THE LOWEST PERFORMANCE  
44 CLASSIFICATION unless an alternate ~~letter grade~~ PERFORMANCE CLASSIFICATION  
45 is assigned after an appeal pursuant to section 15-241, subsection J. A

1 school that is assigned a ~~letter grade of D~~ FAILING PERFORMANCE  
2 CLASSIFICATION THAT IS NOT THE LOWEST PERFORMANCE CLASSIFICATION for fewer  
3 than three consecutive years may also be assigned a ~~letter grade of F~~ THE  
4 LOWEST PERFORMANCE CLASSIFICATION if the state board of education  
5 determines that there is no reasonable likelihood that the school will  
6 achieve an average level of performance within the next two years.

7 E. The superintendent of public instruction and the county  
8 educational service agency shall collaborate to assign a solutions team to  
9 a school assigned a ~~letter grade of D~~ FAILING PERFORMANCE CLASSIFICATION  
10 THAT IS NOT THE LOWEST PERFORMANCE CLASSIFICATION pursuant to section  
11 15-241 or a school assigned a ~~letter grade of F~~ THE LOWEST PERFORMANCE  
12 CLASSIFICATION pursuant to section 15-241 based on academic need and  
13 available resources. County educational service agencies may enter into  
14 agreements to provide services to schools from other counties. Any other  
15 school, subject to available resources, may be assigned a solutions team  
16 pursuant to a mutual agreement between the department of education or the  
17 county education service agency, or both, and the school. The solutions  
18 team shall be composed of master teachers, fiscal analysts and curriculum  
19 assessment experts who are certified by the state board of education as  
20 Arizona academic standards technicians. The department of education or  
21 the county educational service agency may hire or contract with  
22 administrators, principals and teachers who have demonstrated experience  
23 in improving academic outcomes and may use these personnel as part of the  
24 solutions team. The department of education shall work with staff at the  
25 school to assist in curricula alignment and shall instruct teachers on how  
26 to increase pupil academic progress, considering the school's annual  
27 achievement profile. The solutions team shall consider the existing  
28 improvement plan to assess the need for changes to curricula, professional  
29 development and resource allocation and shall present a statement of its  
30 findings to the school administrator and district superintendent. Within  
31 forty-five days after the presentation of the solutions team's statement  
32 of findings, the school district governing board, in cooperation with each  
33 school within the school district that is assigned a ~~letter grade of D~~  
34 FAILING PERFORMANCE CLASSIFICATION THAT IS NOT THE LOWEST PERFORMANCE  
35 CLASSIFICATION and its assigned solutions team representative, shall  
36 develop and submit to the department of education and the county  
37 educational service agency an action plan that details the manner in which  
38 the school district will assist the school as the school incorporates the  
39 findings of the solutions team into the improvement plan. The department  
40 of education shall review the action plan and shall either accept the  
41 action plan or return the action plan to the school district for  
42 modification. If the school district does not submit an approved action  
43 plan within forty-five days, the state board of education may direct the  
44 superintendent of public instruction to withhold up to ten percent of  
45 state monies that the school district would otherwise be entitled to

1 receive each month until the plan is submitted to the department of  
2 education and the county educational service agency, at which time those  
3 monies shall be returned to the school district.

4 F. The parent or guardian of a pupil may apply to the department of  
5 education, in a manner determined by the department of education, for a  
6 certificate of supplemental instruction from the failing schools tutoring  
7 fund established by section 15-241. Pupils attending a school assigned a  
8 ~~letter grade of D or F~~ FAILING PERFORMANCE CLASSIFICATION may select an  
9 alternative tutoring program in academic standards from a provider that is  
10 certified by the state board of education. To qualify, the provider must  
11 state in writing a level of academic improvement for the pupil that  
12 includes a timeline for improvement that is agreed to by the parent or  
13 guardian of the pupil. The state board of education shall annually review  
14 academic performance levels for certified providers and may remove a  
15 provider at a public hearing from an approved list of providers if that  
16 provider fails to meet its stated level of academic improvement. The  
17 state board of education shall determine the application guidelines and  
18 the maximum value for each certificate of supplemental instruction. The  
19 state board of education shall annually complete a market survey in order  
20 to determine the maximum value for each certificate of supplemental  
21 instruction. This subsection does not require this state to provide  
22 additional monies beyond the monies provided pursuant to section 42-5029,  
23 subsection E, paragraph 7 or section 42-5029.02, subsection A,  
24 paragraph 7.

25 G. Within sixty days after receiving notification ~~of~~ THAT a school  
26 ~~WITHIN A SCHOOL DISTRICT being~~ WAS assigned ~~a letter grade of F~~ THE LOWEST  
27 PERFORMANCE CLASSIFICATION pursuant to section 15-241, the school district  
28 governing board shall evaluate needed changes to the existing school  
29 improvement plan, consider recommendations from the solutions team, submit  
30 a copy of the plan to the superintendent of public instruction and the  
31 county educational service agency and supervise the implementation of the  
32 plan. Within thirty days after submitting the improvement plan to the  
33 superintendent of public instruction and the county educational service  
34 agency, the governing board shall hold a public meeting in each school  
35 that has been assigned ~~a letter grade of F~~ THE LOWEST PERFORMANCE  
36 CLASSIFICATION and shall present the respective improvement plans that  
37 have been developed for each school. The governing board, within ~~thirty~~  
38 SIXTY days after receiving notice of the classification, shall ~~provide~~  
39 ~~written notification~~ NOTIFY THE PARENTS OF THE STUDENTS ATTENDING THE  
40 SCHOOL of the classification ~~to each residence in the attendance area of~~  
41 ~~the school~~ AS PROVIDED IN SUBSECTION U OF THIS SECTION. The notice shall  
42 explain the improvement plan process and provide information regarding the  
43 public meeting required by this subsection.

44 H. A school that has not submitted an improvement plan pursuant to  
45 subsection G of this section is not eligible to receive monies from the

1 classroom site fund established by section 15-977 for every day that a  
2 plan has not been received by the superintendent of public instruction  
3 within the time specified in subsection G of this section plus an  
4 additional ninety days. The state board of education shall require the  
5 superintendent of the school district to testify before the STATE board  
6 and explain the reasons that an improvement plan for that school has not  
7 been submitted.

8 I. If a charter school is assigned ~~a letter grade of F~~ THE LOWEST  
9 PERFORMANCE CLASSIFICATION pursuant to section 15-241, the department of  
10 education shall immediately notify the charter school's sponsor. The  
11 charter school's sponsor shall either take action to restore the charter  
12 school to acceptable performance or revoke the charter school's  
13 charter. Within ~~thirty~~ SIXTY days, the charter school shall notify the  
14 parents of the students attending the school of the classification and of  
15 any pending public meetings to review the issue AS PROVIDED IN SUBSECTION  
16 U OF THIS SECTION.

17 J. The department of education shall evaluate a school that has  
18 been assigned ~~a letter grade of F~~ THE LOWEST PERFORMANCE CLASSIFICATION  
19 pursuant to section 15-241 to determine whether the school, charter holder  
20 or school district failed to properly implement its school improvement  
21 plan, align the curricula with academic standards, provide teacher  
22 training, prioritize the budget or implement other proven strategies to  
23 improve academic performance. After visiting the school site pursuant to  
24 subsection D of this section, the department of education shall submit to  
25 the state board of education a recommendation either to proceed pursuant  
26 to subsections E, F and G of this section or that the school be subject to  
27 a public hearing to determine whether the school failed to properly  
28 implement its improvement plan and the reasons for the department's  
29 recommendation. If the school is a charter school, the department shall  
30 submit a report to the sponsor of the charter school. The sponsor shall  
31 make a determination pursuant to subsection N of this section.

32 K. If the department OF EDUCATION recommends a public hearing, the  
33 state board of education shall meet and may provide by a majority vote at  
34 the public hearing for the continued operation of the school as allowed by  
35 this subsection. The state board of education shall determine whether  
36 governmental, nonprofit and private organizations may submit applications  
37 to the state board to fully or partially manage the school. The state  
38 board's determination shall include:

39 1. Whether and to what extent the local governing board may  
40 participate in the operation of the school, including personnel matters.

41 2. Whether and to what extent the state board will participate in  
42 the operation of the school.

43 3. Resource allocation pursuant to subsection M of this section.

44 4. Provisions for the development and submittal of a school  
45 improvement plan to be presented in a public meeting at the school.



1           5. A suggested time frame for the alternative operation of the  
2 school.

3           L. The state board of education shall periodically review the  
4 status of a school that is operated by an organization other than the  
5 school district governing board to determine whether the operation of the  
6 school should be returned to the school district governing board. Before  
7 the state board makes a determination, the state board or its designee  
8 shall meet with the school district governing board or its designee to  
9 determine the time frame, operational considerations and appropriate  
10 continuation of existing improvements that are necessary to ensure a  
11 smooth transition of authority from the other organization back to the  
12 school district governing board.

13           M. If an alternative operation plan is provided pursuant to  
14 subsection K of this section, the state board of education shall pay for  
15 the operation of the school and shall adjust the school district's  
16 district additional assistance pursuant to section 15-961, base support  
17 level pursuant to section 15-943, monies distributed from the classroom  
18 site fund established by section 15-977 and transportation support level  
19 pursuant to section 15-945 to accurately reflect any reduction in district  
20 services that are no longer provided to that school by the district. The  
21 state board may modify the school district's revenue control limit, the  
22 district support level and the general budget limit calculated pursuant to  
23 section 15-947 by an amount that corresponds to this reduction in  
24 services. The state board shall retain the portion of state aid that  
25 would otherwise be due the school district for the school and shall  
26 distribute that portion of state aid directly to the organization that  
27 contracts with the state board to operate the school.

28           N. If the sponsor of a charter school determines that a charter  
29 holder failed to properly implement its improvement plan, the sponsor of  
30 the charter school shall revoke the charter school's charter.

31           O. If there are more than two schools in a district and more than  
32 one-half, or in any case more than five, of the schools in the district  
33 are assigned ~~a letter grade of F~~ **THE LOWEST PERFORMANCE CLASSIFICATION**  
34 pursuant to section 15-241 for more than two consecutive years, in the  
35 next election of governing board members the election ballot shall contain  
36 the following statement immediately above the listing of governing board  
37 candidates:

38                       Within the last five years, (number of schools) schools  
39 in the \_\_\_\_\_ school district have been assigned a ~~letter~~  
40 ~~grade of D or F~~ **FAILING PERFORMANCE CLASSIFICATION**.

41           P. ~~At least twice each year~~ The department of education shall  
42 ~~publish in a newspaper of general circulation in each county of this state~~  
43 **POST IN A CONSPICUOUS LOCATION ON ITS WEBSITE AND ON ALL OFFICIAL**  
44 **COMMUNICATION CHANNELS, INCLUDING ANY SOCIAL MEDIA PLATFORM FOR WHICH THE**  
45 **DEPARTMENT HAS AN ACCOUNT**, a list of schools that are assigned ~~a letter~~



1 ~~grade of F~~ THE LOWEST PERFORMANCE CLASSIFICATION pursuant to section  
2 15-241.

3 Q. The state board of education shall adopt guidelines to include  
4 supplementary training in reading instruction for teachers who provide  
5 instruction to pupils in a kindergarten program or grade one, two or three  
6 in an improvement plan pursuant to subsection A of this section.

7 R. In addition to any other corrective procedures prescribed in  
8 this section and sections 15-241 and 15-241.01, a school that has been  
9 assigned a ~~letter grade of D or F~~ FAILING PERFORMANCE CLASSIFICATION for  
10 two consecutive years shall implement a science, technology, engineering  
11 and mathematics intervention strategy under the supervision of the state  
12 board of education.

13 S. In addition to any other corrective procedures prescribed in  
14 this section, a school district that has been assigned a ~~letter grade of D~~  
15 ~~or F~~ FAILING PERFORMANCE CLASSIFICATION pursuant to section 15-241 for two  
16 consecutive years shall implement a parent involvement strategy. The  
17 parent involvement strategy shall be included in the school improvement  
18 plan for each applicable school within the district, as prescribed in  
19 subsection A or G of this section, as applicable.

20 T. The department of education shall publish criteria for a  
21 school's or school district's exit status from a previous assignment of  
22 ~~a letter grade of F~~ THE LOWEST PERFORMANCE CLASSIFICATION in accordance  
23 with this section. The criteria shall prescribe the actions and results  
24 necessary to be deemed to have complied with this section regarding school  
25 improvement, including the proper implementation of a school improvement  
26 plan pursuant to subsection J of this section. These criteria shall be  
27 provided to a school or school district if it is assigned ~~a letter grade~~  
28 ~~of F~~ THE LOWEST PERFORMANCE CLASSIFICATION pursuant to section 15-241.

29 U. WITHIN SIXTY DAYS AFTER RECEIVING NOTIFICATION THAT A CHARTER  
30 SCHOOL OR A SCHOOL WITHIN A SCHOOL DISTRICT HAS BEEN ASSIGNED A FAILING  
31 PERFORMANCE CLASSIFICATION PURSUANT TO SECTION 15-241, THE CHARTER SCHOOL  
32 GOVERNING BODY OR SCHOOL DISTRICT GOVERNING BOARD SHALL PROVIDE TO THE  
33 PARENTS OF EACH STUDENT ATTENDING THE SCHOOL:

34 1. NOTIFICATION THAT THE SCHOOL HAS BEEN ASSIGNED A FAILING  
35 PERFORMANCE CLASSIFICATION.

36 2. THE SCHOOL'S REPORT CARD COMPLETED PURSUANT TO SECTION 15-746.  
37 A SCHOOL MAY SATISFY THE REQUIREMENT UNDER THIS PARAGRAPH BY PROVIDING A  
38 WEB ADDRESS FOR OR HYPERLINK TO THE SCHOOL'S REPORT CARD.

39 V. THE NOTIFICATIONS DESCRIBED IN SUBSECTION U OF THIS SECTION MAY  
40 BE DELIVERED ELECTRONICALLY IF THE SCHOOL DISTRICT OR CHARTER SCHOOL  
41 ELECTRONICALLY COMMUNICATES WITH THE PARENTS OF STUDENTS IN THE ORDINARY  
42 COURSE OF BUSINESS. ANY ELECTRONIC COMMUNICATIONS SENT PURSUANT TO THIS  
43 SUBSECTION MUST CONTAIN HYPERLINKS TO WEBSITES THAT PROVIDE FURTHER  
44 INFORMATION.

1           Sec. 6. Section 15-393.01, Arizona Revised Statutes, is amended to  
2 read:

3           15-393.01. Career technical education districts; annual  
4           report; performance and accountability

5           A. The department of education shall include each career technical  
6 education district in the department's annual achievement profiles  
7 required by section 15-241, except that a career technical education  
8 district may not be assigned a ~~letter grade~~ PERFORMANCE CLASSIFICATION  
9 pursuant to section 15-241. Subject to approval by the state board of  
10 education, the department shall develop specific criteria applicable to  
11 career technical education districts that may not be based solely on the  
12 criteria prescribed in the Carl D. Perkins vocational education act, as  
13 amended by the Carl D. Perkins vocational and applied technology education  
14 act amendments of 1990, as amended by the Carl D. Perkins vocational and  
15 technical education act of 1998. The department shall include all of the  
16 following performance indicators in the annual achievement profiles and  
17 provide a copy of the information to each career technical education  
18 district governing board:

19           1. The graduation rate of all students enrolled in a career and  
20 technical education program or course.

21           2. The completion rate for each program offered by the career  
22 technical education district.

23           3. Performance on assessments required pursuant to section 15-391,  
24 paragraph 4, subdivision (b).

25           4. Postgraduation employment rates, postsecondary enrollment rates  
26 and military service rates for students who complete a career and  
27 technical education program.

28           B. A career technical education district is subject to the  
29 performance audits pursuant to section 41-1279.03, subsection A,  
30 paragraph 9. The auditor general shall consider the differences and  
31 applicable laws for a career technical education district when conducting  
32 a performance audit for a career technical education district.

33           C. On or before December 31 of each year, the career and technical  
34 education division of the department of education shall submit a career  
35 technical education district annual report to the governor, the president  
36 of the senate and the speaker of the house of representatives and shall  
37 submit a copy of this report to the secretary of state. The career and  
38 technical education division of the department of education shall submit a  
39 copy of this report to the joint legislative budget committee for review.  
40 The annual report shall include the following:

41           1. The average daily membership of each career technical education  
42 district, including the average daily membership of each centralized  
43 campus, satellite campus and leased centralized campus as defined in  
44 section 15-393.

- 1           2. The actual student count of each career technical education  
2 district, including the student count of each centralized campus,  
3 satellite campus and leased centralized campus as defined in section  
4 15-393.
- 5           3. The programs and corresponding courses offered by each career  
6 technical education district, including the location of each program and  
7 course.
- 8           4. For each career technical education district based on program or  
9 course location:
  - 10           (a) The student enrollment of each program and corresponding  
11 course.
  - 12           (b) The percentage of students who enrolled in the second year of  
13 each program and corresponding course relative to the number of students  
14 in the same cohort who enrolled in the first year of each program and  
15 corresponding course.
  - 16           (c) The percentage of students who completed each program relative  
17 to the number of students in the same cohort who began the program.
- 18           5. The costs associated with each program offered by the career  
19 technical education district.
- 20           6. A listing of any programs or courses that were discontinued by  
21 review of the career and technical education division pursuant to section  
22 15-393, subsection W.
- 23           7. A listing of any programs or courses that were continued by  
24 review of the career and technical education division pursuant to section  
25 15-393, subsection W.
- 26           8. A listing of any programs or courses that were added by the  
27 career and technical education division.
- 28           9. For applicable school districts, the required maintenance of  
29 effort and how monies were used to supplement and not supplant base year  
30 career and technical education courses, including expenditures related to  
31 personnel, equipment and facilities.
- 32           10. For students who meet the requirements to receive funding  
33 pursuant to section 15-393, subsection X, students enrolled in an  
34 internship course and students enrolled in the year immediately following  
35 graduation, a separate listing of the following information for each  
36 district:
  - 37           (a) Average daily membership.
  - 38           (b) The actual student count.
  - 39           (c) Enrollment by course or program and persistence at each grade  
40 level toward completion of the program.
  - 41           (d) The percentage of students who completed each program.
  - 42           (e) The number of certifications and licenses earned by students  
43 delineated by those who attended a satellite program and those who  
44 attended a centralized campus.

1 11. Any other data or information deemed necessary by the  
2 department of education.

3 D. The office of the auditor general, in consultation with the  
4 department of education, shall develop and establish uniform cost  
5 reporting guidelines, policies and procedures for career technical  
6 education district programs. Any guideline, policy or procedure shall  
7 allow for the effective comparison of cost between career technical  
8 education district programs.

9 Sec. 7. Section 15-459, Arizona Revised Statutes, is amended to  
10 read:

11 15-459. Consolidation of districts; petition; election;  
12 notice; report; ballots; canvass of votes;  
13 governing board

14 A. On the request of the governing boards of two or more school  
15 districts in the same county or in adjacent counties or on receipt of  
16 petitions bearing the signatures of ten percent or more of the number of  
17 qualified electors who voted in whichever of the last two general  
18 elections resulted in the higher number of ballots cast and who reside in  
19 each of two or more school districts in the same county or in adjacent  
20 counties to consolidate the school districts or parts of the districts,  
21 the county school superintendent of each of the counties affected, within  
22 ten days, shall call an election to determine the question on  
23 consolidation.

24 B. Consolidations allowed pursuant to subsection A of this section  
25 include CONSOLIDATIONS:

26 1. To change the boundaries of a school district to include any  
27 part of an adjacent school district.

28 2. ~~if~~ IN WHICH all the common school districts within the  
29 boundaries of an existing union high school district desire to consolidate  
30 into one common school district.

31 3. ~~if~~ IN WHICH two or more adjacent school districts of the same  
32 type, both or all being common, union high or unified school districts,  
33 desire to consolidate into one common, union high or unified school  
34 district.

35 4. ~~if~~ IN WHICH a common school district that is not a part of a  
36 union high school district desires to consolidate with an adjacent unified  
37 school district.

38 5. ~~if~~ IN WHICH two or more common school districts desire to  
39 consolidate into one school district and unify the consolidated district  
40 with a union high school district to form one unified school district.

41 6. To change the boundaries of a school district that has received  
42 a ~~letter grade of A or B~~ PERFORMANCE CLASSIFICATION INDICATING THAT THE  
43 SCHOOL DISTRICT EXCEEDED THE EXPECTED STANDARDS pursuant to section 15-241  
44 to include another school district within twenty miles.

1 C. If a school district provides only financing for pupils who are  
2 instructed by another school district in the same county or in an adjacent  
3 county, the school district or any part of the school district may be  
4 consolidated with the school district providing the instructional program  
5 as follows:

6 1. The governing board of the financing school district approves  
7 the consolidation or ten percent of the qualified electors residing in the  
8 school district, or that part of the school district proposed for  
9 consolidation, petitions the county school superintendent to call an  
10 election to approve the proposed consolidation.

11 2. At an election called by the county school superintendent of  
12 each of the counties affected, a majority of the persons voting in the  
13 school district, or that part of the school district providing financing,  
14 approve the proposed consolidation and a majority of the persons voting in  
15 the district providing instruction approve the proposed consolidation.

16 D. Elections held as provided in subsection C of this section shall  
17 be conducted in the same manner as elections prescribed in subsections F  
18 through J of this section and shall be held concurrently as prescribed in  
19 section 15-458.

20 E. Sections 15-457, 15-975 and 15-997 apply to school districts  
21 that are consolidated as provided in subsection C of this section.

22 F. Notice of the election to determine consolidation of school  
23 districts shall be posted in at least three public places in each of the  
24 school districts proposed to be consolidated at least ninety days before  
25 the election.

26 G. The county school superintendent shall prepare and the governing  
27 board shall distribute a report on the proposed boundary changes in a  
28 manner similar to that prescribed in section 15-481, subsection B. The  
29 report shall contain the following information:

- 30 1. The date of the election.  
31 2. The polling places and times they are open.  
32 3. The full cash value, the assessed valuation and the estimated  
33 amount of the primary property taxes and the estimated amount of the  
34 secondary property taxes under the proposed boundary changes for each of  
35 the following:

36 (a) An owner-occupied residence whose assessed valuation is the  
37 average assessed valuation of property classified as class three, as  
38 prescribed by section 42-12003 for the current year in the school  
39 district.

40 (b) An owner-occupied residence whose assessed valuation is  
41 one-half of the assessed valuation of the residence in subdivision (a) of  
42 this paragraph.

43 (c) An owner-occupied residence whose assessed valuation is twice  
44 the assessed valuation of the residence in subdivision (a) of this  
45 paragraph.

1 (d) A business whose assessed valuation is the average of the  
2 assessed valuation of property classified as class one, as prescribed by  
3 section 42-12001, paragraphs 12 and 13 for the current year in the school  
4 district.

5 4. A consolidation plan to include:

6 (a) The proposed boundary changes.

7 (b) The impact of the proposed boundary changes, including where  
8 pupils will attend school, changes in pupil transportation services,  
9 changes in availability of special education services, changes in  
10 pupil-teacher ratio and operational costs.

11 (c) If subsection P of this section applies to one or more of the  
12 existing school districts, a detailed description of desegregation funding  
13 and expenses for the resulting school district as set forth in subsection  
14 P of this section.

15 (d) Any other information the county school superintendent deems  
16 appropriate to include.

17 H. Ballots shall be prepared by the county school superintendent,  
18 shall be delivered to the inspector at least forty-eight hours before the  
19 opening of the polls as prescribed in section 16-509 and shall contain the  
20 information prescribed in subsection G, paragraph 3 of this section and  
21 the following statement: "Do you support consolidation under the  
22 specified provisions of the consolidation plan? Yes ( ) No ( )." If the  
23 election is to simultaneously consolidate and unify two or more common  
24 school districts, the ballot shall contain: "Do you support the  
25 consolidation of the (insert names of common school districts) and the  
26 subsequent unification of the consolidated districts with the (insert  
27 name of union high school district) to form one unified school district  
28 under the consolidation and unification plan? Yes ( ) No ( )."

29 I. The county school superintendent shall hold the election during  
30 the fiscal year preceding the fiscal year consolidation is proposed to be  
31 effective on a date prescribed by section 16-204. The election shall be  
32 held in the manner and electors shall possess qualifications as prescribed  
33 for the election of governing board members. The results of the election  
34 shall be reported to the county school superintendent.

35 J. The county school superintendent and the chairman of the board  
36 of supervisors, on the seventh day after the election, shall canvass the  
37 vote. If a majority of the votes cast in each district approved the  
38 consolidation, the districts are consolidated and become one district from  
39 and after June 30 next following the election. If parts of two or more  
40 school districts are proposed to be consolidated, a majority of the voters  
41 in the part of a school district or districts not included in the proposed  
42 consolidation and a majority of the voters in the part of the school  
43 district or districts proposed for consolidation must approve the  
44 consolidation.

1 K. If the consolidated district includes territory located in two  
2 or more counties, the county of jurisdiction is the county in which the  
3 largest number of qualified electors of the consolidated school district  
4 resides, except that if all of the existing school buildings are in one  
5 county, that county is the county of jurisdiction. The county school  
6 superintendent of the jurisdictional county shall perform all duties for  
7 and with respect to the consolidated school district as required to be  
8 performed by county school superintendents. The board of supervisors of  
9 the jurisdictional county shall perform all duties for and with respect to  
10 the consolidated school district as required to be performed by boards of  
11 supervisors, except that school district taxes to be levied on property in  
12 the portion of the consolidated school district lying in another county  
13 shall be levied by the board of supervisors of the other county or  
14 counties and on receipt shall be transferred to the county of  
15 jurisdiction. All school buildings located within the consolidated school  
16 district, together with all equipment and furnishings, become the property  
17 of the consolidated school district. Any assumed indebtedness is an  
18 indebtedness of the consolidated school district for the purpose of  
19 determining the debt incurring authority of the consolidated school  
20 district.

21 L. Consolidation pursuant to this section is not allowed if the  
22 resulting school district would have a student count for the current year  
23 of more than ten percent of the total student count of all school  
24 districts in this state.

25 M. The governing board is constituted, may conduct meetings and  
26 shall prepare policies, curricula and budgets for the new school district  
27 after the canvass pursuant to subsection J of this section demonstrates  
28 that a majority of the votes cast in each school district approved the  
29 consolidation. These policies shall require that:

30 1. The base salary and benefits of each employee for the first year  
31 of operation of the new school district shall not be lower than the  
32 employee's base salary and benefits for the prior year in the previously  
33 existing school district.

34 2. The employee's years of employment in the previously existing  
35 school district shall be included in determining the employee's years of  
36 employment in the new school district. An employee who was entitled to  
37 continuing employment contract status in the previously existing school  
38 district is entitled to continuing employment contract status in the new  
39 school district.

40 3. Notwithstanding paragraphs 1 and 2 of this subsection and  
41 pursuant to section 15-544, this section does not restrict the ability of  
42 the governing board to implement a reduction in force or to scale back  
43 salaries of certified teachers, administrators or noncertificated  
44 employees for reasons of economy or to improve the efficient conduct of  
45 schools within the district following a school district consolidation.

1 N. If all of the districts to be consolidated have authorization  
2 for an override as provided in section 15-481 that would have continued  
3 after the consolidation, the override authorization continues for the new  
4 district and expires at the time that the earliest override would have  
5 expired.

6 O. If one or more, but not all, of the districts to be consolidated  
7 have authorization for an override as provided in section 15-481 that  
8 would have continued after the consolidation, the override authorization  
9 shall only apply to the schools included under the terms of the prior  
10 override authorization. Consolidation of school districts does not  
11 consolidate or pool the liability to be taxed for the override, and only  
12 property that was located within the boundaries of the district that  
13 approved the override before consolidation is to pay taxes to support the  
14 override. This subsection also applies if all of the districts to be  
15 consolidated have authorization for overrides, but the authorizations are  
16 pursuant to different subsections of section 15-481 or the override  
17 amounts are not the same percentage of the revenue control limit.

18 P. Notwithstanding section 15-457, consolidation of school  
19 districts does not consolidate or pool the liability of the former school  
20 districts into the resulting school district. Outstanding indebtedness  
21 incurred by a school district before consolidation shall be repaid without  
22 interruption according to existing debt schedules as determined by the  
23 county board of supervisors. If a school district consolidates after  
24 July 1, 2004, the new school district may pay tuition to the district of  
25 attendance when a pupil is precluded by distance or lack of transportation  
26 from attending school in the district of a pupil's residence.

27 Q. If one or more of the previously existing school districts were  
28 authorized to budget for expenses of complying with or continuing to  
29 implement activities that were required or permitted by court order of  
30 desegregation or administrative agreement with the United States  
31 department of education office for civil rights directed toward  
32 remediating alleged or proven racial discrimination pursuant to section  
33 15-910, this authorization does not expire on the effective date of  
34 consolidation but only applies to schools included in the court order or  
35 administrative agreement.

36 R. If the formation of a new consolidated and unified school  
37 district is authorized, the terms of the governing board members of the  
38 common and union high school districts do not expire on the effective date  
39 of the unification. The governing board members of the previously  
40 existing school districts shall serve as provided in section 15-430,  
41 except that the power of the governing board members of the previously  
42 existing school districts acting as the governing board of the unified  
43 school district is limited to the maintenance and operation of the  
44 previously existing school districts and compliance with the consolidation  
45 and unification plan.



1           Sec. 8. Section 15-537, Arizona Revised Statutes, is amended to  
2 read:

3           15-537. Performance of certificated teachers; evaluation  
4                           system; alternative performance evaluation cycle;  
5                           confidentiality

6           A. The governing board shall establish a system to evaluate the  
7 performance of certificated teachers in the school district that results  
8 in at least one evaluation of each certificated teacher by a qualified  
9 evaluator each school year or as provided in subsection B of this  
10 section. The governing board shall establish a teacher performance  
11 evaluation system that is designed to improve teacher performance and  
12 improve student achievement and that includes the use of quantitative data  
13 on the academic progress for all students, which shall account for between  
14 twenty percent and thirty-three percent of the evaluation outcomes. The  
15 evaluation system shall include four performance classifications,  
16 designated as highly effective, effective, developing and ineffective.  
17 The objectives of the teacher performance evaluation system are to improve  
18 instruction and maintain instructional strengths. The governing board  
19 shall involve its certificated teachers in the development and periodic  
20 evaluation of the teacher performance evaluation system.

21           B. A school district may use an alternative performance evaluation  
22 cycle pursuant to this subsection subject to the following:

23           1. The governing board shall adopt policies for an expedited  
24 performance review during the years in which a teacher is not undergoing a  
25 formal performance evaluation pursuant to subsection A of this section.  
26 The expedited performance review policies may classify teacher performance  
27 in categories that include teamwork and support for lower-performing  
28 teachers.

29           2. The governing board shall allow only teachers who have been  
30 evaluated and designated in the highest performance classification for at  
31 least three consecutive years by the same school district under the  
32 evaluation system established pursuant to subsection A of this section to  
33 participate in the alternative performance evaluation cycle.

34           3. If an expedited performance review under this subsection  
35 determines that the teacher is not in the highest performance  
36 classification, the teacher shall be removed from the alternative  
37 performance evaluation cycle and be reviewed under the evaluation system  
38 established pursuant to subsection A of this section.

39           C. The governing board shall adopt teacher evaluation policies in a  
40 public meeting. Before adopting teacher evaluation policies, the  
41 governing board shall provide opportunities for public discussion on the  
42 proposed policies. The policies shall describe:

43           1. Incentives for teachers in the highest performance  
44 classification, which may include multiyear contracts not to exceed three  
45 years. The policies shall specify that the offer and acceptance of a

1 multiyear contract does not exclude that teacher from the application of  
2 section 15-538.01, 15-540, 15-541 or 15-549 and that the teacher may  
3 accept a multiyear contract offer or decline and accept a one-year  
4 contract.

5 2. Incentives for teachers in the two highest performance  
6 classifications to work at schools that are assigned a ~~letter grade of D~~  
7 ~~or F~~ FAILING PERFORMANCE CLASSIFICATION pursuant to section 15-241.

8 3. Protections for teachers who are transferred to schools that are  
9 assigned a ~~letter grade of D or F~~ FAILING PERFORMANCE CLASSIFICATION  
10 pursuant to section 15-241.

11 4. Protections for teachers if the principal of the school is  
12 designated in the lowest performance classification.

13 D. The policies prescribed in subsection C of this section shall  
14 describe:

15 1. Performance improvement plans for teachers designated in the  
16 lowest performance classification.

17 2. Dismissal or nonrenewal procedures pursuant to section 15-536 or  
18 15-539 for teachers who continue to be designated in the lowest  
19 performance classification. The procedures shall require that the school  
20 district issue the preliminary notice of inadequacy of classroom  
21 performance ~~no~~ NOT later than the second consecutive year that the teacher  
22 is designated in one of the two lowest performance classifications unless  
23 the teacher is in the first or second year of employment with the school  
24 district or has been reassigned to teach a new subject or grade level for  
25 the preceding or current school year.

26 E. A teacher who has been employed by the school district for the  
27 major portion of three or more consecutive school years and who is  
28 currently designated in the lowest performance classification for two  
29 consecutive school years shall not be transferred as a teacher to another  
30 school in that school district unless the school district has issued a  
31 preliminary notice of inadequacy of classroom performance and approved a  
32 performance improvement plan for the teacher pursuant to section 15-539  
33 and the governing board has approved the new placement as in the best  
34 interests of the pupils in the school. A teacher who continues to be  
35 designated in one of the two lowest performance classifications shall not  
36 be ~~permitted~~ ALLOWED to transfer to another school. A teacher shall not  
37 be transferred more than once pursuant to this subsection.

38 F. The governing board shall prescribe specific procedures for the  
39 teacher performance evaluation system, which shall include at least the  
40 following elements:

41 1. At least two actual classroom observations of the certificated  
42 teacher demonstrating teaching skills in a complete and uninterrupted  
43 lesson by the qualified evaluator. There shall be at least sixty calendar  
44 days between the first and last observations. The last observation may  
45 follow the issuance of a preliminary notice of inadequacy of classroom

1 performance and be used to determine whether the teacher has corrected  
2 inadequacies and has demonstrated adequate classroom performance. An  
3 observation shall not be conducted within two instructional days of any  
4 scheduled period in which school is not in session for one week or more.  
5 Within ten business days after each observation, the qualified evaluator  
6 shall provide written feedback to the teacher.

7 2. Specific and reasonable plans for the improvement of teacher  
8 performance as provided in subsection I of this section.

9 3. Appeal procedures for teachers who disagree with the evaluation  
10 of their performance, if the evaluation is for use as criteria for  
11 establishing compensation.

12 4. Training requirements for qualified evaluators.

13 5. A plan for the appropriate use of quantitative data of student  
14 academic progress in evaluations of all certificated teachers. The plan  
15 may make distinctions between certificated teachers who provide direct  
16 instruction to students and certificated teachers who do not provide  
17 direct instruction to students. The plan may include data for multiple  
18 school years and may limit the use of data for certificated teachers who  
19 have taught for less than two complete school years.

20 G. The governing board may waive the requirement of a second  
21 classroom observation for a continuing teacher whose teaching performance  
22 based on the first classroom observation places the teacher in one of the  
23 two highest performance classifications for the current school year,  
24 unless the teacher requests a second observation.

25 H. The results of an annual evaluation conducted as provided in  
26 this section shall be in writing or provided in an electronic format to  
27 the certificated teacher, and a copy shall be transmitted or provided in  
28 an electronic format to the certificated teacher within five days after  
29 completion of the evaluation. The certificated teacher may initiate a  
30 written reaction or response to the evaluation.

31 I. Each evaluation shall include recommendations as to areas of  
32 improvement in the performance of the certificated teacher if the  
33 performance of the teacher warrants improvement. After transmittal of an  
34 evaluation, the qualified evaluator or another board designee shall confer  
35 with the teacher to make specific recommendations as to areas of  
36 improvement in the teacher's performance. The qualified evaluator or  
37 other board designee shall provide professional development opportunities  
38 for the certificated teacher to improve performance and follow up with the  
39 teacher after a reasonable period of time for the purpose of ascertaining  
40 that the teacher is demonstrating adequate performance.

41 J. Copies of the evaluation report and performance classification  
42 of a certificated teacher retained by the governing board and the  
43 department of education are confidential, do not constitute a public  
44 record and shall not be released or shown to any person except:

- 45 1. To the certificated teacher who may make any use of it.

1           2. To authorized district officers and employees for all personnel  
2 matters regarding employment and contracts and for any hearing that  
3 relates to personnel matters.

4           3. To school districts and charter schools that inquire about the  
5 performance of the teacher for prospective employment purposes. A school  
6 district or charter school that receives information about a certificated  
7 teacher from the evaluation report and performance classification shall  
8 use this information solely for employment purposes and shall not release  
9 this information to or allow access to this information by any other  
10 person, entity, school district or charter school.

11           4. For introduction in evidence or discovery in any court action  
12 between the governing board and the certificated teacher in which either:

13           (a) The competency of the teacher is at issue.

14           (b) The evaluation and performance classification were an exhibit  
15 at a hearing, the result of which is challenged.

16           K. Any school district policy pertaining to the transfer of  
17 teachers from one school to another school in a school district shall take  
18 into consideration the current distribution of teachers across all of the  
19 performance classifications and the needs of the pupils in the school  
20 district.

21           Sec. 9. Section 15-741.02, Arizona Revised Statutes, is amended to  
22 read:

23           15-741.02. Menu of achievement assessments; requirements;  
24 rules; definition

25           A. The state board of education shall adopt a menu of achievement  
26 assessments to measure pupil achievement of the state academic standards.  
27 ~~Beginning in the 2018-2019 school year;~~ Each local education agency that  
28 offers instruction in grades nine through twelve may select from that menu  
29 an achievement assessment to administer to the pupils in that local  
30 education agency in grades designated by the state board instead of the  
31 statewide assessment to measure pupil achievement adopted by the state  
32 board pursuant to section 15-741. ~~No later than the 2023-2024 school~~  
33 ~~year;~~ Each local education agency that offers instruction in grades three  
34 through eight may select from that menu an achievement assessment to  
35 administer to the pupils in that local education agency instead of the  
36 statewide assessment to measure pupil achievement adopted by the state  
37 board pursuant to section 15-741. The department of education shall  
38 provide adequate staff support for the state board to comply with this  
39 section.

40           B. An achievement assessment in use by a local education agency  
41 that is not on the menu of assessments by March 1, 2018 may be added to  
42 the menu at the request of the local education agency and shall be  
43 approved by the state board of education if the assessment is nationally  
44 recognized, a qualifying college credit examination pursuant to section  
45 15-249.06 or an ~~assessment adopted pursuant to section 15-792.03~~

1 EXAMINATION ADMINISTERED PURSUANT TO ARTICLE 6 OF THIS CHAPTER. The state  
2 board may approve any other assessment if the assessment meets the  
3 requirements of subsection E of this section. The state board shall  
4 evaluate assessments that are not on the menu pursuant to this section  
5 annually and shall notify local education agencies of the results on or  
6 before May 1 of each year.

7 C. A local education agency that selects an achievement assessment  
8 pursuant to this section meets the requirements prescribed in section  
9 15-741. The local education agency shall include the name of the  
10 assessment it administers in the school report card required in section  
11 15-746 and administer the assessment for a minimum period of time  
12 prescribed by the state board of education.

13 D. The state board of education shall adopt policies, rules and  
14 procedures to carry out this section. Any policy, rule or procedure  
15 adopted pursuant to this subsection may not require a local education  
16 agency to receive additional approval from the state board or the  
17 department of education to select an assessment from the menu of  
18 assessments. A local education agency that adopts an achievement  
19 assessment pursuant to this section shall provide the necessary reasonable  
20 accommodations for a student who is an English language learner and the  
21 necessary accommodations and modifications for a student as required by  
22 the student's individualized education program team.

23 E. The state board of education shall require that the provider of  
24 an achievement assessment that is proposed for the menu of achievement  
25 assessments do all of the following:

26 1. Provide evidence that the assessment is a high quality  
27 assessment.

28 2. Demonstrate that the assessment meets or exceeds the level of  
29 rigor of the state board's adopted academic standards.

30 3. Demonstrate that the assessment scores can be scaled for state  
31 accountability programs including establishing comparable student  
32 performance levels for achievement profiles and ~~letter-grade~~ PERFORMANCE  
33 classifications issued pursuant to section 15-241.

34 4. Submit an evaluation from a third party approved by the state  
35 board that shows the assessment meets the requirements prescribed in  
36 paragraphs 1, 2 and 3 of this subsection.

37 5. Provide a copy of assessment scores to the department of  
38 education when scores are provided to the partnering local education  
39 agency.

40 F. For the purposes of this section, "nationally recognized" means  
41 accepted by universities for the purposes of awarding college credit or  
42 admissions.



1           9. The total number of pupils WHO WERE enrolled at the school  
2 during the previous school year.

3           10. The transportation services available.

4           11. A description of the responsibilities of parents of children WHO  
5 ARE enrolled at the school.

6           12. A description of the responsibilities of the school to the  
7 parents of the children WHO ARE enrolled at the school, including dates  
8 the report cards are delivered to the home.

9           13. A description of the composition and duties of the school  
10 council as prescribed in section 15-351 if such a school council exists.

11           14. For the most recent year available, the average current  
12 expenditure per pupil for administrative functions compared to the  
13 predicted average current expenditure per pupil for administrative  
14 functions according to an analysis of administrative cost data by the  
15 joint legislative budget committee staff.

16           15. If the school provides instruction to pupils in kindergarten  
17 programs and grades one through three, the ratio of pupils to teachers in  
18 each classroom where instruction is provided in kindergarten programs and  
19 grades one through three.

20           16. The average class size per grade level for all grade levels,  
21 kindergarten programs and grades one through eight. For the purposes of  
22 this paragraph, "average class size" means the weighted average of each  
23 class.

24           B. The department of education shall develop a standardized report  
25 card format that meets the requirements of subsection A of this section.  
26 The department shall modify the standardized report card as necessary on  
27 an annual basis. The department shall distribute to each school in this  
28 state a copy of the standardized report card that includes the required  
29 test scores for each school. Additional copies of the standardized report  
30 card shall be available on request.

31           C. After each school has completed the report card distributed to  
32 it by the department of education, the school, in addition to distributing  
33 the report card as prescribed in subsection A of this section, shall send  
34 a copy of the report card to the department. The department shall prepare  
35 an annual report that contains the report card from each school in this  
36 state AND SHALL PUBLISH THE ANNUAL REPORT ON THE DEPARTMENT'S WEBSITE.

37           D. The school shall distribute report cards to parents of pupils  
38 WHO ARE enrolled at the school, not later than the last day of school of  
39 each fiscal year, and shall present a summary of the contents of the  
40 report cards at an annual public meeting held at the school. The school  
41 shall give notice at least two weeks before the public meeting that  
42 clearly states the purposes, time and place of the meeting. THE  
43 DISTRIBUTION AND NOTICE REQUIREMENTS PRESCRIBED IN THIS SUBSECTION MAY BE  
44 SATISFIED BY ELECTRONIC COMMUNICATIONS IF THE SCHOOL DISTRICT OR CHARTER  
45 SCHOOL ELECTRONICALLY COMMUNICATES WITH THE PARENTS OF PUPILS IN THE

1 ORDINARY COURSE OF BUSINESS. ANY ELECTRONIC COMMUNICATIONS SENT PURSUANT  
2 TO THIS SUBSECTION MUST CONTAIN HYPERLINKS TO WEBSITES THAT PROVIDE  
3 FURTHER INFORMATION.

4 E. ~~Beginning in fiscal year 2021-2022,~~ The school report card  
5 prescribed by this section shall include a link to access the information  
6 required by section 15-747.

7 F. EACH SCHOOL DISTRICT AND CHARTER SCHOOL SHALL PROMINENTLY POST  
8 THE REPORT CARDS FOR EACH SCHOOL OPERATED BY THE SCHOOL DISTRICT OR  
9 CHARTER SCHOOL ON THE WEBSITE OF THE SCHOOL DISTRICT OR CHARTER SCHOOL  
10 AND, IF AVAILABLE, ON THE INDIVIDUAL SCHOOL'S WEBSITE.

11 Sec. 11. Section 15-2401, Arizona Revised Statutes, is amended to  
12 read:

13 15-2401. Definitions

14 In this chapter, unless the context otherwise requires:

15 1. "Annual education plan" means an initial individualized  
16 evaluation and subsequent annual reviews that are developed for a  
17 qualified student who meets the criteria specified in paragraph 7,  
18 subdivision (a), item (i), (ii) or (iii) of this section to determine  
19 ongoing annual eligibility through the school year in which the qualified  
20 student reaches twenty-two years of age and whether the QUALIFIED student  
21 may be eligible pursuant to section 36-2981 and should be referred for  
22 eligibility determination.

23 2. "Curriculum" means a course of study for content areas or grade  
24 levels, including any supplemental materials required or recommended by  
25 the curriculum, approved by the department.

26 3. "Department" means the department of education.

27 4. "Eligible postsecondary institution" means a community college  
28 as defined in section 15-1401, a university under the jurisdiction of the  
29 Arizona board of regents or an accredited private postsecondary  
30 institution.

31 5. "Parent" means a resident of this state who is the parent,  
32 stepparent or legal guardian of a qualified student.

33 6. "Qualified school" means a nongovernmental primary or secondary  
34 school or a preschool for pupils with disabilities that is located in this  
35 state or, for qualified students who reside within the boundaries of an  
36 Indian reservation in this state, that is located in an adjacent state and  
37 that is within two miles of the border of the state in which the qualified  
38 student resides, and that does not discriminate on the basis of race,  
39 color or national origin.

40 7. "Qualified student" means a resident of this state who:

41 (a) Is any of the following:

42 (i) Identified as having a disability under section 504 of the  
43 rehabilitation act of 1973 (29 United States Code section 794).



1 (ii) Identified by a school district or by an independent third  
2 party pursuant to section 15-2403, subsection J as a child with a  
3 disability as defined in section 15-731 or 15-761.

4 (iii) A child with a disability who is eligible to receive services  
5 from a school district under section 15-763.

6 (iv) Attending a school or school district that was assigned a  
7 ~~letter grade of D or F~~ **FAILING PERFORMANCE CLASSIFICATION** pursuant to  
8 section 15-241 for the most recent year in which ~~letter grades~~ **PERFORMANCE**  
9 **CLASSIFICATIONS** were assigned or is currently eligible to attend  
10 kindergarten and resides within the attendance boundary of a school that  
11 was assigned a ~~letter grade of D or F~~ **FAILING PERFORMANCE CLASSIFICATION**  
12 pursuant to section 15-241 for the most recent year in which ~~letter grades~~  
13 **PERFORMANCE CLASSIFICATIONS** were assigned. A child who meets the  
14 requirements of this item and who meets the income eligibility  
15 requirements for free and reduced-price lunches under the national school  
16 lunch and child nutrition acts (42 United States Code sections 1751  
17 through 1793) is not subject to subdivision (b) of this paragraph.

18 (v) A previous recipient of a scholarship issued pursuant to this  
19 section, unless the qualified student's parent has been removed from  
20 eligibility in the program for failure to comply pursuant to section  
21 15-2403, subsection C.

22 (vi) A child of a parent who is a member of the armed forces of the  
23 United States and who is on active duty or was killed in the line of duty.  
24 A child who meets the requirements of this item is not subject to  
25 subdivision (b) of this paragraph.

26 (vii) A child who is a ward of the juvenile court and who is  
27 residing with a prospective permanent placement pursuant to section 8-862  
28 and the case plan is adoption or permanent guardianship.

29 (viii) A child who was a ward of the juvenile court and who  
30 achieved permanency through adoption or permanent guardianship.

31 (ix) A child who is the sibling of a current or previous Arizona  
32 empowerment scholarship account recipient or of an eligible qualified  
33 student who accepts the terms of and enrolls in an Arizona empowerment  
34 scholarship account.

35 (x) A child who resides within the boundaries of an Indian  
36 reservation in this state as determined by the department of education or  
37 a tribal government.

38 (xi) A child of a parent who is legally blind or deaf or hard of  
39 hearing as defined in section 36-1941.

40 (b) And, except as provided in subdivision (a), items (iv) and (vi)  
41 of this paragraph, who meets any of the following requirements:

42 (i) Attended a governmental primary or secondary school as a  
43 full-time student as defined in section 15-901 for at least forty-five  
44 days of the current or prior fiscal year and who transferred from a  
45 governmental primary or secondary school under a contract to participate

1 in an Arizona empowerment scholarship account. Kindergarten students who  
2 are enrolled in Arizona online instruction must receive one hundred hours  
3 of logged instruction to be eligible pursuant to this item. First, second  
4 and third grade students who are enrolled in Arizona online instruction  
5 must receive two hundred hours of logged instruction to be eligible  
6 pursuant to this item. Fourth, fifth and sixth grade students who are  
7 enrolled in Arizona online instruction must receive two hundred fifty  
8 hours of logged instruction to be eligible pursuant to this item. Seventh  
9 and eighth grade students who are enrolled in Arizona online instruction  
10 must receive two hundred seventy-five hours of logged instruction to be  
11 eligible pursuant to this item. High school students who are enrolled in  
12 Arizona online instruction must receive two hundred fifty hours of logged  
13 instruction to be eligible pursuant to this item.

14 (ii) Previously participated in an Arizona empowerment scholarship  
15 account.

16 (iii) Received a scholarship under section 43-1505 and who  
17 continues to attend a qualified school if the student attended a  
18 governmental primary or secondary school as a full-time student as defined  
19 in section 15-901 for at least ninety days of the prior fiscal year or one  
20 full semester before attending a qualified school.

21 (iv) Was eligible for an Arizona scholarship for pupils with  
22 disabilities and received monies from a school tuition organization  
23 pursuant to section 43-1505 or received an Arizona scholarship for pupils  
24 with disabilities but did not receive monies from a school tuition  
25 organization pursuant to section 43-1505 and who continues to attend a  
26 qualified school if the student attended a governmental primary or  
27 secondary school as a full-time student as defined in section 15-901 for  
28 at least ninety days of the prior fiscal year or one full semester before  
29 attending a qualified school.

30 (v) Attended a nonpublic school for pupils with disabilities in the  
31 prior year if placement at the school was approved by the department of  
32 education and contracted for by a public school district.

33 (vi) Has not previously attended a governmental primary or  
34 secondary school but is currently eligible to enroll in a kindergarten  
35 program in a school district or charter school in this state or attended a  
36 program for preschool children with disabilities. For the purposes of  
37 this item, a child is eligible to enroll in a kindergarten program if the  
38 child is at least five years of age on January 1 of the current school  
39 year, is under seven years of age, has not already completed a  
40 kindergarten program and is not enrolled in grade one of a private or  
41 governmental school in the current year.

42 (vii) Has not previously attended a governmental primary or  
43 secondary school but is currently eligible to enroll in a program for  
44 preschool children with disabilities in this state.

45 8. "Treasurer" means the office of the state treasurer.

1           Sec. 12. Section 41-5841, Arizona Revised Statutes, is amended to  
2 read:

3           41-5841. Achievement district schools; application; criteria

4           A. The credit enhancement eligibility board established by section  
5 41-5852 shall establish an application process, application forms and  
6 selection criteria for a public school or charter school to qualify as an  
7 achievement district school for the purposes of article 11 of this  
8 chapter.

9           B. A public school or charter school that meets all of the  
10 following criteria is eligible to qualify as an achievement district  
11 school:

12           1. Has been assigned ~~a letter grade of A, or an equivalent~~  
13 ~~successor classification~~, **THE HIGHEST PERFORMANCE CLASSIFICATION** pursuant  
14 to section 15-241.

15           2. Has proven instructional strategies and curricula that  
16 demonstrate high academic outcomes.

17           3. Has a verifiable enrollment demand, including the placement of  
18 prospective pupils on a waiting list.

19           4. Has a sound financial plan that contemplates operational costs  
20 and future enrollment growth.

21           5. Has shown a commitment to provide technical assistance,  
22 including business services, curriculum development and teacher training,  
23 to an underperforming school in the state.

24           6. Meets any other criteria established by the credit enhancement  
25 eligibility board.

26           C. The credit enhancement eligibility board shall meet regularly to  
27 evaluate achievement district school applications and shall either approve  
28 or deny each application submitted. The board shall report its decision  
29 on each application to the public school or charter school within ten  
30 business days after the board's decision.

31           D. If a school's application is approved pursuant to this section,  
32 the school qualifies as an achievement district school and is eligible to  
33 apply for participation in the Arizona public school credit enhancement  
34 program established by section 41-5855.