REFERENCE TITLE: ABOR; flags; constitution; display; report

State of Arizona Senate Fifty-sixth Legislature Second Regular Session 2024

## **SB 1470**

Introduced by Senator Kern

## AN ACT

AMENDING SECTION 15-1626, ARIZONA REVISED STATUTES; RELATING TO THE ARIZONA BOARD OF REGENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

- i -

2

3

4

5

6

7

8

9

10 11

12 13

14

1516

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34 35

36

37

38 39

40

41

42

43

44 45 Be it enacted by the Legislature of the State of Arizona: Section 1. Section 15-1626, Arizona Revised Statutes, is amended to read:

## 15-1626. <u>General administrative powers and duties of board;</u> definition

- A. The ARIZONA board OF REGENTS shall:
- 1. Have and exercise the powers necessary for the effective governance and administration of the institutions under its control. To that end, the board may adopt, and authorize each university to adopt, such regulations, policies, rules or measures as are deemed necessary and may delegate in writing to its committees, to its university presidents, or their designees, or to other entities under its control any part of its authority for the administration TO ADMINISTER and governance of GOVERN such institutions, including those powers enumerated in section 15-1625, subsection B, paragraphs 2 and 4, paragraphs 3, 4, 8, 9, 11 and 12 of this subsection and subsection B of this section. THE BOARD MAY RESCIND any delegation of authority may be rescinded by the board at any time in whole or in part.
- 2. Appoint and employ and determine the compensation of presidents with such power and authority and for such purposes in connection with the operation of the institutions as the board deems necessary.
- 3. Appoint and employ and determine the compensation of vice-presidents VICE PRESIDENTS, deans, professors, instructors. lecturers, fellows and such other officers and employees with such power and authority and for such purposes in connection with the operation of the institutions as the board deems necessary, or delegate its authority pursuant to paragraph 1 of this subsection.
- 4. Remove any officer or employee when the interests of education in this state so require in accordance with its personnel rules and policies.
- 5. Fix tuitions and fees to be charged and differentiate the tuitions and fees between institutions and between residents. nonresidents, undergraduate students, graduate students, students from foreign countries and students who have earned credit hours in excess of the credit hour threshold. For the purposes of this paragraph, the undergraduate credit hour threshold is one hundred forty-five hours for students who attend a university under the jurisdiction of the board. undergraduate credit hour threshold shall be based on the actual full-time equivalent student enrollment counted on the forty-fifth day of every fall and spring semester, divided by two, and any budget adjustment based on student enrollment shall occur in the fiscal year following the actual full-time equivalent student enrollment count. The undergraduate credit hour threshold shall not apply to degree programs that require credit hours above the credit hour threshold, credits earned in the pursuit of up to two baccalaureate degrees, credits earned in the pursuit of up to two

- 1 -

2

3

4

5

6

7

8

9

10 11

12

13

14

1516

17

18

19 20

21

22

23

24

25

26

27

28

29

30

31

32

33

34 35

36

37

38 39

40 41

42

43

44

state regulated licensures or certificates, credits earned in the pursuit of teaching certification, credits transferred from a private institution of higher education, credits transferred from an institution of higher education in another state, credits earned at another institution of higher education but that are not accepted as transfer credits at the university where the student is currently enrolled and credits earned by students who enroll at a university under the jurisdiction of the board more than twenty-four months after the end of that student's previous enrollment at a public institution of higher education in this state. or before October 15 of each year, the board shall report to the joint legislative budget committee the number of in-state students out-of-state students who were enrolled at universities under jurisdiction of the board during the previous fiscal year and who met or exceeded the undergraduate credit hour threshold prescribed in this paragraph. The amount of tuition and fees included in the operating budget for the university adopted by the board as prescribed in paragraph 13 of this subsection shall be subject to legislative appropriation and deposited in a separate tuition and fees subaccount for each university. All other tuition and fee revenue shall be retained by each university for expenditure as approved by the board in a separate local tuition and fees subaccount for each university. This subaccount shall consist of only The universities shall not use any tuition or fee tuition and fees. revenue to fund or support an alumni association.

- 6. Adopt rules to govern its THE BOARD'S tuition and academic fee setting process that provide for the following:
- (a) At least one public hearing at each university as an opportunity for students and members of the public to comment on any proposed increase in tuition or fees.
- (b) Publication of the notice of public hearing at least ten days before the hearing in a newspaper of general circulation in Maricopa county, Coconino county and Pima county. The notice shall include the date, time and location of the public hearing.
- (c) Public disclosure by each university of any proposed increases in tuition or fees at least ten days before the public hearing.
- (d) A roll call vote of any final board action on changes in tuition, including tuition rate changes for online programs, or academic fees
- (e) Public disclosure by the board and each university of any final board action on changes in tuition or academic fees.
- 7. Pursuant to section 35-115, submit a budget request for each institution under its THE BOARD'S jurisdiction that includes the estimated tuition and fee revenue available to support the programs of the institution as described in the budget request. The estimated available tuition and fee revenue shall be based on the tuition and registration fee

- 2 -

 rates in effect at the time the budget request is submitted with adjustments for projected changes in enrollment as provided by the board.

- 8. Establish curricula and designate courses at the several institutions that in its THE BOARD'S judgment will best serve the interests of this state.
- 9. Award such degrees and diplomas on the completion of such courses and curriculum requirements as it THE BOARD deems appropriate.
- 10. Prescribe qualifications for admission of all students to the universities. The board shall establish policies for guaranteed admission that ensure fair and equitable access to students in this state from public, private and charter schools and homeschools. For the purpose of determining the qualifications of honorably discharged veterans, veterans are those persons who served in the armed forces for a minimum of two years and who were previously enrolled at a university or community college in this state. No Prior failing grades received by the veteran at the university or community college in this state may NOT be considered.
- 11. Adopt any energy conservation standards adopted by the department of administration for the construction of new buildings.
- 12. Employ for such time and purposes as the board requires attorneys whose compensation shall be fixed and paid by the board. Litigation to which the board is a party and for which self-insurance is not provided may be compromised or settled at the direction of the board.
- 13. Adopt annually an operating budget for each university equal to the sum of appropriated STATE general fund monies and the amount of tuition and fees approved by the board and allocated to each university operating budget.
- 14. In consultation with the state board of education and other education groups, develop and implement a program to award honors endorsements to be affixed to the high school diplomas of qualifying high school pupils and to be included in the transcripts of pupils who are awarded endorsements. The board shall develop application procedures and testing criteria and adopt testing instruments and procedures to administer the program. In order to receive an honors endorsement, a pupil must demonstrate an extraordinary level of knowledge, skill and competency as measured by the testing instruments adopted by the board in mathematics, English, science and social studies. Additional subjects may be added at the determination of the board. The program is voluntary for pupils.
- 15. Require the publisher of each literary and nonliterary textbook used in the universities of this state to furnish to the Arizona board of regents computer software in a standardized format when software becomes available for nonliterary textbooks from which braille versions of the textbooks may be produced.
- 16. Require universities that provide a degree in education to require courses that are necessary to obtain a provisional structured

- 3 -

English immersion endorsement as prescribed by the state board of education.

- 17. Acquire United States flags for each classroom that are manufactured in the United States and that are at least two feet by three feet and hardware to appropriately display the United States flags, acquire a legible copy of the Constitution of the United States and the Bill of Rights, display the flags in each classroom in accordance with title 4 of the United States Code and display a legible copy of the Constitution of the United States and the Bill of Rights adjacent to the flag.
- 18. REQUIRE EACH INSTITUTION UNDER THE BOARD'S JURISDICTION TO ANNUALLY SUBMIT A REPORT DEMONSTRATING THE INSTITUTION'S COMPLIANCE WITH PARAGRAPH 17 OF THIS SUBSECTION.
- 18. 19. To facilitate the transfer of military personnel and their dependents to and from the public schools of this state, pursue, in cooperation with the state board of education, reciprocity agreements with other states concerning the transfer credits for military personnel and their dependents. A reciprocity agreement entered into pursuant to this paragraph shall:
  - (a) Address procedures for each of the following:
  - (i) The transfer of student records.
  - (ii) Awarding credit for completed coursework.
- (iii) Permitting a student to satisfy the graduation requirements prescribed in section 15-701.01 through the successful performance on comparable exit-level assessment instruments administered in another state.
- (b) Include appropriate criteria developed by the state board of education and the Arizona board of regents.
- 19. 20. Require a university to publicly post notices of all of its THE UNIVERSITY'S employment openings, including the title and description, instructions for applying and relevant contact information.
- 20. 21. In consultation with the community college districts in this state, develop and implement common equivalencies for specific levels of achievement on advanced placement examinations and international baccalaureate examinations in order to award commensurate postsecondary academic credits at community colleges and public universities in this state.
- 21. 22. On or before August 1 of each year, report to the joint legislative budget committee the graduation rate by university campus during the previous fiscal year. The board shall also report the retention rate by university campus and by class, as determined by date of entry during the previous fiscal year.
- B. The board shall adopt personnel policies for all employees of the board and the universities.

- 4 -

- C. In conjunction with the auditor general, the board shall develop a uniform accounting and reporting system, which shall be reviewed by the joint legislative budget committee before final adoption by the board. The board shall require each university to comply with the uniform accounting and reporting system.
- D. The board may employ legal assistance in procuring loans for the institutions from the United States government. Fees or compensation paid for such legal assistance shall not be a claim on the STATE general fund of this state but shall be paid from funds of the institutions.
- E. The board shall approve or disapprove any contract or agreement entered into by the university of Arizona hospital with the Arizona industrial development authority.
- F. The board may adopt policies that authorize the institutions under its jurisdiction to enter into employment contracts with nontenured employees for periods of more than one year but not more than five years. The policies shall prescribe limitations LIMITS on the authority of the institutions to enter into employment contracts for periods of more than one year but not more than five years, including the requirement that the board approve the contracts.
- G. The board may adopt a plan or plans for employee benefits that allow for participation in a cafeteria plan that meets the requirements of the United States internal revenue code of 1986.
- H. The board may establish a program for the exchange of students between the universities under the jurisdiction of the board and colleges and universities located in the state of Sonora, Mexico. Notwithstanding subsection A, paragraph 5 of this section, the program may provide for in-state tuition at the universities under the jurisdiction of the board for fifty Sonoran students in exchange for similar tuition provisions for up to fifty Arizona students enrolled or seeking enrollment in Sonoran colleges or universities. The board may direct the universities to work in conjunction with the Arizona-Mexico commission to coordinate recruitment and admissions activities.
- I. The Arizona board of regents, in collaboration with the universities under its jurisdiction, shall adopt a performance funding model. The performance funding model shall use performance metrics that include the increase in degrees awarded, the increase in completed student credit hours and the increase in externally generated research and public service funding. The funding formula may give added weight to degrees related to science, technology, engineering and mathematics and other high-value degrees that are in short supply or that are essential to this state's long-term economic development strategy.
- J. The Arizona board of regents shall use the performance funding model adopted pursuant to subsection I of this section in developing and submitting budget requests for the universities under its jurisdiction.

- 5 -

- K. On or before November 1 of each year, the Arizona board of regents shall submit to the joint legislative budget committee and the governor's office of strategic planning and budgeting a report on university debt and obligations, including:
  - 1. Long-term notes and obligations.
- 2. Certificates of participation and other obligations pursuant to any lease-purchase agreements.
  - 3. Revenue bonds.
  - 4. Bonds issued pursuant to section 15-1682.03.
  - 5. Commercial paper issued pursuant to section 15-1696.
- L. The report issued pursuant to subsection K of this section shall contain, for the most recent fiscal year:
- 1. The aggregate level of outstanding principal and the principal and interest payments, by type of debt or obligation.
- 2. An itemization, by campus and project, of the amount of yearly principal and interest to be paid in the most recent and the next five fiscal years.
- M. The board may enter into an intergovernmental agreement pursuant to section 15-1747 to manage universities under its jurisdiction subject to the terms of the reciprocity agreement.
- N. For the purposes of this section, "university debt and obligations" means debt and obligations, the principal and interest of which are paid in whole or in part with university monies.

- 6 -