Conference Engrossed

FILED

JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

CHAPTER 283

SENATE BILL 1164

AN ACT

AMENDING SECTIONS 15-104, 15-341 AND 15-393, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 4, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-461; AMENDING LAWS 2005, CHAPTER 191, SECTION 3; RELATING TO SCHOOL DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 15-104, Arizona Revised Statutes, is amended to read:

15-104. Mental health screening; consent; form

A. Before it conducts a mental health screening on any pupil, defined as a survey, analysis or evaluation created by a governmental or private third party pursuant to the protection of pupil rights ~~act~~ AMENDMENT (20 United States Code section 1232h; 34 Code of Federal Regulations part 98), a school district or charter school must have obtained the written consent of the pupil's parent or legal guardian. The written consent must satisfy all of the following requirements:

1. Contain language that clearly explains the nature of the screening program and when and where the screening will take place.

2. Be signed by the pupil's parent or legal guardian.

3. Provide notice that a copy of the actual survey, analysis or evaluation questions to be asked of the student is available for inspection upon request by the parent or legal guardian.

B. THE CHEMICAL ABUSE AND RELATED GANG ACTIVITY SURVEY CONDUCTED BY THE ARIZONA CRIMINAL JUSTICE COMMISSION PURSUANT TO SECTION 41-2416 IS EXEMPT FROM THE PROVISIONS OF THIS SECTION IF THE SURVEY DOES NOT INCLUDE QUESTIONS RELATED TO DEPRESSION OR RELIGIOSITY.

Sec. 2. Section 15-341, Arizona Revised Statutes, is amended to read:

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

A. The governing board shall:

1. Prescribe and enforce policies and procedures for the governance of the schools, not inconsistent with law or rules prescribed by the state board of education.

2. Maintain the schools established by it for the attendance of each pupil for a period of not less than one hundred seventy-five school days or two hundred school days, as applicable, or its equivalent as approved by the superintendent of public instruction for a school district operating on a year-round operation basis, to offer an educational program on the basis of a four day school week or to offer an alternative kindergarten program on the basis of a three day school week, in each school year, and if the funds of the district are sufficient, for a longer period, and as far as practicable with equal rights and privileges.

3. Exclude from schools all books, publications, papers or audiovisual materials of a sectarian, partisan or denominational character.

4. Manage and control the school property within its district.

5. Acquire school furniture, apparatus, equipment, library books and supplies for the use of the schools.

6. Prescribe the curricula and criteria for the promotion and graduation of pupils as provided in sections 15-701 and 15-701.01.

7. Furnish, repair and insure, at full insurable value, the school property of the district.

8. Construct school buildings on approval by a vote of the district electors.

9. Make in the name of the district conveyances of property belonging to the district and sold by the board.

10. Purchase school sites when authorized by a vote of the district at an election conducted as nearly as practicable in the same manner as the election provided in section 15-481 and held on a date prescribed in section 15-491, subsection E, but such authorization shall not necessarily specify the site to be purchased and such authorization shall not be necessary to exchange unimproved property as provided in section 15-342, paragraph 23.

11. Construct, improve and furnish buildings used for school purposes when such buildings or premises are leased from the national park service.

12. Purchase school sites or construct, improve and furnish school buildings from the proceeds of the sale of school property only on approval by a vote of the district electors.

13. Hold pupils to strict account for disorderly conduct on school property.

14. Discipline students for disorderly conduct on the way to and from school.

15. Except as provided in section 15-1224, deposit all monies received by the district as gifts, grants and devises with the county treasurer who shall credit the deposits as designated in the uniform system of financial records. If not inconsistent with the terms of the gifts, grants and devises given, any balance remaining after expenditures for the intended purpose of the monies have been made shall be used for reduction of school district taxes for the budget year, except that in the case of accommodation schools the county treasurer shall carry the balance forward for use by the county school superintendent for accommodation schools for the budget year.

16. Provide that, if a parent or legal guardian chooses not to accept a decision of the teacher as provided in section 15-521, paragraph 3, the parent or legal guardian may request in writing that the governing board review the teacher's decision. Nothing in this paragraph shall be construed to release school districts from any liability relating to a child's promotion or retention.

17. Provide for adequate supervision over pupils in instructional and noninstructional activities by certificated or noncertificated personnel.

18. Use school monies received from the state and county school apportionment exclusively for payment of salaries of teachers and other employees and contingent expenses of the district.

19. Make an annual report to the county school superintendent on or before October 1 each year in the manner and form and on the blanks prescribed by the superintendent of public instruction or county school superintendent. The board shall also make reports directly to the county

school superintendent or the superintendent of public instruction whenever required.

20. Deposit all monies received by school districts other than student activities monies or monies from auxiliary operations as provided in sections 15-1125 and 15-1126 with the county treasurer to the credit of the school district except as provided in paragraph 21 of this subsection and sections 15-1223 and 15-1224, and the board shall expend the monies as provided by law for other school funds.

21. Establish a bank account in which the board during a month may deposit miscellaneous monies received directly by the district. The board shall remit monies deposited in the bank account at least monthly to the county treasurer for deposit as provided in paragraph 20 of this subsection and in accordance with the uniform system of financial records.

22. Employ an attorney admitted to practice in this state whose principal practice is in the area of commercial real estate, or a real estate broker who is licensed by this state and who is employed by a reputable commercial real estate company, to negotiate a lease of five or more years for the school district if the governing board decides to enter into a lease of five or more years as lessor of school buildings or grounds as provided in section 15-342, paragraph 7 or 10. Any lease of five or more years negotiated pursuant to this paragraph shall provide that the lessee is responsible for payment of property taxes pursuant to the requirements of section 42-11104.

23. Prescribe and enforce policies and procedures for disciplinary action against a teacher who engages in conduct that is a violation of the policies of the governing board but that is not cause for dismissal of the teacher or for revocation of the certificate of the teacher. Disciplinary action may include suspension without pay for a period of time not to exceed ten school days. Disciplinary action shall not include suspension with pay or suspension without pay for a period of time longer than ten school days. The procedures shall include notice, hearing and appeal provisions for violations that are cause for disciplinary action. The governing board may designate a person or persons to act on behalf of the board on these matters.

24. Prescribe and enforce policies and procedures for disciplinary action against an administrator who engages in conduct that is a violation of the policies of the governing board regarding duties of administrators but that is not cause for dismissal of the administrator or for revocation of the certificate of the administrator. Disciplinary action may include suspension without pay for a period of time not to exceed ten school days. Disciplinary action shall not include suspension with pay or suspension without pay for a period of time longer than ten school days. The procedures shall include notice, hearing and appeal provisions for violations that are cause for disciplinary action. The governing board may designate a person or persons to act on behalf of the board on these matters. For violations that are cause for dismissal, the provisions of notice, hearing and appeal in chapter

5, article 3 of this title shall apply. The filing of a timely request for a hearing suspends the imposition of a suspension without pay or a dismissal pending completion of the hearing.

25. Notwithstanding section 13-3108, prescribe and enforce policies and procedures that prohibit a person from carrying or possessing a weapon on school grounds unless the person is a peace officer or has obtained specific authorization from the school administrator.

26. Prescribe and enforce policies and procedures relating to the health and safety of all pupils participating in district sponsored practice sessions, games or other interscholastic athletic activities, including the provision of water.

27. Prescribe and enforce policies and procedures regarding the smoking of tobacco within school buildings. The policies and procedures shall be adopted in consultation with school district personnel and members of the community and shall state whether smoking is prohibited in school buildings. If smoking in school buildings is not prohibited, the policies and procedures shall clearly state the conditions and circumstances under which smoking is permitted, those areas in a school building that may be designated as smoking areas and those areas in a school building that may not be designated as smoking areas.

28. Establish an assessment, data gathering and reporting system as prescribed in chapter 7, article 3 of this title.

29. Provide special education programs and related services pursuant to section 15-764, subsection A to all children with disabilities as defined in section 15-761.

30. Administer competency tests prescribed by the state board of education for the graduation of pupils from high school.

31. Secure insurance coverage for all construction projects for purposes of general liability, property damage and workers' compensation and secure performance and payment bonds for all construction projects.

32. Keep on file the resumes of all current and former employees who provide instruction to pupils at a school. Resumes shall include an individual's educational and teaching background and experience in a particular academic content subject area. A school district shall inform parents and guardians of the availability of the resume information and shall make the resume information available for inspection on request of parents and guardians of pupils enrolled at a school. Nothing in this paragraph shall be construed to require any school to release personally identifiable information in relation to any teacher or employee including the teacher's or employee's address, salary, social security number or telephone number.

33. Report to local law enforcement agencies any suspected crime against a person or property that is a serious offense as defined in section 13-604 or that involves a deadly weapon or dangerous instrument or serious physical injury and any conduct that poses a threat of death or serious physical injury to employees, students or anyone on the property of the

school. This paragraph does not limit or preclude the reporting by a school district or an employee of a school district of suspected crimes other than those required to be reported by this paragraph. For the purposes of this paragraph, "dangerous instrument", "deadly weapon" and "serious physical injury" have the same meaning prescribed in section 13-105.

34. In conjunction with local law enforcement agencies and local medical facilities, develop an emergency response plan for each school in the school district in accordance with minimum standards developed jointly by the department of education and the division of emergency management within the department of emergency and military affairs.

35. Annually assign at least one school district employee to participate in a multihazard crisis training program developed or selected by the governing board.

36. Provide written notice to the parents or guardians of all students affected in the school district at least thirty days prior to a public meeting to discuss closing a school within the school district. The notice shall include the reasons for the proposed closure and the time and place of the meeting. The governing board shall fix a time for a public meeting on the proposed closure no less than thirty days before voting in a public meeting to close the school. The school district governing board shall give notice of the time and place of the meeting. At the time and place designated in the notice, the school district governing board shall hear reasons for or against closing the school. The school district governing board is exempt from this paragraph if it is determined by the governing board that the school shall be closed because it poses a danger to the health or safety of the pupils or employees of the school.

37. Incorporate instruction on Native American history into appropriate existing curricula.

38. Prescribe and enforce policies and procedures allowing pupils who have been diagnosed with anaphylaxis by a health care provider licensed pursuant to title 32, chapter 13, 14, 17 or 25 or by a registered nurse practitioner licensed and certified pursuant to title 32, chapter 15 to carry and self-administer emergency medications including auto-injectable epinephrine while at school and at school sponsored activities. The pupil's name on the prescription label on the medication container or on the medication device and annual written documentation from the pupil's parent or guardian to the school that authorizes possession and self-administration is sufficient proof that the pupil is entitled to the possession and self-administration of the medication. The policies shall require a pupil who uses auto-injectable epinephrine while at school and at school sponsored activities to notify the nurse or the designated school staff person of the use of the medication as soon as practicable. A school district and its employees are immune from civil liability with respect to all decisions made and actions taken that are based on good faith implementation of the requirements of this paragraph, except in cases of wanton or wilful neglect.

39. Allow the possession and self-administration of prescription medication for breathing disorders in handheld inhaler devices, by pupils who have been prescribed that medication by a health care professional licensed pursuant to title 32. The pupil's name on the prescription label on the medication container or on the handheld inhaler device and annual written documentation from the pupil's parent or guardian to the school that authorizes possession and self-administration shall be sufficient proof that the pupil is entitled to the possession and self-administration of the medication. A school district and its employees are immune from civil liability with respect to all decisions made and actions taken that are based on a good faith implementation of the requirements of this paragraph.

40. Prescribe and enforce policies and procedures to prohibit pupils from harassing, intimidating and bullying other pupils on school grounds, on school property, on school buses, at school bus stops and at school sponsored events and activities that include the following components:

(a) A procedure for pupils to confidentially report to school officials incidents of harassment, intimidation or bullying.

(b) A procedure for parents and guardians of pupils to submit written reports to school officials of suspected incidents of harassment, intimidation or bullying.

(c) A requirement that school district employees report suspected incidents of harassment, intimidation or bullying to the appropriate school official.

(d) A formal process for the documentation of reported incidents of harassment, intimidation or bullying, except that no documentation shall be maintained unless the harassment, intimidation or bullying has been proven.

(e) A formal process for the investigation by the appropriate school officials of suspected incidents of harassment, intimidation or bullying.

(f) Disciplinary procedures for pupils who have admitted or been found to have committed incidents of harassment, intimidation or bullying.

(g) A procedure that sets forth consequences for submitting false reports of incidents of harassment, intimidation or bullying.

41. PRESCRIBE AND ENFORCE POLICIES AND PROCEDURES REGARDING CHANGING OR ADOPTING ATTENDANCE BOUNDARIES THAT INCLUDE THE FOLLOWING COMPONENTS:

(a) A PROCEDURE FOR HOLDING PUBLIC MEETINGS TO DISCUSS ATTENDANCE BOUNDARY CHANGES OR ADOPTIONS THAT ALLOWS PUBLIC COMMENTS.

(b) A PROCEDURE TO NOTIFY THE PARENTS OR GUARDIANS OF THE STUDENTS AFFECTED.

(c) A PROCEDURE TO NOTIFY THE RESIDENTS OF THE HOUSEHOLDS AFFECTED BY THE ATTENDANCE BOUNDARY CHANGES.

(d) A PROCESS FOR PLACING PUBLIC MEETING NOTICES AND PROPOSED MAPS ON THE SCHOOL DISTRICT'S WEBSITE FOR PUBLIC REVIEW, IF THE SCHOOL DISTRICT MAINTAINS A WEBSITE.

(e) A FORMAL PROCESS FOR PRESENTING THE ATTENDANCE BOUNDARIES OF THE AFFECTED AREA IN PUBLIC MEETINGS THAT ALLOWS PUBLIC COMMENTS.

(f) A FORMAL PROCESS FOR NOTIFYING THE RESIDENTS AND PARENTS OR GUARDIANS OF THE AFFECTED AREA AS TO THE DECISION OF THE GOVERNING BOARD ON THE SCHOOL DISTRICT'S WEBSITE, IF THE SCHOOL DISTRICT MAINTAINS A WEBSITE.

(g) A FORMAL PROCESS FOR UPDATING ATTENDANCE BOUNDARIES ON THE SCHOOL DISTRICT'S WEBSITE WITHIN NINETY DAYS OF AN ADOPTED BOUNDARY CHANGE. THE SCHOOL DISTRICT SHALL SEND A DIRECT LINK TO THE SCHOOL DISTRICT'S ATTENDANCE BOUNDARIES WEBSITE TO THE DEPARTMENT OF REAL ESTATE.

(h) IF THE LAND THAT A SCHOOL WAS BUILT ON WAS DONATED WITHIN THE PAST FIVE YEARS, A FORMAL PROCESS TO NOTIFY THE ENTITY WHO DONATED THE LAND AFFECTED BY THE DECISION OF THE GOVERNING BOARD.

B. Notwithstanding subsection A, paragraphs 8, 10 and 12 of this section, the county school superintendent may construct, improve and furnish school buildings or purchase or sell school sites in the conduct of an accommodation school.

C. If any school district acquires real or personal property, whether by purchase, exchange, condemnation, gift or otherwise, the governing board shall pay to the county treasurer any taxes on the property that were unpaid as of the date of acquisition, including penalties and interest. The lien for unpaid delinquent taxes, penalties and interest on property acquired by a school district:

1. Is not abated, extinguished, discharged or merged in the title to the property.

2. Is enforceable in the same manner as other delinquent tax liens.

D. The governing board may not locate a school on property that is less than one-fourth mile from agricultural land regulated pursuant to section 3-365, except that the owner of the agricultural land may agree to comply with the buffer zone requirements of section 3-365. If the owner agrees in writing to comply with the buffer zone requirements and records the agreement in the office of the county recorder as a restrictive covenant running with the title to the land, the school district may locate a school within the affected buffer zone. The agreement may include any stipulations regarding the school, including conditions for future expansion of the school and changes in the operational status of the school that will result in a breach of the agreement.

E. A school district, its governing board members, its school council members and its employees are immune from civil liability for the consequences of adoption and implementation of policies and procedures pursuant to subsection A of this section and section 15-342. This waiver does not apply if the school district, its governing board members, its school council members or its employees are guilty of gross negligence or intentional misconduct.

F. A governing board may delegate in writing to a superintendent, principal or head teacher the authority to prescribe procedures that are consistent with the governing board's policies.

G. Notwithstanding any other provision of this title, a school district governing board shall not take any action that would result in an immediate reduction or a reduction within three years of pupil square footage that would cause the school district to fall below the minimum adequate gross square footage requirements prescribed in section 15-2011, subsection C, unless the governing board notifies the school facilities board established by section 15-2001 of the proposed action and receives written approval from the school facilities board to take the action. A reduction includes an increase in administrative space that results in a reduction of pupil square footage or sale of school sites or buildings, or both. A reduction includes a reconfiguration of grades that results in a reduction of pupil square footage of any grade level. This subsection does not apply to temporary reconfiguration of grades to accommodate new school construction if the temporary reconfiguration does not exceed one year. The sale of equipment that results in an immediate reduction or a reduction within three years that falls below the equipment requirements prescribed in section 15-2011, subsection B is subject to commensurate withholding of school district capital outlay revenue limit monies pursuant to the direction of the school facilities board. Except as provided in section 15-342, paragraph 10, proceeds from the sale of school sites, buildings or other equipment shall be deposited in the school plant fund as provided in section 15-1102.

H. Subsections C through G of this section apply to a county board of supervisors and a county school superintendent when operating and administering an accommodation school.

I. Until the state board of education and the auditor general adopt rules pursuant to section 15-213, subsection ~~J~~ I, a school district may procure construction services, including services for new school construction pursuant to section 15-2041, by the construction-manager-at-risk, design-build and job-order-contracting methods of project delivery as provided in title 41, chapter 23, except that the rules adopted by the director of the department of administration do not apply to procurements pursuant to this subsection. Any procurement commenced pursuant to this subsection may be completed pursuant to this subsection.

Sec. 3. Section 15-393, Arizona Revised Statutes, is amended to read:

15-393. <u>Joint technological education district governing board; report; definition</u>

A. The management and control of the joint district are vested in the joint technological education district governing board, including the content and quality of the courses offered by the district, the quality of teachers who provide instruction on behalf of the district, the salaries of teachers who provide instruction on behalf of the district and the reimbursement of other entities for the facilities used by the district. Unless the governing boards of the school districts participating in the formation of the joint district vote to implement an alternative election system as provided in subsection B of this section, the joint board shall consist of five members

elected from five single member districts formed within the joint district. The single member district election system shall be submitted as part of the plan for the joint district pursuant to section 15-392 and shall be established in the plan as follows:

1. The governing boards of the school districts participating in the formation of the joint district shall define the boundaries of the single member districts so that the single member districts are as nearly equal in population as is practicable, except that if the joint district lies in part in each of two or more counties, at least one single member district may be entirely within each of the counties comprising the joint district if this district design is consistent with the obligation to equalize the population among single member districts.

2. The boundaries of each single member district shall follow election precinct boundary lines, as far as practicable, in order to avoid further segmentation of the precincts.

3. A person who is a registered voter of this state and who is a resident of the single member district is eligible for election to the office of joint board member from the single member district. The terms of office of the members of the joint board shall be as prescribed in section 15-427, subsection B. An employee of a joint technological education district or the spouse of an employee shall not hold membership on a governing board of a joint technological education district by which the employee is employed. A member of one school district governing board or joint technological education district governing board is ineligible to be a candidate for nomination or election to or serve simultaneously as a member of any other governing board, except that a member of a governing board may be a candidate for nomination or election for any other governing board if the member is serving in the last year of a term of office. A member of a governing board shall resign the member's seat on the governing board before becoming a candidate for nomination or election to the governing board of any other school district or joint technological education district, unless the member of the governing board is serving in the last year of a term of office.

4. Nominating petitions shall be signed by the number of qualified electors of the single member district as provided in section 16-322.

B. The governing boards of the school districts participating in the formation of the joint district may vote to implement any other alternative election system for the election of joint district board members. If an alternative election system is selected, it shall be submitted as part of the plan for the joint district pursuant to section 15-392, and the implementation of the system shall be as approved by the United States justice department.

C. The joint technological education district shall be subject to the following provisions of this title:

1. Chapter 1, articles 1 through 6.

2. Sections 15-208, 15-210, 15-213 and 15-234.

3. Articles 2, 3 and 5 of this chapter.
4. Section 15-361.
5. Chapter 4, articles 1, 2 and 5.
6. Chapter 5, articles 1, 2 and 3.
7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729 and 15-730.
8. Chapter 7, article 5.
9. Chapter 8, articles 1, 3 and 4.
10. Sections 15-828 and 15-829.
11. Chapter 9, article 1, article 6, except for section 15-995, and article 7.
12. Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
13. Sections 15-1101 and 15-1104.
14. Chapter 10, articles 2, 3, 4 and 8.

D. Notwithstanding subsection C of this section, the following apply to a joint technological education district:

1. A joint district may issue bonds for the purposes specified in section 15-1021 and in chapter 4, article 5 of this title to an amount in the aggregate, including the existing indebtedness, not exceeding one per cent of the taxable property used for secondary tax purposes, as determined pursuant to title 42, chapter 15, article 1, within the joint technological education district as ascertained by the last property tax assessment previous to issuing the bonds.

2. The number of governing board members for a joint district shall be as prescribed in subsection A of this section.

3. If a career and technical education and vocational education course or program provided pursuant to this article is provided in a facility owned or operated by a school district in which a pupil is enrolled, including satellite courses, the sum of the daily attendance, as provided in section 15-901, subsection A, paragraph 6, for that pupil in both the school district and joint technological education district shall not exceed 1.25 and the sum of the fractional student enrollment, as provided in section 15-901, subsection A, paragraph 2, subdivision (a), shall not exceed 1.25 for the courses taken in the school district and the facility, including satellite courses. The school district and the joint district shall determine the apportionment of the daily attendance and fractional student enrollment for that pupil between the school district and the joint district.

4. The student count for the first year of operation of a joint technological education district as provided in this article shall be determined as follows:

(a) Determine the estimated student count for joint district classes that will operate in the first year of operation. This estimate shall be based on actual registration of pupils as of March 30 scheduled to attend classes that will be operated by the joint district. The student count for the district of residence of the pupils registered at the joint district

shall be adjusted. The adjustment shall cause the district of residence to reduce the student count for the pupil to reflect the courses to be taken at the joint district. The district of residence shall review and approve the adjustment of its own student count as provided in this subdivision before the pupils from the school district can be added to the student count of the joint district.

(b) The student count for the new joint district shall be the student count as determined in subdivision (a) of this paragraph.

(c) After the first one hundred days or two hundred days in session, as applicable, for the first year of operation, the joint district shall revise the student count to the actual student count for students attending classes in the joint district. A joint district shall revise its student count, the base support level as provided in section 15-943.02, the revenue control limit as provided in section 15-944.01, the capital outlay revenue limit and the soft capital allocation as provided in section 15-962.01 prior to May 15. A joint district that overestimated its student count shall revise its budget prior to May 15. A joint district that underestimated its student count may revise its budget prior to May 15.

(d) After the first one hundred days or two hundred days in session, as applicable, for the first year of operation, the district of residence shall adjust its student count by reducing it to reflect the courses actually taken at the joint district. The district of residence shall revise its student count, the base support level as provided in section 15-943, the revenue control limit as provided in section 15-944, the capital outlay revenue limit as provided in section 15-961 and the soft capital allocation as provided in section 15-962 prior to May 15. A district that underestimated the student count for students attending the joint district shall revise its budget prior to May 15. A district that overestimated the student count for students attending the joint district may revise its budget prior to May 15.

(e) A joint district for the first year of operation shall not be eligible for adjustment pursuant to section 15-948.

(f) The procedures for implementing this paragraph shall be as prescribed in the uniform system of financial records.

(g) If the district of residence utilizes section 15-942 to determine its student count, the district shall reduce its student count as provided in this paragraph by subtracting the appropriate count from the student count determined as provided in section 15-942.

For the purposes of this paragraph, "district of residence" means the district that included the pupil in its average daily membership for the year before the first year of operation of the joint district and that would have included the pupil in its student count for the purposes of computing its base support level for the fiscal year of the first year of operation of the joint district if the pupil had not enrolled in the joint district.

5. A student includes any person enrolled in the joint district without regard to the person's age or high school graduation status, except that:

(a) A student in a kindergarten program or in grades one through eight who enrolls in courses offered by the joint technological education district shall not be included in the joint district's average daily attendance or average daily membership.

(b) A student in a kindergarten program or in grades one through ~~six~~ EIGHT who is enrolled in vocational education courses shall not be funded in whole or in part with monies provided by a joint technological education district.

(c) A student who is over twenty-two years of age shall not be included in the student count of the joint district for the purposes of chapter 9, articles 3, 4 and 5 of this title.

(d) A student in grade nine who enrolls in a career exploration course shall not be included in the joint district's average daily attendance or average daily membership.

6. A joint district may operate for more than one hundred seventy-five days per year, with expanded hours of service.

7. A joint district may use the excess utility costs provisions of section 15-910 in the same manner as a school district for fiscal years 1999-2000 and 2000-2001, except that the base year shall be the first full fiscal year of operations.

8. A joint district may use the carryforward provisions of section 15-943.01 retroactively to July 1, 1993.

9. A school district that is part of a joint district shall use any monies received pursuant to this article to supplement and not supplant base year career and technical education and vocational education courses, and directly related equipment and facilities, except that a school district that is part of a joint technological education district and that has used monies received pursuant to this article to supplant career and technological education and vocational education courses that were offered before the first year that the school district participated in the joint district or the first year that the school district used monies received pursuant to this article or that used the monies for purposes other than for career and technological education and vocational education courses shall:

(a) Use at least thirty-three per cent of the monies received pursuant to this article in fiscal year 2005-2006 to supplement and not supplant base year career and technical education and vocational education courses.

(b) Use at least sixty-six per cent of the monies received pursuant to this article in fiscal year 2006-2007 to supplement and not supplant base year career and technical education and vocational education courses.

(c) Use one hundred per cent of the monies received pursuant to this article in fiscal year 2007-2008 and each fiscal year thereafter to

1 supplement and not supplant base year career and technical education and
2 vocational education courses.
3 10. A joint technological education district shall use any monies
4 received pursuant to this article to enhance and not supplant career and
5 technical education and vocational education courses and directly related
6 equipment and facilities.
7 11. A joint technological education district or a school district that
8 is part of a joint district shall only include pupils in grades nine through
9 twelve in the calculation of average daily membership or average daily
10 attendance if the pupils are enrolled in courses that are approved jointly by
11 the governing board of the joint technological education district and each
12 participating school district for satellite courses taught within the
13 participating school district, or approved solely by the joint technological
14 education district for centrally located courses. Average daily membership
15 and average daily attendance from courses that are not part of an approved
16 program for career and technical education shall not be included in average
17 daily membership and average daily attendance of a joint technological
18 education district. A student in grade nine who enrolls in a career
19 exploration course shall not be included in the joint district's average
20 daily attendance or average daily membership.
21 E. The joint board shall appoint a superintendent as the executive
22 officer of the joint district.
23 F. Taxes may be levied for the support of the joint district as
24 prescribed in chapter 9, article 6 of this title, except that a joint
25 technological education district shall not levy a property tax pursuant to
26 law that exceeds five cents per one hundred dollars assessed valuation except
27 for bond monies pursuant to subsection D, paragraph 1 of this
28 section. Except for the taxes levied pursuant to section 15-994, such taxes
29 shall be obtained from a levy of taxes on the taxable property used for
30 secondary tax purposes.
31 G. The schools in the joint district are available to all persons who
32 reside in the joint district subject to the rules for admission prescribed by
33 the joint board.
34 H. The joint board may collect tuition for adult students and the
35 attendance of pupils who are residents of school districts that are not
36 participating in the joint district pursuant to arrangements made between the
37 governing board of the district and the joint board.
38 I. The joint board may accept gifts, grants, federal monies, tuition
39 and other allocations of monies to erect, repair and equip buildings and for
40 the cost of operation of the schools of the joint district.
41 J. One member of the joint board shall be selected chairman. The
42 chairman shall be selected annually on a rotation basis from among the
43 participating school districts. The chairman of the joint board shall be a
44 voting member.

K. A joint board and a community college district may enter into agreements for the provision of administrative, operational and educational services and facilities.

L. Any agreement between the governing board of a joint technological education district and another joint technological education district, a school district, a charter school or a community college district shall be in the form of an intergovernmental agreement or other written contract. The auditor general shall modify the uniform system of financial records and budget forms in accordance with this subsection. The intergovernmental agreement or other written contract shall completely and accurately specify each of the following:

1. The financial provisions of the intergovernmental agreement or other written contract and the format for the billing of all services.

2. The accountability provisions of the intergovernmental agreement or other written contract.

3. The responsibilities of each joint technological education district, each school district, each charter school and each community college district that is a party to the intergovernmental agreement or other written contract.

4. The type of instruction that will be provided under the intergovernmental agreement or other written contract.

5. The quality of the instruction that will be provided under the intergovernmental agreement or other written contract.

6. The transportation services that will be provided under the intergovernmental agreement or other written contract and the manner in which transportation costs will be paid.

7. The amount that the joint technological education district will contribute to a course and the amount of support required by the school district or the community college.

8. That the services provided by the joint technological education district, the school district, the charter school or the community college district be proportionally calculated in the cost of delivering the service.

9. That the payment for services shall not exceed the cost of the services provided.

10. That any initial intergovernmental agreement or other written contract and any addendums between the governing board of a joint technological education district and another joint technological education district, a school district, a charter school or a community college district be submitted by the joint technological education district to the joint legislative budget committee for review.

M. On or before December 31 of each year, each joint technological education district shall submit a detailed report to the career and technical education division of the department of education. The career and technical education division of the department of education shall collect, summarize and analyze the data submitted by the joint districts, shall submit an annual

report that summarizes the data submitted by the joint districts to the governor, the speaker of the house of representatives, the president of the senate and the state board of education and shall submit a copy of this report to the secretary of state and the director of the Arizona state library, archives and public records. The data submitted by each joint technological education district shall include the following:

1. The average daily membership of the joint district.

2. The course listings and course descriptions of courses offered by the joint district.

3. The costs associated with each course offered by the joint district.

4. The completion rate for each course offered by the joint district.

5. The graduation rate of students enrolled in the joint district.

6. A detailed description of the career opportunities available to students after completion of the program offered by the joint district.

7. A detailed description of the career placement of students who have completed the program offered by the joint district.

8. Any other data deemed necessary by the department of education to carry out its duties under this subsection.

N. If the career and technical education division of the department of education determines that a course does not meet the criteria for approval as a joint technical education course, the governing board of the joint technological education district may appeal this decision to the state board of education acting as the state board of vocational education.

O. Notwithstanding any other law, the average daily membership of a pupil who is enrolled in a course that meets for at least one hundred fifty minutes per class period at a centralized campus owned and operated by a joint technological education district shall be 0.75.

P. For the purposes of this section, "base year" means the complete school year in which voters of a school district elected to join a joint technological education district."

Sec. 4. Title 15, chapter 4, article 3, Arizona Revised Statutes, is amended by adding section 15-461, to read:

15-461. <u>Transporting school districts; joining existing school districts</u>

A. IF A SCHOOL DISTRICT DOES NOT OFFER A FULL-TIME INSTRUCTIONAL PROGRAM AS DEFINED IN SECTION 15-901 IN ANY GRADE LEVEL TO THE PUPILS WHO RESIDE IN THAT SCHOOL DISTRICT, TRANSPORTS ALL OF THE PUPILS WHO RESIDE IN THAT SCHOOL DISTRICT TO AN ADJACENT SCHOOL DISTRICT OR SCHOOL DISTRICTS FOR INSTRUCTION AND TRANSPORTS MORE THAN THREE HUNDRED FIFTY PUPILS ANNUALLY TO AN ADJACENT SCHOOL DISTRICT OR SCHOOL DISTRICTS, THE COUNTY SCHOOL SUPERINTENDENT SHALL DISSOLVE THE TRANSPORTING SCHOOL DISTRICT AND ANNEX THE GEOGRAPHIC BOUNDARIES OF THE TRANSPORTING SCHOOL DISTRICT TO THE ADJACENT SCHOOL DISTRICT THAT PROVIDES INSTRUCTION TO THE MAJORITY OF THE PUPILS WHO RESIDE IN THE TRANSPORTING SCHOOL DISTRICT.

B. THE COUNTY SCHOOL SUPERINTENDENT SHALL MAKE THE RECORD OF BOUNDARIES CONFORM TO THE ANNEXATION AND SHALL NOTIFY THE BOARD OF SUPERVISORS AND THE COUNTY ASSESSOR OF THE BOUNDARY CHANGE. THE CHANGE IS EFFECTIVE IMMEDIATELY ON NOTIFICATION FROM THE COUNTY SCHOOL SUPERINTENDENT.

C. THE TERMS OF THE GOVERNING BOARD MEMBERS OF THE PREVIOUSLY EXISTING TRANSPORTING SCHOOL DISTRICT DO NOT EXPIRE ON THE EFFECTIVE DATE OF THE DISSOLUTION OF THE SCHOOL DISTRICT AND CONTINUE UNTIL JANUARY 1 FOLLOWING THE NEXT GENERAL ELECTION, DURING WHICH TIME THE MEMBERS OF THE GOVERNING BOARD OF THE PREVIOUSLY EXISTING TRANSPORTING SCHOOL DISTRICT SHALL SERVE AS ADDITIONAL MEMBERS OF THE GOVERNING BOARD OF THE ADJACENT SCHOOL DISTRICT.

D. THE ADJACENT SCHOOL DISTRICT SHALL REVISE ITS ANNUAL BUDGET TO REFLECT THE ANNEXATION OF THE TRANSPORTING SCHOOL DISTRICT.

E. THE ADJACENT SCHOOL DISTRICT IS LIABLE FOR ALL INDEBTEDNESS AND LIABILITIES, BONDED OR OTHERWISE, OUTSTANDING AGAINST THE DISSOLVED TRANSPORTING SCHOOL DISTRICT, AND ALL PROPERTY, BALANCES AND DEFICITS OF THE DISSOLVED TRANSPORTING SCHOOL DISTRICT BECOME THE PROPERTY, BALANCES AND DEFICITS OF THE ADJACENT SCHOOL DISTRICT.

Sec. 5. Laws 2005, chapter 191, section 3 is amended to read:

Sec. 3. <u>School district redistricting commission; membership; duties</u>

A. The school district redistricting commission is established consisting of the following members:

1. Four members who are not members of the legislature and who are appointed by the president of the senate, no more than three of whom shall be members of the same political party.

2. Four members who are not members of the legislature and who are appointed by the speaker of the house of representatives, no more than three of whom shall be members of the same political party.

3. Four members who are appointed by the governor, at least one of these members shall be a certified teacher in this state, at least one of these members shall be an administrator of a school in this state and at least one of these members shall be a member of a school district governing board in this state.

4. The superintendent of public instruction or the superintendent's designee.

B. The commission shall elect a chairperson and a cochairperson from the voting members. A quorum shall consist of a majority of the voting members.

C. The department of education shall provide staff for the commission, and the joint legislative budget committee, the governor's office of strategic planning and budgeting, the school facilities board, any county school superintendent in this state and any county assessor in this state shall provide staff support, assistance and resources to the commission at the request of the commission.

D. Commission members are not eligible to receive compensation, but members are eligible for reimbursement of expenses under title 38, chapter 4, article 2, Arizona Revised Statutes. Monies shall be paid from appropriations made to the department of education.

E. The commission shall review all current common school districts that are not part of a unified school district and consider combining these common school districts into a new unified district or combining common school districts with a union high school district to create unified districts that offer instruction to students in programs for preschool children with disabilities and kindergarten programs and grades one through twelve.

F. THE COMMISSION SHALL REVIEW ALL SCHOOL DISTRICTS THAT TRANSPORT ALL OF THEIR PUPILS TO ANOTHER SCHOOL DISTRICT FOR INSTRUCTION AND CONSIDER COMBINING THESE SCHOOL DISTRICTS WITH NEW OR EXISTING UNIFIED DISTRICTS.

G. The commission's recommendations may include enlarging or diminishing the size of affected school districts but shall also include unorganized territories within recommended unified districts where practicable. The commission may also determine that, based on the factors considered by the commission in subsection ~~F~~ H of this section, an existing common school district should remain a common school district and not be included in a new unified school district recommendation.

~~F.~~ H. The commission shall submit a preliminary report on the proposed school district unification plan to the governing boards of the affected school districts by April 30, 2007. The governing boards of the affected school districts shall review the preliminary report and may submit comments to the commission by ~~July 30~~ SEPTEMBER 15, 2007, which may include specific recommendations to modify the proposed unification plan or recommendations of one or more alternative unification plans. The commission shall consider the recommendations of the governing boards of the affected school districts and then design and submit to the governor on or before December 31, 2007 a proposed school district unification plan that includes the following components:

1. Basing the unification plan on relevant academic and scientific research regarding school size, school district size, fiscal implications and legal issues that may include the following:

(a) Use by any of the affected districts of section 15-910 or 15-910.01, Arizona Revised Statutes.

(b) Estimated adjustment of both the primary and secondary tax rates of the affected districts.

(c) Application of a career ladder program if not all of the affected districts currently participate.

(d) Application of overrides authorized under title 15, chapter 4, article 4, Arizona Revised Statutes.

(e) Estimated potential savings and efficiencies to be achieved through the recommended unification.

(f) Application of teacher experience indexes and existing salary schedules of affected districts.

(g) Potential impact on facilities needs due to unification, INCLUDING AVAILABLE STUDENT CAPACITY AT EXISTING SCHOOL FACILITIES.

(h) CONSIDERATION OF THE POSSIBILITY OF A SUPERINTENDENT CONTRACT BUY-OUT.

(i) COMPLIANCE WITH THE REQUIREMENTS OF THE FEDERAL VOTING RIGHTS ACT OF 1965 (42 UNITED STATES CODE, SEC. 1973).

(j) CONSIDERATION OF THE USE OF A WARD SYSTEM FOR THE ELECTION OF GOVERNING BOARD MEMBERS.

2. Considering geographic boundaries and travel time of pupils. The commission may recommend enlarging or diminishing the size of affected school districts.

3. Developing a plan for unorganized territories that requires the inclusion of areas where at least one per cent of the population attends a public school within the boundaries of a unified school district.

4. The provision of regional or statewide services for administration, instructional and noninstructional support services to rural or isolated schools and rural and isolated school districts, or any other school district that wishes to participate in the service plans.

5. Ensuring a smooth and efficient transition from the current number of school districts in this state to the number of school districts proposed in the school district unification plan, including an examination of the following:

(a) Increasing the membership of school district governing boards to nine members, especially in large school districts and school districts located in urban areas.

(b) Mechanisms to allow the elected members of existing school district governing boards to serve out the remainder of their terms.

(c) Assimilation by the unified school districts proposed in the school district unification plan of the legal liabilities and other financial and contractual obligations of the school districts being combined into a unified school district.

6. The development of a statewide uniform school district naming convention under which each school district would be assigned a legal designation by county and school district number.

7. The review of existing statewide or regional educational service agencies and the establishment where necessary of new statewide or regional educational service agencies to provide for the noninstructional support of school districts in the state.

8. The restructuring of the state's school districts as follows:

(a) All school districts in this state shall be unified districts that serve students in at least all grades from kindergarten through grade twelve, unless the commission determines otherwise.

(b) School districts shall be classified as rural unified school districts if their student count is less than five hundred.

(c) School districts shall be classified as independent unified school districts if their student count is more than six thousand.

(d) The consideration of the elimination of statutory budget exemptions for school districts with a student count of less than one hundred twenty-five.

9. Ensuring that the unification plan preserves local control while at the same time maximizing an efficient and cost-effective delivery of educational services.

10. Providing specific mechanisms for the payment of legal liabilities, contractual obligations, capital debt and overrides previously accumulated by school districts before the implementation of the unification plan and the acquisition of legal liabilities, contractual obligations, capital debt and overrides by school districts after the implementation of the unification plan.

11. Identifying costs attributable to a unification plan subject to the approval of the joint legislative budget committee.

~~G.~~ I. The commission shall hold public hearings and hear testimony regarding the unification of every affected school district. Hearings shall be held throughout the state and shall include rural school districts. The commission shall provide notice to the public at least three weeks in advance of any hearing in the local district offices and in the local newspapers.

~~H.~~ J. The commission shall include in the final report on the proposed unification recommendations an estimate of the impact to the state general fund if the proposed recommendations are approved by the voters in the affected school districts and the estimated cost of the elections required by the unification recommendations for reimbursement to the school districts.

~~I.~~ K. The governor shall sign the report submitted by the commission and shall file the report with the secretary of state.

~~J.~~ L. The legislature shall not appropriate any monies for use by the school district redistricting commission pursuant to this section.

Sec. 6. <u>Unification; former common school districts</u>

A. A common school district that is not within the boundaries of a high school district and that was authorized by the qualified electors to establish a unified school district with boundaries coterminous with the boundaries of the common school district in an election held before the effective date of this section may continue calculating its budget and equalization assistance pursuant to section 15-951, Arizona Revised Statutes, until a high school is constructed for the newly formed unified school district, or until June 30, 2011, whichever occurs first.

B. A newly formed unified school district that meets the requirements of subsection A of this section and that phases in instruction for pupils in grades nine through twelve may continue calculating its budget and

equalization assistance pursuant to section 15-951, Arizona Revised Statutes, for a maximum of three years after the first year of the operation of the new high school in the newly formed unified school district.

C. Notwithstanding this section or any other law, a school district shall not retroactively adjust its budget for any fiscal year pursuant to this section.

Sec. 7. Retroactivity

Section 15-341, Arizona Revised Statutes, as amended by this act, is effective to from and after June 30, 2007.

Sec. 8. Emergency

This act is an emergency measure that is necessary to preserve the public peace, health or safety and is operative immediately as provided by law.

APPROVED BY THE GOVERNOR JULY 2, 2007.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 2, 2007.

Passed the House June 7, 20 07,

by the following vote: 56 Ayes,

0 Nays, 4 Not Voting

with Emergency

Speaker of the House

Pro Tempore

Chief Clerk of the House

Passed the Senate March 8, 20 07,

by the following vote: 27 Ayes,

1 Nays, 2 Not Voting

with Emergency

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

_____, 20_____,

at _____ o'clock _____ M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

S.B. 1164

HOUSE FINAL PASSAGE
as per Joint Conference

Passed the House June 20, 20 07,

by the following vote: 55 Ayes,

0 Nays, 5 Not Voting

with Emergency

Speaker of the House

Chief Clerk of the House

SENATE FINAL PASSAGE
as per Joint Conference

Passed the Senate June 20, 20 07,

by the following vote: 22 Ayes,

3 Nays, 5 Not Voting

with Emergency

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR
This Bill was received by the Governor

this 21st day of June, 2007,

at 8:32 o'clock a. M.

Secretary to the Governor

Approved this 2 day of

July, 20 07,

at 11:10 o'clock A. M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE
This Bill was received by the Secretary of State

this 2 day of July, 2007

at 2:43 o'clock P. M.

Secretary of State

S.B. 1164