House Engrossed

FILED

KEN BENNETT
SECRETARY OF STATE

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HOUSE BILL 2012

CHAPTER 9

AN ACT

AMENDING SECTION 15-1427, ARIZONA REVISED STATUTES; REPEALING SECTION 15-1447, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-1461, 15-1466, 15-1466.01, 15-1601 AND 15-1626, ARIZONA REVISED STATUTES; AMENDING SECTION 15-1661, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2009, FIRST SPECIAL SESSION, CHAPTER 6, SECTION 1; AMENDING SECTION 15-1682.03, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2009, FIRST SPECIAL SESSION, CHAPTER 6, SECTION 2; AMENDING SECTION 15-1821.01, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 14, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1856; AMENDING SECTION 41-1542, ARIZONA REVISED STATUTES; MAKING AN APPROPRIATION; RELATING TO HIGHER EDUCATION BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 15-1427, Arizona Revised Statutes, is amended to read:

15-1427. Annual report

A. By November 1 of each year, each community college district shall make a report for the preceding fiscal year to the governor, the president of the senate, the speaker of the house of representatives and the joint legislative budget committee and shall provide a copy of this report to the secretary of state and the director of the Arizona state library, archives and public records.

B. The report shall contain the following information REGARDING THE OPERATION OF THE DISTRICT:

1. The state of progress of the community colleges operated under this chapter.

2. The courses of study included in the curriculums.

3. The number of professors and other instructional staff members employed.

4. The number of students registered and attending classes.

5. The number of full-time equivalent students enrolled during the year.

6. The total number of students not residing in the district.

7. The amount of receipts and expenditures.

~~8. The number, short title and description of all credit courses and noncredit courses offered.~~

~~9. The enrollment for each credit and noncredit course for each of the three previous years.~~

~~10. For credit courses, the full-time enrollment student equivalent for each course for each of the three previous years.~~

~~11. The tuition for each credit and noncredit course.~~

~~12. The fees for each credit and noncredit course.~~

~~13. The number of credits offered for each course.~~

~~14. The percentage of students achieving the credits for the course.~~

~~15. Any new courses not offered in the previous year.~~

~~16. Any new courses not offered for credit in each of the previous three years.~~

~~17. For credit courses, the provisions of section 15-1410, subsection A, paragraph 1 used to determine if the course is offered for credit.~~

8. A GENERAL DESCRIPTION OF TUITION AND FEES CHARGED FOR CREDIT COURSES.

9. A GENERAL DESCRIPTION OF TUITION AND FEES CHARGED FOR NONCREDIT COURSES.

~~18.~~ 10. Such other information as the governor and the joint legislative budget committee deem proper.

C. THE REPORT SHALL CONTAIN THE FOLLOWING INFORMATION REGARDING DUAL ENROLLMENT PROGRAMS OPERATED PURSUANT TO SECTION 15-1821.01:

1. DOCUMENTATION OF COMPLIANCE WITH THE REQUIREMENTS PRESCRIBED IN SECTION 15-1821.01, PARAGRAPHS 3, 4 AND 5, INCLUDING A LIST OF THE MEMBERS OF THE FACULTY ADVISORY COMMITTEES OF EACH COMMUNITY COLLEGE.

2. TOTAL ENROLLMENTS LISTED BY LOCATION, BY HIGH SCHOOL GRADE LEVEL AND BY COURSE.

3. SUMMARY DATA ON THE PERFORMANCE OF STUDENTS ENROLLED FOR COLLEGE CREDIT IN COURSES OFFERED IN CONJUNCTION WITH HIGH SCHOOLS, INCLUDING COMPLETION RATES AND GRADE DISTRIBUTION.

4. A COPY OF EACH ADDENDUM TO INTERGOVERNMENTAL AGREEMENTS OR CONTRACTS EXECUTED PURSUANT TO SECTION 15-1821.01, PARAGRAPH 1.

5. SUMMARY DATA BY COMMUNITY COLLEGE DISTRICT AND BY INDIVIDUAL COMMUNITY COLLEGES ON THE NUMBER OF SCHOLARSHIPS OR GRANTS AWARDED TO STUDENTS.

6. ITEMIZED ACTUAL PROGRAM COSTS FOR EACH OF THE FOLLOWING:

(a) CURRICULUM DEVELOPMENT AND APPROVAL.

(b) TEXTBOOK COSTS.

(c) FACILITY AND EQUIPMENT COSTS.

(d) COUNSELING AND TUTORING COSTS.

(e) TEACHER TRAINING AND OBSERVATION COSTS.

7. SUCH OTHER INFORMATION AS THE GOVERNOR AND THE JOINT LEGISLATIVE BUDGET COMMITTEE DEEM PROPER.

Sec. 2. Repeal

Section 15-1447, Arizona Revised Statutes, is repealed.

Sec. 3. Section 15-1461, Arizona Revised Statutes, is amended to read:

15-1461. District budget; annual estimate; computation; notice; hearing; adoption

A. Not later than June 5, each district established pursuant to this chapter, and any other community college established prior to the enactment of this chapter, shall prepare a proposed budget for the budget year on a form which the auditor general prescribes to be transmitted to the district board. The proposed budget shall be accompanied by an estimate of the amount of funds needed for the ensuing year as determined by the district based on the proposed budget prepared by it.

B. The district shall establish and set forth in the proposed budget the per capita expenditure per full-time equivalent student, which shall be the total operational expenses.

C. The district shall establish and set forth in the proposed budget the per capita expenditure per full-time equivalent student, which shall be the total capital outlay expenses.

D. The number of basic full-time equivalent students shall be computed by dividing the total community college credit units by fifteen per semester and shall be based on regular day enrollment. The number of additional short-term full-time equivalent students shall be computed by dividing the

total community college credit units from additional short-term classes by thirty. The number of skill center full-time equivalent students shall be computed by dividing the total number of clock hours in approved vocational training programs by six hundred forty.

E. The governing board of each district shall prepare a notice fixing a time not later than June 20 and designating a public place within each district at which a public hearing and special board meeting shall be held. THE GOVERNING BOARD OF EACH DISTRICT SHALL PUBLISH A NOTICE OF THE PUBLIC HEARING AND SPECIAL BOARD MEETING NOT LATER THAN FIFTEEN DAYS BEFORE THE MEETING. The governing board shall PUBLISH THE PROPOSED BUDGET ON ITS WEBSITE AND present the proposed budget for consideration of the residents and the taxpayers of the district at such meeting.

F. ~~The governing board of each district shall publish a copy of the proposed budget prior to the meeting and, in addition, a notice of the public hearing and special board meeting not later than fifteen days prior to the meeting.~~ The proposed budget shall contain but need not be limited to the following information:

1. The estimated cost of all operational, capital outlay and debt service expenses.

2. The percentage of increase or decrease in each budget category as compared to each category of the budget for the current year.

3. The total amount of revenues by source that was necessary to meet the district's budget for the current year.

4. The total amount of revenues by source that will be necessary to meet the proposed district budget.

5. The total property tax levy of the district for the current year.

6. The levy for primary property taxes and the levy for secondary property taxes for the current year.

7. The primary property tax rate and secondary property tax rate for the current year.

8. The estimated amount of total property tax levies for the district and the primary property tax and secondary property tax components thereof necessary for the budget year.

9. The maximum amount of primary property tax dollars which the district is permitted to levy pursuant to title 42, chapter 17, article 2 for the budget year.

10. The amount of secondary property tax dollars which the district will levy for the budget year.

11. The amount of monies received from primary property taxation in the previous fiscal year in excess of the maximum allowable amount as calculated pursuant to title 42, chapter 17, article 2.

G. The governing board shall publish the proposed budget and the notice of the public hearing and special board meeting a second time not later than five days prior to the meeting. Publication shall be made in a newspaper of general circulation within the district. The cost of

publication shall be a charge against the district. If a truth in taxation notice and hearing is required under section 15-1461.01, the district may combine the notice and hearing under this section with the truth in taxation notice and hearing.

H. If the district fails to publish the proposed budget, notice and statements required by subsection F of this section, the board of supervisors shall levy on the property in the district the lesser of the amount of primary property taxes which were levied for the district in the current year or the amount which would be produced by the primary property tax rate which was levied for the district in the current year.

I. At the time and place fixed in the notice, the members of the governing board shall hold the public hearing and present the proposed budget to the persons attending the hearing. Upon request of any person, the governing board shall explain the budget and any resident or taxpayer of the district may protest the inclusion of any item in the proposed budget.

J. Immediately following the public hearing the chairman shall call to order the special board meeting for the purpose of adopting the budget. The governing board shall adopt the budget making deductions from the budget as it sees fit but making no additions to the budget and shall enter the budget as adopted in its minutes. The governing board shall not adopt the budget if the property tax requirements of the budget, excluding amounts budgeted and levied for secondary property taxes, exceed the amounts authorized pursuant to title 42, chapter 17, article 2.

Sec. 4. Section 15-1466, Arizona Revised Statutes, is amended to read:

15-1466. State aid; eligibility; limitations

A. Subject to legislative appropriation, the legislature shall determine and appropriate the amount of state aid each fiscal year to each district possessing the qualifications as prescribed in this chapter.

B. The state shall determine the amount of state aid, as prescribed in subsection ~~F~~ D of this section, appropriated to each district for the fiscal year prior to the fiscal year for which the state aid is being calculated.

~~C. The state shall adjust the amount of state aid appropriated to each district as determined in subsection B of this section by the growth rate referenced by section 15-901, subsection B, paragraph 2. This amount shall be appropriated to the district except as provided in subsection D of this section.~~

~~D.~~ C. ~~In addition to the state aid appropriated in subsection C of this section,~~ Each district qualified under this chapter shall have its state aid adjusted in an amount that reflects the growth OR DECREASE in the full-time equivalent student count of the district calculated as follows:

1. Calculate the growth OR DECREASE in the actual, audited full-time equivalent student count between the second and third most recent fiscal years prior to the fiscal year for which the state aid is being calculated for each district.

2. Calculate the average appropriation per full-time equivalent student for all districts by dividing the amount determined in subsection B of this section by the actual, audited full-time equivalent student count for all districts in the most recent fiscal year.

3. Multiply the amount calculated in paragraph 1 of this subsection by the average appropriation calculated in paragraph 2 of this subsection. This amount ~~shall be appropriated to the district for growth~~ EQUALS THE ADJUSTMENT REQUIRED PURSUANT TO THIS SECTION.

~~E. State aid appropriated to each district shall be allocated and paid in accordance with subsection C of this section before any funding is allocated and paid in accordance with subsection D of this section.~~

~~F.~~ D. The total amount appropriated to each district each fiscal year in accordance with ~~subsections C and D of~~ this section shall serve as the amount of state aid to be adjusted in the next fiscal year. A district is ~~not~~ eligible for growth funding pursuant to this section ~~unless the~~ ONLY FOR THE PORTION OF ITS most recent audited full-time student equivalent count THAT exceeds the ~~highest~~ audited full-time student equivalent count recorded ~~from and after fiscal year 2003-2004~~ FOR THE DISTRICT FOR THE MOST RECENT FISCAL YEAR IN WHICH AN ADJUSTMENT WAS PREVIOUSLY MADE PURSUANT TO SUBSECTION C OF THIS SECTION.

~~G.~~ E. To be eligible for state aid, a district shall:

1. Be equipped with suitable buildings, equipment and campus.

2. Have at least three hundred twenty full-time equivalent students attending in the district.

3. Have complied with all of the requirements of the district board including budgets and curriculum.

~~H. Notwithstanding subsection E of this section, the legislature may allocate funding for growth in the full-time equivalent student count prior to or in combination with funding of the growth rate.~~

~~I.~~ F. The total amount of state monies that may be spent in any fiscal year by a district for operating state aid shall not exceed the amount appropriated or authorized by section 35-173 for that purpose. Notwithstanding section 15-1444, this section shall not be construed to impose a duty on an officer, agent or employee of this state to discharge a responsibility or to create any right in a person or group if the discharge or right would require an expenditure of state monies in excess of the expenditure authorized by legislative appropriation for that specific purpose, including any duties prescribed in an employment contract entered into pursuant to section 15-1444, subsection A, paragraph 6.

~~J.~~ G. In addition to the formula to determine the state aid appropriations prescribed in this section, the state may pay additional amounts for state aid to a district based on requests included in the district's budget request.

~~K.~~ H. This section does not entitle a community college operated by a qualified Indian tribe to state aid for community colleges pursuant to this chapter.

Sec. 5. Section 15-1466.01, Arizona Revised Statutes, is amended to read:

15-1466.01. Calculation of full-time equivalent student enrollment

In determining state aid under sections 15-1464 and 15-1466 the number of full-time equivalent students shall be calculated in the following manner:

1. For the basic actual full-time equivalent student enrollment, add the number of full-time equivalent students enrolled as of forty-five days after classes begin in the fall semester to the number of full-time equivalent students enrolled as of forty-five days after classes begin in the spring semester, not including additional short-term classes, and divide the sum by two.

2. For the additional short-term and open entry, open exit full-time equivalent student enrollments:

(a) Determine the total number of credit units for students enrolled in additional short-term and open entry, open exit classes for the fiscal year.

(b) Determine the total number of credit units for students who have completed the additional short-term and open entry, open exit classes for the fiscal year. Any student who has not completed the class by June 30 of each fiscal year shall not be eligible to be counted for state aid purposes until the following year.

(c) Add the amounts in subdivisions (a) and (b).

(d) Divide the amount determined in subdivision (c) by two.

(e) Divide the quotient obtained in subdivision (d) by thirty.

(f) The result in subdivision (e) is the additional short-term and open entry, open exit full-time equivalent student enrollments for the fiscal year.

3. For the skill center and adult basic education courses full-time equivalent student enrollment, divide by six hundred forty the total class attended clock hours of persons who complete vocational training. Any student who does not complete vocational training programs by June 30 of each fiscal year shall not be eligible to be counted for state aid purposes until the following year.

4. The total of basic actual, additional short-term and open entry, open exit and skill center full-time equivalent student enrollment shall be the basis of providing state aid. Beginning with the audit for the year ending June 30, 2003, the auditor general shall audit separately any full-time equivalent student enrollment where a student is enrolled in a course for both high school and college credit simultaneously, except for credit received at a private college or a college owned, operated or chartered by an Indian tribe, taking into consideration any relevant law, regulation or rule. The full-time equivalent student enrollment reported by

each district for all basic actual, additional short-term and open entry, open exit classes and skill center and adult basic education courses shall be audited annually by the auditor general. The auditor general shall report the results of the audit to the staffs of the joint legislative budget committee and the governor's office of strategic planning and budgeting by October 15 of each year.

5. FOR A STUDENT WHO TAKES A COURSE FOR WHICH CREDIT IS AWARDED BY BOTH A COMMUNITY COLLEGE AND A HIGH SCHOOL, IN WHICH THE INSTRUCTOR IS AN EMPLOYEE OF THE HIGH SCHOOL AND IN WHICH THE CLASS IS BEING TAUGHT ON THE HIGH SCHOOL CAMPUS DURING THE NORMAL HIGH SCHOOL OPERATING HOURS, THE AMOUNT OF STATE AID THAT THE COMMUNITY COLLEGE WOULD OTHERWISE RECEIVE FOR THAT STUDENT SHALL BE REDUCED BY FIFTY PER CENT.

Sec. 6. Section 15-1601, Arizona Revised Statutes, is amended to read:

15-1601. <u>State universities; location; faculty powers</u>

A. The Arizona board of regents shall maintain state universities at Flagstaff in Coconino county, at Tempe in Maricopa county and at Tucson in Pima county, and the universities are respectively designated northern Arizona university, Arizona state university and the university of Arizona. The board shall maintain an Arizona state university campus in western Maricopa county designated as Arizona state university west campus, WHICH SHALL BE IDENTIFIED AS A SEPARATE BUDGET UNIT IN THE GENERAL APPROPRIATIONS ACT. The board shall maintain an Arizona state university campus in eastern Maricopa county designated as Arizona state university east campus, WHICH SHALL BE IDENTIFIED AS A SEPARATE BUDGET UNIT IN THE GENERAL APPROPRIATIONS ACT. The board may establish and maintain other colleges and universities subject to legislative authority. Subject to review by the joint committee on capital review, the board may establish new campuses that are separate from any location in existence on July 1, 2007. THE ARIZONA STATE UNIVERSITY CAMPUS AT TEMPE SHALL PROVIDE ADMINISTRATIVE SUPPORT FOR THE ARIZONA STATE UNIVERSITY CAMPUSES IN WESTERN MARICOPA COUNTY AND IN EASTERN MARICOPA COUNTY.

B. The universities shall have colleges, schools and departments and give courses of study and academic degrees as the board approves. Subject to the responsibilities and powers of the board and the university presidents, the faculty members of the universities, through their elected faculty representatives, shall share responsibility for academic and educational activities and matters related to faculty personnel. The faculty members of each university, through their elected faculty representatives, shall participate in the governance of their respective universities and shall actively participate in the development of university policy.

Sec. 7. Section 15-1626, Arizona Revised Statutes, is amended to read:

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

A. The board 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 and governance of 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. 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, 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 fifty-five hours for students who attend a university under the jurisdiction of the board in fiscal year 2006-2007, one hundred fifty hours for students who attend a university under the jurisdiction of the board in fiscal year 2007-2008 and one hundred forty-five hours for students who attend a university under the jurisdiction of the board after fiscal year 2007-2008. The undergraduate credit hour threshold shall be based on the actual full-time equivalent student enrollment counted on the twenty-first day after classes begin for the fall semester of 2005 THROUGH 2008 and ON THE FORTY-FIFTH DAY OF every fall AND SPRING semester thereafter, 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 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. On or before October 15 of each year, the board shall report to the joint legislative budget committee the number of students who were enrolled at universities under the jurisdiction of the board during the previous fiscal year who met or exceeded the undergraduate credit hour threshold prescribed in this paragraph. The amount of tuition, registration fees and other revenues included in the operating budget for the university adopted by the board as prescribed in paragraph 13 of this subsection shall be deposited, pursuant to sections 35-146 and 35-147. All other tuition and fee revenue shall be retained by each university for expenditure as approved by the board, except that the universities shall not use any tuition or fee revenue to fund or support an alumni association.

6. Except as provided in subsection ~~H~~ I of this section, adopt rules to govern its tuition and 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 upon any proposed increase in tuition or fees.

(b) Publication of the notice of public hearing at least ten days prior to 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 prior to the public hearing.

(d) Final board action on changes in tuition or fees shall be taken by roll call vote.

The procedural requirements of subdivisions (a), (b), (c) and (d) of this paragraph apply only to those changes in tuition or fees that require board approval.

7. Pursuant to section 35-115, submit a budget request for each institution under its 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 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 curriculums and designate courses at the several institutions which in its judgment will best serve the interests of this state.

9. Award such degrees and diplomas upon the completion of such courses and curriculum requirements as it deems appropriate.

10. Prescribe qualifications for admission of all students to the universities. The board shall establish policies for guaranteed admission that assure fair and equitable access to students in this state from public,

private, charter and home schools. 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 be considered.

11. Adopt any energy conservation standards promulgated 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 general fund monies and the amount of tuition, registration fees and other revenues 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 computer software in a standardized format when software becomes available for nonliterary textbooks, to the Arizona board of regents 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 English immersion endorsement as prescribed by the state board of education.

17. Beginning July 1, 2007, 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. 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 course work.

(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. Require a university to publicly post notices of all of its employment openings, including the title and description, instructions for applying and relevant contact information.

B. The board shall adopt personnel rules. All nonacademic employees of the universities are subject to these rules except for university presidents, university vice-presidents, university deans, legal counsel and administrative officers. The personnel rules shall be similar to the personnel rules under section 41-783. The rules shall include provisions for listing available positions with the department of economic security, competitive employment processes for applicants, probationary status for new nonacademic employees, nonprobationary status on successful completion of probation and due process protections of nonprobationary employees after discharge. The board shall provide notice of proposed rule adoption and an opportunity for public comment on all personnel rules proposed for adoption.

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.

~~C.~~ 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 upon the general fund of this state but shall be paid from funds of the institutions.

~~D.~~ E. The board shall approve or disapprove any contract or agreement entered into by the university of Arizona hospital with the Arizona health facilities authority.

~~E.~~ F. The board may adopt policies which 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 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.

~~F.~~ G. The board may adopt a plan or plans for employee benefits which allow for participation in a cafeteria plan that meets the requirements of the United States internal revenue code of 1986.

~~G.~~ 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.

~~H.~~ I. Subsection A, paragraph 6, subdivisions (a), (b), (c) and (d) of this section do not apply to fee increases that are set by individual universities and that do not require approval by the Arizona board of regents before the fee increase becomes effective.

Sec. 8. Section 15-1661, Arizona Revised Statutes, as amended by Laws 2009, first special session, chapter 6, section 1, is amended to read:

15-1661. Annual appropriation; enrollment audit; expenditure; balance; salaries

A. There shall be appropriated in the general appropriation bill for each fiscal year a sum of monies not less than eighty-five one-hundredths of one mill on the dollar of the assessed valuation of all taxable property in the state for the improvement, support and maintenance of the institutions under the Arizona board of regents' jurisdiction, including payment of salaries, current expenses, purchase of equipment, making necessary repairs, construction of new buildings, purchase of lands and in general for payment of all such expenses connected with the management of the institutions under the Arizona board of regents' jurisdiction. The department of revenue, upon compiling the aggregate assessed valuation of all taxable property within this state, shall compute the amount of monies so determined and certify such amount over its seal to the department of administration and the state treasurer.

B. The full-time equivalent student enrollment reported for the previous fiscal year by each university shall be audited annually by the auditor general. The auditor general shall report the results of the audit to the staffs of the joint legislative budget committee and the governor's office of strategic planning and budgeting on or before October 15 of each year. ~~Beginning with the fall semester of 2006,~~ On or before ~~the following~~ July 21 of each academic year, each university shall provide FOR THE PREVIOUS FALL SEMESTER a certified report to the auditor general of the number of full-time equivalent students calculated by the university AND A SEPARATE

REPORT ONLY FOR THOSE STUDENTS WHO MEET THE RESIDENCY REQUIREMENTS PRESCRIBED IN SECTION 15-1802. The university's records used to calculate full-time equivalent student enrollment shall be provided to the auditor general in an electronic format prescribed by the auditor general. Beginning in 2006, each university shall submit to the auditor general a summary of its full-time equivalent student enrollment accounting policies and procedures, compilation procedures and source records used for calculating full-time equivalent student enrollment. These accounting policies and procedures, compilation procedures and source records shall comply with policies developed on or before June 30, 2006 by the Arizona board of regents, in consultation with the auditor general and reviewed by the joint legislative budget committee. These policies shall include a review and recommendations of the necessity of minimum requirements for students enrolled in classes to qualify for appropriations pursuant to this section, including requirements that the class be a for-credit course that is necessary for the completion of a degree and that the student enrolled in the course be physically present in this state at the time the course is conducted. The basic actual full-time equivalent student enrollment shall be counted on the forty-fifth day after the basic actual full-time equivalent student enrollment classes begin for the fall and spring semesters, as published in the university catalogs, and divided by two. The Arizona board of regents shall also make recommendations of whether each professor or instructor should be required to review class rosters and make additions or deletions as necessary. If so, class rosters that reflect enrollment as of the forty-fifth day shall be provided by the registrar's office to each professor or instructor for every class section. The class roster shall indicate the course number, course title, time, instructor name and students enrolled. On the forty-fifth day class rosters, each professor or instructor shall indicate as withdrawn each student who has formally withdrawn from the course, and that student shall not be counted for state aid purposes. The official forty-fifth day rosters shall include a manual signature and date or an electronic authorization and date by the professor or instructor and shall include the following certification:

> I hereby certify that the information contained in this class roster accurately reflects those students who are enrolled.

C. THE ARIZONA BOARD OF REGENTS SHALL ALSO REPORT THE BASIC ACTUAL FULL-TIME EQUIVALENT STUDENT ENROLLMENT FOR ONLY THOSE STUDENTS WHO MEET THE RESIDENCY REQUIREMENTS PRESCRIBED IN SECTION 15-1802. THE BASIC ACTUAL FULL-TIME EQUIVALENT STUDENT ENROLLMENT FOR ONLY THOSE STUDENTS WHO MEET THE RESIDENCY REQUIREMENTS PRESCRIBED IN SECTION 15-1802 THAT IS REPORTED BY EACH UNIVERSITY FOR THE PREVIOUS FISCAL YEAR SHALL BE ANNUALLY AUDITED BY THE AUDITOR GENERAL.

~~C.~~ D. Students who have withdrawn or who have been withdrawn from classes as of the forty-fifth day shall not be counted for state aid purposes. A record shall be maintained that identifies student withdrawals

by date of withdrawal, as of the forty-fifth day and after the forty-fifth day for the entire semester.

~~D.~~ E. Amounts appropriated as provided by subsection A shall be paid as other claims against this state are paid.

~~E.~~ F. The balance of appropriations as provided by subsection A at the end of the fiscal year, if any, shall not revert to the general fund but shall be carried forward for the continued use for which appropriated.

~~F.~~ G. Monies appropriated to a university under the jurisdiction of the Arizona board of regents for cost of living salary increases for university employees shall be used to provide cost of living salary increases to all university employees including graduate student assistants. If monies are appropriated to a university for salary increases based on merit, the monies shall be used to provide merit increases according to the merit pay plan adopted by the Arizona board of regents.

~~G.~~ H. The Arizona board of regents shall determine current actual full-time equivalent student enrollment at each of the institutions under the jurisdiction of the Arizona board of regents. Full-time equivalent student enrollment shall be calculated by adding the following:

1. The total number of enrolled fall and spring semester credit hours in 100-level credit courses and 200-level credit courses divided by fifteen.

2. The total number of enrolled fall and spring semester credit hours in 300-level credit courses and 400-level credit courses divided by twelve.

3. The total number of enrolled fall and spring semester credit hours in graduate level credit courses divided by ten.

~~H.~~ I. The Arizona board of regents, in its annual budget request, shall not include funding for any student who is enrolled at an institution under the jurisdiction of the Arizona board of regents and who has earned credit hours in excess of the undergraduate credit hour threshold, except that the undergraduate credit hour threshold shall not apply to students who are enrolled in a degree program that requires credit hours above the credit threshold. For the purposes of this subsection, the undergraduate credit hour threshold is one hundred fifty-five hours for students who attend a university under the jurisdiction of the board in fiscal year 2006-2007, one hundred fifty hours for students who attend a university under the jurisdiction of the board in fiscal year 2007-2008 and one hundred forty-five hours for students who attend a university under the jurisdiction of the board after fiscal year 2007-2008. The undergraduate credit hour threshold shall be based on the actual full-time equivalent student enrollment counted on the forty-fifth day after classes begin for the fall and spring semesters 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 credits earned in the pursuit of up to two baccalaureate degrees, credits earned in the pursuit of up to two state regulated licensures and 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.

Sec. 9. Section 15-1682.03, Arizona Revised Statutes, as amended by Laws 2009, first special session, chapter 6, section 2, is amended to read:

15-1682.03. University capital improvement lease-to-own and bond fund; lease-to-own and bond capital improvement agreements

A. The university capital improvement lease-to-own and bond fund is established consisting of the monies provided by the Arizona board of regents pursuant to this section, monies deposited pursuant to section 5-522 and monies appropriated by the legislature. The board shall administer the fund. On notice from the board, the state treasurer shall invest and divest monies in the fund as provided by section 35-313, and monies earned from investment shall be credited to the fund. Monies in the fund are exempt from the provisions of section 35-190 relating to lapsing of appropriations.

B. Through revenues of the state university system, the board shall annually provide monies to the fund of at least twenty per cent of the aggregate annual payments of lease-to-own and bond agreements entered into by the board pursuant to this section.

C. The board shall distribute monies in the fund to make payments pursuant to lease-to-own and bond agreements entered into by the board pursuant to this section. The board may enter into lease-to-own and bond agreements for the purposes of building renewal projects and new facilities. New lease-to-own and bond agreements entered into pursuant to this section shall not exceed one hundred sixty-seven million six hundred seventy-one thousand two hundred dollars in fiscal year 2008-2009 and four hundred million dollars in fiscal year 2009-2010. The board may enter into lease-to-own and bond transactions up to a maximum of eight hundred million dollars.

D. NOTWITHSTANDING SECTION 5-522, SUBSECTION H, THE AMOUNT OF STATE LOTTERY REVENUES DISTRIBUTED TO THE UNIVERSITY CAPITAL IMPROVEMENT LEASE-TO-OWN AND BOND FUND IN FISCAL YEAR 2009-2010 AND FISCAL YEAR 2010-2011 SHALL NOT EXCEED AN AMOUNT SUFFICIENT FOR UP TO EIGHTY PER CENT OF THE ANNUAL PAYMENTS OF THE FIRST ONE HUNDRED SIXTY-SEVEN MILLION SIX HUNDRED SEVENTY-ONE THOUSAND TWO HUNDRED DOLLARS OF NEW LEASE-TO-OWN AND BOND AGREEMENTS ENTERED INTO PURSUANT TO THIS SECTION. THE FULL AMOUNT OF STATE LOTTERY REVENUES DISTRIBUTED TO THE UNIVERSITY CAPITAL IMPROVEMENT LEASE-TO-OWN AND BOND FUND PURSUANT TO SECTION 5-522, SUBSECTION H SHALL BE MADE AVAILABLE TO THE BOARD FOR THE REMAINING NEW LEASE-TO-OWN AND BOND AGREEMENTS UP TO EIGHT HUNDRED MILLION DOLLARS BEGINNING IN FISCAL YEAR 2011-2012.

E. IN ENTERING INTO LEASE-TO-OWN AND BOND AGREEMENTS PURSUANT TO THIS SECTION, THE BOARD SHALL NOT OBLIGATE THIS STATE TO PROVIDE ANY ADDITIONAL MONIES FROM THE STATE LOTTERY FUND ABOVE THE AMOUNTS AUTHORIZED IN THIS SECTION AND SECTION 5-522, SUBSECTION H. IN ENTERING INTO LEASE-TO-OWN AND BOND AGREEMENTS PURSUANT TO THIS SECTION, THE BOARD SHALL NOT OBLIGATE ANY STATE GENERAL FUND MONIES.

Sec. 10. Section 15-1821.01, Arizona Revised Statutes, is amended to read:

15-1821.01. Dual enrollment information

On a determination by a community college district governing board that it is in the best interest of the citizens of a district, the district governing board may authorize district community colleges to offer college courses that may be counted toward both high school and college graduation requirements at the high school during the school day subject to the following:

1. The community college district governing board and the governing board of the school district or organization of which the high school is a part shall enter into an agreement or contract. ~~Beginning in the 2008-2009 school year,~~ These intergovernmental agreements or contracts shall be based on a uniform format that has been cooperatively developed by the community college districts in this state. ~~The uniform format of the intergovernmental agreements and contracts shall be submitted for review to the joint legislative budget committee by December 31, 2007.~~ On or before August 1 of each year, the joint legislative budget committee shall notify each community college district to report on or before October 1 of each year a specified percentage of its initial intergovernmental agreements or contracts executed with school district governing boards or charter schools. Each of these agreements or contracts shall clearly specify the following:

(a) The financial provisions of the agreement or contract and the format for the billing of all services under the agreement or contract, including the amount that the community college received in full-time student equivalent funding pursuant to section 15-1466.01, the portion of the funding that is distributed to the school district governing board or charter school and any amount that is subsequently returned to the community college district by the school district governing board or charter school.

(b) Student tuition and financial aid policies, including if scholarships or grants are awarded to students in dual enrollment courses from the community college.

(c) The accountability provisions for each party to the agreement or contract.

(d) The responsibilities and services required of each party to the agreement or contract.

(e) The type of instruction that will be provided under the agreement or contract, including the titles of the courses to be offered.

(f) The quality of the instruction that will be provided under the agreement or contract.

2. Students shall be admitted to the community college under the policies adopted by each district, subject to the following:

(a) All students enrolled for college credit shall be high school juniors or seniors. All students in the course, including those not electing to enroll for college credit, shall satisfy the prerequisites for the course as published in the college catalog and shall comply with college policies regarding student placement in courses.

(b) A community college may waive the class status requirements specified in subdivision (a) of this paragraph for up to twenty-five per cent of the students enrolled by a college in courses provided that the community college has an established written criteria for waiving the requirements for each course. These criteria shall include a demonstration, by an examination of the specific purposes and requirements of the course, that freshman and sophomore students who meet course prerequisites are prepared to benefit from the college level course. All exceptions and the justification for the exceptions shall be reported ~~as provided in paragraph 6 of this section~~ ANNUALLY TO THE JOINT LEGISLATIVE BUDGET COMMITTEE ON OR BEFORE OCTOBER 1.

3. The courses shall be previously evaluated and approved through the curriculum approval process of the district, shall be at a higher level than taught by the high school and shall be transferable to a university under the jurisdiction of the Arizona board of regents or be applicable to an established community college occupational degree or certificate program. Physical education courses shall not be available for dual enrollment purposes.

4. College approved textbooks, syllabuses, course outlines and grading standards that are applicable to the courses if taught at the community college shall apply to these courses and to all students in the courses offered pursuant to this section. The chief executive officer of each community college shall establish an advisory committee of full-time faculty who teach in the disciplines offered at the community college to assist in course selection and implementation in the high schools and to review and report at least annually to the chief executive officer whether the course goals and standards are understood, the course guidelines are followed and the same standards of expectation and assessment are applied to these courses as though they were being offered at the community college. The advisory committee of full-time faculty shall meet at least three times each academic year.

5. Each faculty member shall meet the requirements established by the governing board pursuant to section 15-1444. The chief executive officer of each community college district shall establish an advisory committee of full-time faculty who teach in the disciplines offered at the community college district to assist in the selection, orientation, ongoing professional development and evaluation of faculty teaching college courses

in conjunction with the high schools. The advisory committee of full-time faculty shall meet at least two times each academic year.

~~6. Each community college district, on or before October 1, shall annually provide a report to the joint legislative budget committee on the courses offered in conjunction with high schools during the previous fiscal year. In the case of a multicollege district, the multicollege district shall provide a separate report for each college. This report shall include the following:~~

~~(a) Documentation of compliance with the requirements identified in paragraphs 3, 4 and 5 of this section, including a listing of the members of the faculty advisory committees at each community college as provided in paragraphs 4 and 5 of this section.~~

~~(b) The number of students in each course who did not meet the criteria prescribed in paragraph 2 of this section.~~

~~(c) The total enrollments listed by location, by high school grade level, by course and by whether the program was academic or occupational.~~

~~(d) Summary data on the performance of students enrolled for college credit in courses offered in conjunction with high schools, including completion rates and grade distribution.~~

~~(e) Course level data on the performance of students enrolled for college credit in courses offered in conjunction with high schools, including completion rates, grade distribution and the number of students who received remedial instruction for the course.~~

~~(f) A copy of each addendum of an intergovernmental agreement or contract executed pursuant to paragraph 1 of this section.~~

~~(g) Summary data by community college district and by individual community college on the number of scholarships or grants awarded to students.~~

~~(h) Itemized actual program costs including actual program costs for each of the following:~~

~~(i) Curriculum development and approval.~~

~~(ii) Textbook costs.~~

~~(iii) Facility and equipment costs.~~

~~(iv) Counseling and tutoring costs.~~

~~(v) Teacher training and observation costs.~~

~~(i) Course level data delineating the entity that provided faculty, the entity that provided the faculty pay and the amount paid to the faculty member.~~

~~7.~~ 6. Each community college district shall conduct tracking studies of subsequent academic or occupational achievement of students enrolled in courses offered pursuant to this section. The reports of the results of the tracking studies shall be submitted to the joint legislative budget committee on or before October 1 of each odd-numbered year, subject to the following:

(a) The tracking studies prescribed in this paragraph may involve statistically valid sampling techniques and shall include, at a minimum, the

high school graduation rate, the number of students continuing their studies after graduation at a community college in this state or a university under the jurisdiction of the Arizona board of regents, the performance of the students in subsequent college courses in the same discipline or occupational field and the student's grade point average after one year at an Arizona community college or university as compared to the student's college grade point average for courses completed while still in high school.

(b) On receipt of the report of the tracking studies prescribed in this paragraph, the joint legislative budget committee may convene an ad hoc committee that includes community college academic officers, faculty and other experts in the field to review the manner in which these courses are provided. This committee may make recommendations to the joint legislative budget committee regarding desirable changes in this section or in the manner in which this section is being implemented. A copy of this report shall be provided to each district governing board.

~~8.~~ 7. A school district shall ensure that a pupil is a full-time student as defined in section 15-901 and is enrolled in and attending a full-time instructional program at a school in the school district before that pupil is allowed to enroll in a college course pursuant to this section, except that high school seniors who satisfy high school graduation requirements with less than a full-time instructional program shall be exempt from this paragraph.

Sec. 11. Title 15, chapter 14, article 5, Arizona Revised Statutes, is amended by adding section 15-1856, to read:

15-1856. Leveraging educational assisted program; criteria

A STUDENT IN THIS STATE IS NOT ELIGIBLE TO PARTICIPATE IN THE LEVERAGING EDUCATIONAL ASSISTANCE PROGRAM ESTABLISHED BY SECTION 1203 OF THE HIGHER EDUCATION ACT AMENDMENTS OF 1998 (P.L. 105-244; 112 STAT. 1581; 20 UNITED STATES CODE SECTION 1001) UNLESS THE STUDENT MEETS ALL OF THE FOLLOWING CRITERIA:

1. THE STUDENT IS A RESIDENT OF THIS STATE.

2. THE STUDENT DEMONSTRATES FINANCIAL NEED UNDER THE CRITERIA ESTABLISHED FOR THE PROGRAM.

3. THE STUDENT IS ATTENDING, ON AT LEAST A HALF-TIME BASIS, AN APPROVED PROGRAM AT A PROPERLY ACCREDITED POSTSECONDARY EDUCATIONAL INSTITUTION IN THIS STATE.

Sec. 12. Section 41-1542, Arizona Revised Statutes, is amended to read:

41-1542. Governor's council on workforce policy; duties

A. The governor by executive order may establish a governor's council on workforce policy. If the governor establishes a governor's council on workforce policy, the council shall include at least the following members:

1. The director of the department of commerce or the director's designee.

2. The director of the department of economic security or the director's designee.

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

4. One representative from a rural community college district who is appointed by the governor.

5. One representative from an urban community college district who is appointed by the governor.

6. One representative from organized labor who is appointed by the governor.

7. Representatives from large businesses who are appointed by the governor and who shall compose at least thirty per cent of the total membership of the council.

8. Representatives from small businesses who are appointed by the governor and who shall compose at least twenty-five per cent of the total membership of the council.

B. The governor's council on workforce policy that is established by executive order shall develop program guidelines for selection criteria and program operations. These guidelines shall include the following areas:

1. Project application procedures.

2. Categories of allowable and excluded project costs.

3. Limitations relating to partial or total project costs and interim and end of project reporting requirements.

4. Procedures to assure that both urban and rural economic interests are addressed.

5. Criteria to evaluate effective use of training monies.

6. Criteria to determine the annual qualifying wage rate per county so that the qualifying wage rate reflects current economic conditions and the needs of local businesses in the county.

C. The governor's council on workforce policy shall meet at least four times each year and shall submit a written annual report to the governor, the president of the senate, the speaker of the house of representatives and the joint legislative budget committee by ~~September~~ DECEMBER 1 of each year. This report shall include:

1. The qualifying wage rate per county.

2. The number of businesses recruited.

3. The number of approved applicants.

4. The number of persons hired.

5. The number of incumbent workers trained.

6. The racial and ethnic background of persons trained.

7. The number of persons trained by job skill category.

8. The average salaries paid.

9. The breakdown of full-time and part-time jobs.

10. The information on the efforts to leverage other training resources.

11. A summary of the information considered pursuant to section 41-1543.

12. The number of grant applications denied due to either of the following:

(a) Insufficient available grant money.

(b) The inability to meet the qualifying wage requirements pursuant to subsection B, paragraph 6 of this section.

13. A summary of annual spending by state government on workforce development, including details on each state program that participates in workforce development in any state agency or community college. The report shall include:

(a) Actual expenditures from state, federal or other sources for the prior fiscal year, by fund, program and agency and in total.

(b) Estimated expenditures from state, federal or other sources for the current fiscal year, by fund, program and agency and in total.

(c) Federally mandated performance measure results by program, including measures for the previous two fiscal years and for the current fiscal year.

(d) Agency or statewide performance measure results as described in subsection E of this section by program, including measures for the previous two fiscal years and for the current fiscal year.

(e) A strategic plan that identifies:

(i) Each workforce development program in this state.

(ii) How the state programs met all performance measures in the previous fiscal year.

D. Each state agency and community college shall submit to the governor's council on workforce policy the information necessary to compile the report described in subsection C, paragraph 13 of this section by ~~August~~ NOVEMBER 1 of each year.

E. The governor's council on workforce policy shall coordinate with state agencies and state community colleges to produce outcome-based performance measures for all state workforce development programs.

Sec. 13. Community colleges; capital outlay aid; suspension

Notwithstanding section 15-1464, Arizona Revised Statutes, or any other law, capital outlay state aid for community colleges is suspended for fiscal year 2009-2010.

Sec. 14. Community colleges; operating state aid

Notwithstanding section 15-1466, Arizona Revised Statutes, as amended by this act, the fiscal year 2009-2010 appropriation for operating state aid for community colleges shall be the amount appropriated in the general appropriations act.

Sec. 15. Financial aid trust fund; required state match

Notwithstanding section 15-1642, subsection C, Arizona Revised Statutes, for fiscal year 2009-2010, each dollar raised pursuant to the surcharge on student registration assessed pursuant to section 15-1642,

subsection A, Arizona Revised Statutes, may be matched by less than two dollars appropriated by the legislature.

Sec. 16. Medical student loans; private schools; fiscal year 2009-2010; retroactivity

A. Notwithstanding section 15-1723, Arizona Revised Statutes, the board of medical student loans is not required to apportion fifty per cent of the monies in the medical student loan fund for students attending private medical schools in fiscal year 2009-2010.

B. This section is effective retroactively to from and after June 30, 2009.

Sec. 17. Community colleges; capital aid funding for fiscal year 2009-2010; uses

Notwithstanding section 15-1464, subsection G, Arizona Revised Statutes, for fiscal year 2009-2010, each community college district may use any portion of its capital outlay funding for operating aid purposes.

Sec. 18. Arizona board of regents; support and maintenance; appropriation reduction; transfer; fiscal year 2010-2011 appropriation

A. The sum of $100,000,000 is reduced from the appropriation made from the state general fund in fiscal year 2009-2010 to the Arizona board of regents for the support and maintenance of institutions under its jurisdiction and is deferred to payment in fiscal year 2010-2011. This amount is transferred to the state general fund in fiscal year 2009-2010 from the payments that would have otherwise been made in May and June 2010. The Arizona board of regents shall reduce funding to the institutions under its jurisdiction in proportion to the state general fund appropriation received by each institution.

B. In addition to any other amounts appropriated to the Arizona board of regents for fiscal year 2010-2011, the sum of $100,000,000 is appropriated from the state general fund to the Arizona board of regents to be distributed for the support and maintenance of institutions under its jurisdiction for payments deferred from fiscal year 2009-2010. The department of administration shall distribute these monies to the board no later than October 1, 2010.

Sec. 19. Arizona board of regents; report; speakers and costs

On or before March 31, 2010, the Arizona board of regents shall electronically submit a report for the current fiscal year to the joint legislative budget committee that includes a list of invited paid speakers and the associated costs for those speakers.

Sec. 20. Provisional community college districts; student count for fiscal years 2009-2010 and 2010-2011

For fiscal years 2009-2010 and 2010-2011:

1. Notwithstanding any other law, the same student shall not be counted twice for state funding purposes as a full-time equivalent student in

1 both a provisional community college district and a community college
2 district.
3 2. Notwithstanding any other law, a community college district that
4 provides services in a provisional community college district pursuant to
5 section 15-1470, Arizona Revised Statutes, shall no longer count these
6 students in the district's full-time equivalent student count, except that,
7 to the extent permitted by the Constitution of Arizona, the district may
8 count these students for the purposes of computing the district's expenditure
9 limitation under the Constitution of Arizona.
10 Sec. 21. Conforming legislation
11 The legislative council staff shall prepare proposed legislation
12 conforming the Arizona Revised Statutes to the provisions of this act for
13 consideration in the forty-ninth legislature, second regular session.
14 Sec. 22. Effective date
15 Section 15-1466.01, Arizona Revised Statutes, as amended by this act,
16 is effective from and after June 30, 2010.

APPROVED BY THE GOVERNOR SEPTEMBER 4, 2009

FILED IN THE OFFICE OF THE SECRETARY OF STATE SEPTEMBER 4, 2009

Passed the House July 31, 2009

by the following vote: 32 Ayes,

14 Nays, 14 Not Voting

Speaker of the House

Norman L. Moore

Chief Clerk of the House

Passed the Senate August 12, 2009

by the following vote: 17 Ayes,

8 Nays, 5 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

20 day of August, 2009

at 2:38 o'clock P. M.

Susan K Myers

Secretary to the Governor

Approved this 4th day of

September

at 1:21 o'clock P. M.

Jennifer K Brewer

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 4th day of September, 2009

at 3:40 o'clock P. M.

Ken Bennett

Secretary of State

Third Special Session
H.B. 2012