



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

April 27, 2017

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 1st Regular Session, which I signed on April 27, 2017:

HB 2108 – education; conforming changes
HB 2385 – schools; accounting; budgeting; reporting

Sincerely,

A handwritten signature in black ink that reads "Douglas A. Ducey".

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Conference Engrossed

FILED

MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-third Legislature
First Regular Session
2017

CHAPTER 210
HOUSE BILL 2108

AN ACT

AMENDING SECTIONS 15-102, 15-503, 15-701, 15-701.01, 15-746 AND 15-823,
ARIZONA REVISED STATUTES; RELATING TO SCHOOLS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-102, Arizona Revised Statutes, is amended to
3 read:

4 15-102. Parental involvement in the school; definition

5 A. The governing board, in consultation with parents, teachers and
6 administrators, shall develop and adopt a policy to promote the
7 involvement of parents and guardians of children enrolled in the schools
8 within the school district, including:

9 1. A plan for parent participation in the schools that is designed
10 to improve parent and teacher cooperation in such areas as homework,
11 attendance and discipline. The plan shall provide for the administration
12 of a parent-teacher satisfaction survey.

13 2. Procedures by which parents may learn about the course of study
14 for their children and review learning materials, including the source of
15 any supplemental educational materials.

16 3. Procedures by which parents who object to any learning material
17 or activity on the basis that it is harmful may withdraw their children
18 from the activity or from the class or program in which the material is
19 used. Objection to a learning material or activity on the basis that it is
20 harmful includes objection to a material or activity because it questions
21 beliefs or practices in sex, morality or religion.

22 4. If a school district offers any sex education curricula pursuant
23 to section 15-711 or 15-716 or pursuant to any rules adopted by the state
24 board of education, procedures to prohibit a school district from
25 providing sex education instruction to a pupil unless the pupil's parent
26 provides written permission for the child to participate in the sex
27 education curricula.

28 5. Procedures by which parents will be notified in advance of and
29 given the opportunity to withdraw their children from any instruction or
30 presentations regarding sexuality in courses other than formal sex
31 education curricula.

32 6. Procedures by which parents may learn about the nature and
33 purpose of clubs and activities that are part of the school curriculum,
34 extracurricular clubs and activities that have been approved by the
35 school.

36 7. Procedures by which parents may learn about parental rights and
37 responsibilities under the laws of this state, including the following:

38 (a) The right to opt in to a sex education curriculum if one is
39 provided by the school district.

40 (b) Open enrollment rights pursuant to section 15-816.01.

41 (c) The right to opt out of assignments pursuant to this section.

42 (d) The right to opt out of immunizations pursuant to section
43 15-873.

44 (e) The promotion requirements prescribed in section 15-701.

1 (f) The minimum course of study and competency requirements for
2 graduation from high school prescribed in section 15-701.01.

3 (g) The right to opt out of instruction on the acquired immune
4 deficiency syndrome pursuant to section 15-716.

5 (h) The right to review test results pursuant to section 15-743.

6 (i) The right to participate in gifted programs pursuant to section
7 15-779.01.

8 (j) The right to access instructional materials pursuant to section
9 15-730.

10 (k) The right to receive a school report card pursuant to section
11 15-746.

12 (l) The attendance requirements prescribed in sections 15-802,
13 15-803 and 15-821.

14 (m) The right to public review of courses of study and textbooks
15 pursuant to section 15-721.

16 (n) The right to be excused from school attendance for religious
17 purposes pursuant to section 15-806.

18 (o) Policies related to parental involvement pursuant to this
19 section.

20 (p) The right to seek membership on school councils pursuant to
21 section 15-351.

22 ~~(q) The right to participate in a parental satisfaction survey~~
23 ~~pursuant to section 15-353.~~

24 ~~(r)~~ (q) Information about the student accountability information
25 system as prescribed in section 15-1041.

26 ~~(s)~~ (r) The right to access the failing schools tutoring fund
27 pursuant to section 15-241.

28 B. The policy adopted by the governing board pursuant to this
29 section may also include the following components:

30 1. A plan by which parents will be made aware of the district's
31 parental involvement policy and this section, including:

32 (a) Rights under the family educational rights and privacy act of
33 1974 (20 United States Code section 1232g) relating to access to
34 children's official records.

35 (b) The parent's right to inspect the school district policies and
36 curriculum.

37 2. Efforts to encourage the development of parenting skills.

38 3. The communication to parents of techniques designed to assist
39 the child's learning experience in the home.

40 4. Efforts to encourage access to community and support services
41 for children and families.

42 5. The promotion of communication between the school and parents
43 concerning school programs and the academic progress of the parents'
44 children.

1 6. Identifying opportunities for parents to participate in and
2 support classroom instruction at the school.

3 7. Efforts to support, with appropriate training, parents as shared
4 decision-makers and to encourage membership on school councils.

5 8. The recognition of the diversity of parents and the development
6 of guidelines that promote widespread parental participation and
7 involvement in the school at various levels.

8 9. The development of preparation programs and specialized courses
9 for certificated employees and administrators that promote parental
10 involvement.

11 10. The development of strategies and programmatic structures at
12 schools to encourage and enable parents to participate actively in their
13 children's education.

14 C. The governing board may adopt a policy to provide to parents the
15 information required by this section in an electronic form.

16 D. A parent shall submit a written request for information pursuant
17 to this section during regular business hours to either the school
18 principal at the school site or the superintendent of the school district
19 at the office of the school district. Within ten days ~~of~~ AFTER receiving
20 the request for information, the school principal or the superintendent of
21 the school district shall either deliver the requested information to the
22 parent or submit to the parent a written explanation of the reasons for
23 the denial of the requested information. If the request for information
24 is denied or the parent does not receive the requested information within
25 fifteen days after submitting the request for information, the parent may
26 submit a written request for the information to the school district
27 governing board, which shall formally consider the request at the next
28 scheduled public meeting of the governing board if the request can be
29 properly noticed on the agenda. If the request cannot be properly noticed
30 on the agenda, the governing board shall formally consider the request at
31 the next subsequent public meeting of the governing board.

32 E. For the purposes of this section, "parent" means the natural or
33 adoptive parent or legal guardian of a minor child.

34 Sec. 2. Section 15-503, Arizona Revised Statutes, is amended to
35 read:

36 15-503. Superintendents, principals, head teachers and school
37 psychologists; term of employment; evaluation;
38 contract delivery; nonretention notice

39 A. The governing board may:

40 1. Employ a superintendent or principal, or both. If the governing
41 board employs a superintendent, the governing board shall determine the
42 qualifications for the superintendent by action taken at a public meeting.
43 The governing board shall require a superintendent to have a valid

1 fingerprint clearance card that is issued pursuant to title 41, chapter
2 12, article 3.1.

3 2. Appoint a head teacher.

4 3. Jointly with another governing board employ a superintendent or
5 a principal, or both. If the governing board jointly employs a
6 superintendent, the governing boards shall jointly determine the
7 qualifications for the superintendent by action taken at a public meeting.
8 The governing boards shall require a superintendent to have a valid
9 fingerprint clearance card that is issued pursuant to title 41, chapter
10 12, article 3.1.

11 B. The term of employment of superintendents may be for any period
12 not exceeding three years, except that if the superintendent's contract
13 with the school district is for multiple years pursuant to this subsection
14 the school district shall not offer to extend or renegotiate the contract
15 until no earlier than fifteen months before the expiration of the
16 contract. The term of employment of principals may be for any period not
17 exceeding three years pursuant to section 15-341, subsection A, paragraph
18 ~~42~~ 41, except that if the principal's contract with the school district is
19 for multiple years the school district shall not offer to extend or
20 negotiate the contract until May of the year preceding the final year of
21 the contract. The school district governing board or the governing body
22 of the charter school shall communicate the superintendent's or
23 principal's duties with respect to the classroom site fund established by
24 section 15-977.

25 C. The governing board shall establish systems for the evaluation
26 of the performance of principals that meet the requirements prescribed in
27 section 15-203, subsection A, paragraph 38 and other school administrators
28 and certificated school psychologists in the school district. In the
29 development and adoption of these performance evaluation systems, the
30 governing board shall avail itself of the advice of its administrators and
31 certificated school psychologists. Each evaluation shall include
32 recommendations as to areas of improvement in the performance of the
33 certificated school psychologist if the performance of the certificated
34 school psychologist warrants improvement. After transmittal of an
35 assessment, a board designee shall confer with the certificated school
36 psychologist to make specific recommendations as to areas of improvement
37 in the certificated school psychologist's performance. The board designee
38 shall provide assistance and opportunities for the certificated school
39 psychologist to improve his performance and shall follow up with the
40 certificated school psychologist after a reasonable period of time for the
41 purpose of ascertaining that the certificated school psychologist is
42 demonstrating adequate performance. The evaluation process for
43 certificated school psychologists shall include appeal procedures for
44 certificated school psychologists who disagree with the evaluation of

1 their performance, if the evaluation is for use as criteria for
2 establishing compensation or dismissal.

3 D. On or before May 15 each year, the governing board shall offer a
4 contract for the next school year to each certified administrator and
5 certificated school psychologist who is in the last year of ~~his~~ THE
6 PERSON'S contract unless, on or before April 15, the governing board, a
7 member of the board acting on behalf of the board or the superintendent of
8 the school district gives notice to the administrator or certificated
9 school psychologist of the board's intention not to offer a new contract.
10 If the governing board has called for an override election for the third
11 Tuesday in May as provided in section 15-481, the governing board shall
12 offer a contract for the next school year to each certified administrator
13 or certificated school psychologist who is in the last year of ~~his~~ THE
14 PERSON'S contract on or before June 15 unless, no later than five days
15 after the override election excluding Saturday, Sunday and legal holidays,
16 the governing board, a member of the board acting on behalf of the board
17 or the superintendent of the school district gives notice to the
18 administrator or the certificated school psychologist of the board's
19 intention not to offer a new contract. The administrator's or the
20 certificated school psychologist's acceptance of the contract shall be
21 indicated within thirty days from the date of the written contract or the
22 offer is revoked. The administrator or certificated school psychologist
23 accepts the contract by signing the contract and returning it to the
24 governing board or by making a written instrument that accepts the terms
25 of the contract and delivering the written instrument to the governing
26 board.

27 E. Notice of the board's intention not to reemploy the
28 administrator or certificated school psychologist shall be made by
29 delivering the notice personally to the administrator or the certificated
30 school psychologist or by sending the notice by certified mail, postmarked
31 on or before the applicable deadline prescribed in subsection D of this
32 section, and directed to the administrator or the certificated school
33 psychologist at ~~his~~ THE PERSON'S place of residence as recorded in the
34 school district records.

35 F. The school district governing board shall make available the
36 evaluation and performance classification pursuant to section 15-203,
37 subsection A, paragraph 38 of each principal in the school district to
38 school districts and charter schools that are inquiring about the
39 performance of the principal for hiring purposes.

1 Sec. 3. Section 15-701, Arizona Revised Statutes, is amended to
2 read:

3 15-701. Common school; promotions; requirements; certificate;
4 supervision of eighth grades by superintendent of
5 high school district; high school admissions;
6 academic credit; definition

7 A. The state board of education shall:

8 1. Prescribe a minimum course of study, as defined in section
9 15-101 and incorporating the academic standards adopted by the state board
10 of education, to be taught in the common schools.

11 2. Prescribe competency requirements for the promotion of pupils
12 from the eighth grade and competency requirements for the promotion of
13 pupils from the third grade incorporating the academic standards in at
14 least the areas of reading, writing, mathematics, science and social
15 studies. ~~Notwithstanding section 15-521, paragraph 4,~~ The competency
16 requirements for the promotion of pupils from the third grade shall
17 include the following:

18 (a) A requirement that a pupil not be promoted from the third grade
19 if the pupil obtains a score on the reading portion of the statewide
20 assessment that demonstrates that the pupil's reading falls far below the
21 third grade level or the equivalent as established by the board. A pupil
22 may not be retained if data regarding the pupil's performance on the
23 statewide assessment is not available before the start of the following
24 academic year. A pupil who is not retained due to the unavailability of
25 test data must receive intervention and remedial strategies pursuant to
26 subdivision (c) of this paragraph if the third grade assessment data
27 subsequently demonstrates that the pupil's reading ability falls far below
28 the third grade level or the equivalent.

29 (b) A mechanism to allow a school district governing board or the
30 governing body of a charter school to promote a pupil from the third grade
31 who obtains a score on the reading portion of the statewide assessment
32 that demonstrates that the pupil's reading falls far below the third grade
33 level for any of the following:

34 (i) A good cause exemption if the pupil is an English learner or a
35 limited English proficient student as defined in section 15-751 and has
36 had fewer than two years of English language instruction.

37 (ii) A pupil who is in the process of a special education referral
38 or evaluation for placement in special education, a pupil who has been
39 diagnosed as having a significant reading impairment, including dyslexia,
40 or a pupil who is a child with a disability as defined in section 15-761
41 if the pupil's individualized education program team and the pupil's
42 parent or guardian agree that promotion is appropriate based on the
43 pupil's individualized education program.

1 (iii) A pupil who receives intervention and remedial services
2 during the summer or subsequent school year pursuant to subdivision (c) of
3 this paragraph and demonstrates sufficient progress may be promoted from
4 the third grade based on guidelines issued pursuant to subsection B,
5 paragraph 5 of this section.

6 (c) Intervention and remedial strategies developed by the state
7 board of education for pupils who are not promoted from the third grade.
8 A school district governing board or the governing body of a charter
9 school shall offer at least one of the intervention and remedial
10 strategies developed by the state board of education. The parent or
11 guardian of a pupil who is not promoted from the third grade and the
12 pupil's teacher and principal may choose the most appropriate intervention
13 and remedial strategies that will be provided to that pupil. The
14 intervention and remedial strategies developed by the state board of
15 education shall include:

16 (i) A requirement that the pupil be assigned to a different teacher
17 for reading instruction.

18 (ii) Summer school reading instruction.

19 (iii) In the next academic year, intensive reading instruction that
20 occurs before, during or after the regular school day, or any combination
21 of before, during and after the regular school day.

22 (iv) Online reading instruction.

23 3. Provide for universal screening of pupils in preschool programs,
24 kindergarten programs and grades one through three that is designed to
25 identify pupils who have reading deficiencies pursuant to section 15-704.

26 4. Develop intervention and remedial strategies pursuant to
27 paragraph 2, subdivision (c) of this subsection for pupils in kindergarten
28 programs and grades one through three who are identified as having reading
29 deficiencies pursuant to section 15-704.

30 5. Distribute guidelines for the school districts to follow in
31 prescribing criteria for the promotion of pupils from grade to grade in
32 the common schools. These guidelines shall include recommended procedures
33 for ensuring that the cultural background of a pupil is taken into
34 consideration when criteria for promotion are being applied.

35 B. School districts and charter schools shall provide annual
36 written notification to parents of pupils in kindergarten programs and
37 first, second and third grades that a pupil who obtains a score on the
38 reading portion of the statewide assessment that demonstrates the pupil is
39 reading far below the third grade level will not be promoted from the
40 third grade. If the school has determined that the pupil is substantially
41 deficient in reading before the end of grade three, the school district or
42 charter school shall provide to the parent of that pupil a separate
43 written notification of the reading deficiency that includes the following
44 information:

1 1. A description of the current reading services provided to the
2 pupil.

3 2. A description of the available supplemental instructional
4 services and supporting programs that are designed to remediate reading
5 deficiencies. Each school district or charter school shall offer at least
6 one intervention strategy and at least one remedial strategy for pupils
7 with reading deficiencies. The notification shall list the intervention
8 and remedial strategies offered and shall instruct the parent or guardian
9 to choose the strategy that will be implemented for that child.

10 3. Parental strategies to assist the pupil to attain reading
11 proficiency.

12 4. A statement that the pupil will not be promoted from the third
13 grade if the pupil obtains a score on the reading portion of the statewide
14 assessment that demonstrates the pupil is reading far below the third
15 grade level, unless the pupil is exempt from mandatory retention in grade
16 three or the pupil qualifies for an exemption pursuant to subsection A of
17 this section.

18 5. A description of the school district or charter school policies
19 on midyear promotion to a higher grade.

20 C. Pursuant to the guidelines that the state board of education
21 distributes, the governing board of a school district shall:

22 1. Prescribe curricula that include the academic standards in the
23 required subject areas pursuant to subsection A, paragraph 1 of this
24 section.

25 2. Prescribe criteria for the promotion of pupils from grade to
26 grade in the common schools in the school district. These criteria shall
27 include accomplishment of the academic standards in at least reading,
28 writing, mathematics, science and social studies, as determined by
29 district assessment. Other criteria may include additional measures of
30 academic achievement and attendance.

31 D. The governing board may prescribe the course of study and
32 competency requirements for promotion that are in addition to or higher
33 than the course of study and competency requirements the state board
34 prescribes.

35 E. A teacher shall determine whether to promote or retain a pupil
36 in grade in a common school ~~as provided in section 15-521, paragraph 4~~ on
37 the basis of the prescribed criteria. The governing board, if it reviews
38 the decision of a teacher to promote or retain a pupil in grade in a
39 common school as provided in section 15-342, paragraph 11, shall base its
40 decision on the prescribed criteria.

41 F. A governing board may provide and issue certificates of
42 promotion to pupils whom it promotes from the eighth grade of a common
43 school. Such certificates shall be signed by the principal or
44 superintendent of schools. Where there is no principal or superintendent

1 of schools, the certificates shall be signed by the teacher of an eighth
2 grade. The certificates shall admit the holders to any high school in the
3 state.

4 G. Within any high school district or union high school district,
5 the superintendent of the high school district shall supervise the work of
6 the eighth grade of all schools employing no superintendent or principal.

7 H. A school district shall not deny a pupil who is between the ages
8 of sixteen and twenty-one years admission to a high school because the
9 pupil does not hold an eighth grade certificate. Governing boards shall
10 establish procedures for determining the admissibility of pupils who are
11 under sixteen years of age and who do not hold eighth grade certificates.

12 I. The state board of education shall adopt rules to allow common
13 school pupils who can demonstrate competency in a particular academic
14 course or subject to obtain academic credit for the course or subject
15 without enrolling in the course or subject.

16 J. A school district may conduct a ceremony to honor pupils who
17 have been promoted from the eighth grade.

18 K. For the purposes of this section, "dyslexia" means a brain-based
19 learning difference that impairs a person's ability to read and spell,
20 that is independent of intelligence and that typically causes a person to
21 read at levels lower than expected.

22 Sec. 4. Section 15-701.01, Arizona Revised Statutes, is amended to
23 read:

24 15-701.01. High school; graduation; requirements; community
25 college or university courses; transfer from
26 private schools; academic credit

27 A. The state board of education shall:

28 1. Prescribe a minimum course of study, as defined in section
29 15-101 and incorporating the academic standards adopted by the state board
30 of education, for the graduation of pupils from high school.

31 2. Prescribe competency requirements for the graduation of pupils
32 from high school incorporating the academic standards in at least the
33 areas of reading, writing, mathematics, science and social studies. The
34 academic standards prescribed by the state board of education in social
35 studies shall include personal finance. This paragraph does not allow the
36 state board of education to establish a required separate personal finance
37 course for the purpose of the graduation of pupils from high school.
38 Beginning in the 2016-2017 school year, the competency requirements for
39 social studies shall include a requirement that, in order to graduate from
40 high school or obtain a high school equivalency diploma, a pupil must
41 correctly answer at least sixty of the one hundred questions listed on a
42 test that is identical to the civics portion of the naturalization test
43 used by the United States citizenship and immigration services. A
44 district school or charter school shall document on the pupil's transcript

1 that the pupil has passed a test that is identical to the civics portion
2 of the naturalization test used by the United States citizenship and
3 immigration services as required by this section.

4 3. Develop and adopt competency tests pursuant to section 15-741.
5 English language learners who are subject to article 3.1 of this chapter
6 are subject to the assessments prescribed in section 15-741.

7 B. The governing board of a school district shall:

8 1. Prescribe curricula that include the academic standards in the
9 required subject areas pursuant to subsection A, paragraph 1 of this
10 section.

11 2. Prescribe criteria for the graduation of pupils from the high
12 schools in the school district. These criteria shall include
13 accomplishment of the academic standards in at least reading, writing,
14 mathematics, science and social studies, as determined by district
15 assessment. Other criteria may include additional measures of academic
16 achievement and attendance. Pursuant to the prescribed graduation
17 requirements adopted by the state board of education, the governing board
18 may approve a rigorous computer science course that would fulfill a
19 mathematics course required for graduation from high school. The
20 governing board may approve a rigorous computer science course only if the
21 rigorous computer science course includes significant mathematics content
22 and the governing board determines the high school where the rigorous
23 computer science course is offered has sufficient capacity, infrastructure
24 and qualified staff, including competent teachers of computer science.
25 The school district governing board or charter school governing body may
26 determine the method and manner in which to administer a test that is
27 identical to the civics portion of the naturalization test used by the
28 United States citizenship and immigration services. A pupil who does not
29 obtain a passing score on the test that is identical to the civics portion
30 of the naturalization test may retake the test until the pupil obtains a
31 passing score.

32 C. The governing board may prescribe the course of study and
33 competency requirements for the graduation of pupils from high school that
34 are in addition to or higher than the course of study and competency
35 requirements that the state board prescribes.

36 D. The governing board may prescribe competency requirements for
37 the passage of pupils in courses that are required for graduation from
38 high school.

39 E. A teacher shall determine whether to pass or fail a pupil in a
40 course in high school ~~as provided in section 15-521, paragraph 4~~ on the
41 basis of the competency requirements, if any have been prescribed. The
42 governing board, if it reviews the decision of a teacher to pass or fail a
43 pupil in a course in high school as provided in section 15-342,

1 paragraph 11, shall base its decision on the competency requirements, if
2 any have been prescribed.

3 F. Graduation requirements established by the governing board may
4 be met by a pupil who passes courses in the required or elective subjects
5 at a community college or university, if the course is at a higher level
6 than the course taught in the high school attended by the pupil or, if the
7 course is not taught in the high school, the level of the course is equal
8 to or higher than the level of a high school course. The governing board
9 shall determine if the subject matter of the community college or
10 university course is appropriate to the specific requirement the pupil
11 intends it to fulfill and if the level of the community college or
12 university course is less than, equal to or higher than a high school
13 course, and the governing board shall award one-half of a Carnegie unit
14 for each three semester hours of credit THAT the pupil earns in an
15 appropriate community college or university course. If a pupil is not
16 satisfied with the decision of the governing board regarding the amount of
17 credit granted or the subjects for which credit is granted, the pupil may
18 request that the state board of education review the decision of the
19 governing board, and the state board shall make the final determination of
20 the amount of credit to be given the pupil and for which subjects. The
21 governing board shall not limit the number of credits that is required for
22 high school graduation and that may be met by taking community college or
23 university courses. For the purposes of this subsection:

24 1. "Community college" means an educational institution that is
25 operated by a community college district as defined in section 15-1401 or
26 a postsecondary educational institution under the jurisdiction of an
27 Indian tribe recognized by the United States department of the interior.

28 2. "University" means a university under the jurisdiction of the
29 Arizona board of regents.

30 G. A pupil who transfers from a private school shall be provided
31 with a list that indicates those credits that have been accepted and
32 denied by the school district. A pupil may request to take an examination
33 in each particular course in which credit has been denied. The school
34 district shall accept the credit for each particular course in which the
35 pupil takes an examination and receives a passing score on a test designed
36 and evaluated by a teacher in the school district who teaches the subject
37 matter on which the examination is based. In addition to the above
38 requirements, the governing board of a school district may prescribe
39 requirements for the acceptance of the credits of pupils who transfer from
40 a private school.

41 H. If a pupil who was previously enrolled in a charter school or
42 school district enrolls in a school district in this state, the school
43 district shall accept credits earned by the pupil in courses or
44 instructional programs at the charter school or school district. The

1 governing board of a school district may adopt a policy concerning the
2 application of transfer credits for the purpose of determining whether a
3 credit earned by a pupil who was previously enrolled in a school district
4 or charter school will be assigned as an elective or core credit.

5 I. A pupil who transfers credit from a charter school, A school
6 district or Arizona online instruction shall be provided with a list that
7 indicates which credits have been accepted as ~~an~~ elective ~~credit~~ CREDITS
8 and which credits have been accepted as ~~a~~ core ~~credit~~ CREDITS by the
9 school district or charter school. Within ten school days after receiving
10 the list ~~a~~ THE pupil may request to take an examination in each
11 particular course in which core credit has been denied. The school
12 district or charter school shall accept the credit as a core credit for
13 each particular course in which the pupil takes an examination and
14 receives a passing score on a test, ~~THAT IS~~ aligned to the competency
15 requirements adopted pursuant to this section, ~~AND THAT IS~~ designed and
16 evaluated by a teacher in the school district or charter school who
17 teaches the subject matter on which the examination is based. If a pupil
18 is enrolled in a school district or charter school and that pupil also
19 participates in Arizona online instruction between May 1 and July 31, the
20 school district or charter school shall not require proof of payment as a
21 condition of the school district or charter school accepting credits
22 earned from the online course provider.

23 J. The state board of education shall adopt rules to allow high
24 school pupils who can demonstrate competency in a particular academic
25 course or subject to obtain academic credit for the course or subject
26 without enrolling in the course or subject.

27 K. Pupils who earn a Grand Canyon diploma pursuant to article 6 of
28 this chapter are exempt from the graduation requirements prescribed in
29 this section. Pupils who earn a Grand Canyon diploma are entitled to all
30 the rights and privileges of persons who graduate with a high school
31 diploma issued pursuant to this section, including access to postsecondary
32 scholarships and other forms of student financial aid and access to all
33 forms of postsecondary education. Notwithstanding any other law, a pupil
34 who is eligible for a Grand Canyon diploma may elect to remain in high
35 school through grade twelve and shall not be prevented from enrolling at a
36 high school after the pupil becomes eligible for a Grand Canyon diploma.
37 A pupil who is eligible for a Grand Canyon diploma and who elects not to
38 pursue one of the options prescribed in section 15-792.03 may only be
39 readmitted to that high school or another high school in this state
40 pursuant to policies adopted by the school district of readmission.

1 Sec. 5. Section 15-746, Arizona Revised Statutes, is amended to
2 read:

3 15-746. School report cards

4 A. Each school shall distribute an annual report card that contains
5 at least the following information:

6 1. A description of the school's regular, magnet and special
7 instructional programs.

8 2. A description of the current academic goals of the school.

9 3. A summary of the results achieved by pupils enrolled at the
10 school during the prior three school years as measured by the statewide
11 assessment and the nationally standardized norm-referenced achievement
12 test as designated by the state board and as reported in the annual report
13 prescribed by section 15-743, a summary of the pupil progress on an
14 ongoing and annual basis, showing the trends in gain or loss in pupil
15 achievement over time in reading, language arts and mathematics for all
16 years in which pupils are enrolled in the school district for an entire
17 school year and for which this information is available and a summary of
18 the pupil progress for pupils who are not enrolled in a district for an
19 entire school year.

20 4. The school's current expenditures per pupil for classroom
21 supplies, classroom instruction, excluding classroom supplies,
22 administration, support services-students, and all other support services
23 and operations. The current expenditures per pupil by school shall
24 include allocation of the district-wide expenditures to each school, as
25 provided by the district. The report shall include a comparison of the
26 school to the state amount for a similar type of district as calculated in
27 section 15-255. The method of calculating these per pupil amounts and the
28 allocation of expenditures shall be as prescribed in the uniform system of
29 financial records.

30 5. The attendance rate of pupils enrolled at the school as
31 reflected in the school's average daily membership as defined in section
32 15-901.

33 6. The total number of incidents that occurred on the school
34 grounds, at school bus stops, on school buses and at school-sponsored
35 events and that required the contact of a local, county, tribal, state or
36 federal law enforcement officer pursuant to section 13-3411, subsection F,
37 section 13-3620, section 15-341, subsection A, paragraph ~~31~~ 30 or section
38 15-515. The total number of incidents reported shall only include reports
39 that law enforcement officers report to the school are supported by
40 probable cause. For the purposes of this paragraph, a certified peace
41 officer who serves as a school resource officer is a law enforcement
42 officer. A school may provide clarifying information if the school has a
43 school resource officer on campus.

1 7. The percentage of pupils who have either graduated to the next
2 grade level or graduated from high school.

3 8. A description of the social services available at the school
4 site.

5 9. The school calendar, including the length of the school day and
6 hours of operations.

7 10. The total number of pupils enrolled at the school during the
8 previous school year.

9 11. The transportation services available.

10 12. A description of the responsibilities of parents of children
11 enrolled at the school.

12 13. A description of the responsibilities of the school to the
13 parents of the children enrolled at the school, including dates the report
14 cards are delivered to the home.

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

17 15. For the most recent year available, the average current
18 expenditure per pupil for administrative functions compared to the
19 predicted average current expenditure per pupil for administrative
20 functions according to an analysis of administrative cost data by the
21 joint legislative budget committee staff.

22 16. If the school provides instruction to pupils in kindergarten
23 programs and grades one through three, the ratio of pupils to teachers in
24 each classroom where instruction is provided in kindergarten programs and
25 grades one through three.

26 17. The average class size per grade level for all grade levels,
27 kindergarten programs and grades one through eight. For the purposes of
28 this paragraph, "average class size" means the weighted average of each
29 class.

30 B. The department of education shall develop a standardized report
31 card format that meets the requirements of subsection A of this
32 section. The department shall modify the standardized report card as
33 necessary on an annual basis. The department shall distribute to each
34 school in this state a copy of the standardized report card that includes
35 the required test scores for each school. Additional copies of the
36 standardized report card shall be available on request.

37 C. After each school has completed the report card distributed to
38 it by the department of education, the school, in addition to distributing
39 the report card as prescribed in subsection A of this section, shall send
40 a copy of the report card to the department. The department shall prepare
41 an annual report that contains the report card from each school in this
42 state.

43 D. The school shall distribute report cards to parents of pupils
44 enrolled at the school, no later than the last day of school of each

1 fiscal year, and shall present a summary of the contents of the report
2 cards at an annual public meeting held at the school. The school shall
3 give notice at least two weeks before the public meeting that clearly
4 states the purposes, time and place of the meeting.

5 Sec. 6. Section 15-823, Arizona Revised Statutes, is amended to
6 read:

7 15-823. Admission; residents of other school districts;
8 nonresidents of this state; tuition

9 A. Except as provided in subsections B, C, D, E, F, G and H of this
10 section, children of nonresidents of this state may be admitted on payment
11 of a reasonable tuition fixed by the governing board.

12 B. The governing board shall admit children of nonresident teaching
13 and research faculty of community college districts and state universities
14 and children of nonresident graduate or undergraduate students of
15 community college districts and state universities whose parent's presence
16 at the district or university is of international, national, state or
17 local benefit without payment of tuition.

18 C. The governing board shall admit children who are residents of
19 the United States but who are nonresidents of this state without payment
20 of tuition if evidence indicates that the child's physical, mental, moral
21 or emotional health is best served by placement with a grandparent,
22 brother, sister, stepbrother, stepsister, aunt or uncle who is a resident
23 within the school district, unless the governing board determines that the
24 placement is solely for the purpose of obtaining an education in this
25 state without payment of tuition.

26 D. The governing board may admit nonresident foreign students who
27 are in exchange programs without payment of tuition or as it may otherwise
28 prescribe.

29 E. Notwithstanding subsection D of this section, beginning in the
30 2016-2017 school year the governing board may admit the same number of
31 nonresident foreign students who are in exchange programs and who are
32 recipients of a J-1 visa pursuant to federal law, that is equal to the
33 number of resident students enrolled in that local education agency who
34 are currently participating in a foreign exchange program, as determined
35 by the department, without the payment of tuition.

36 F. The governing board may admit children who are residents of the
37 United States without payment of tuition if evidence indicates that
38 because the parents are homeless or the child is abandoned, as defined in
39 section 8-201, the child's physical, mental, moral or emotional health is
40 best served by placement with a person who does not have legal custody of
41 the child and who is a resident within the school district, unless the
42 governing board determines that the placement is solely for the purpose of
43 obtaining an education in this state without payment of tuition.

1 G. The governing board may admit children who are residents of the
2 United States, but who are nonresidents of this state, without payment of
3 tuition if all of the following conditions exist:

4 1. The child is a member of a federally recognized Indian tribe.

5 2. The child resides on Indian lands that are under the
6 jurisdiction of the tribe of which the child is a member.

7 3. The area in the boundaries of the reservation where the child
8 resides is located both in this state and in another state of the United
9 States.

10 4. The governing board enters into an intergovernmental agreement
11 with the governing board of the school district in another state in which
12 the nonresident child resides. The intergovernmental agreement shall
13 specify the number of nonresident children admitted in this state and the
14 number of resident children that are admitted by the governing board in
15 another state.

16 H. The governing board may admit children who are residents of the
17 United States, but who are nonresidents of this state, without payment of
18 tuition if all of the following conditions exist:

19 1. The child is enrolled in a year-round residential
20 boarding academy located in this state specializing in intensive
21 instruction and skill development in sports, music or acting.

22 2. The child's parents have executed a current notarized
23 guardianship agreement covering the child while enrolled at the academy,
24 which is a condition of enrollment at the academy and authorizes academy
25 representatives to act on behalf of the child's parent or legal guardian
26 in making all decisions on a daily basis as to the child's activities and
27 needs for medical, educational and other personal issues.

28 I. The governing board shall charge reasonable tuition for the
29 number of nonresident pupils who reside in another state and who are
30 admitted by a governing board in this state pursuant to subsection ~~F~~ G of
31 this section that exceeds the number of resident pupils from this state
32 who are admitted into a school district by the other state.

33 J. The governing board of a school district shall pay reasonable
34 tuition for the number of resident pupils who reside in that school
35 district and who are admitted by a school district in another state
36 pursuant to subsection ~~F~~ G of this section that exceeds the number of
37 nonresident pupils from that other state who are admitted by the governing
38 board into that school district in this state.

39 K. Children admitted under this section shall be counted or not
40 counted as resident pupils as prescribed in section 15-824, subsection D.

41 L. Except as provided in subsections E, H and K of this section, a
42 school district or a charter school shall not include pupils who are not
43 residents of this state in the district's or charter school's student
44 count and shall not obtain state funding for those pupils.

1 Sec. 7. Department of education; recalculation of student
2 count; repayment of tuition; retroactivity

3 A. The department of education shall recalculate the student count
4 for a union high school district in a county with a population of less
5 than four hundred thousand persons for students who had previously been
6 enrolled and previously paid tuition and who were subsequently determined
7 to be eligible for state aid pursuant to sections 15-823 and 15-824,
8 Arizona Revised Statutes. Notwithstanding section 15-915, subsection C,
9 Arizona Revised Statutes, the department shall reimburse that school
10 district for state aid in a corresponding amount.

11 B. A union high school district shall remit any state aid
12 reimbursements it receives pursuant to subsection A of this section to
13 persons who previously paid tuition for a student to attend the school
14 district who was subsequently determined to be eligible for state aid
15 pursuant to sections 15-823 and 15-824, Arizona Revised Statutes. A union
16 high school district shall provide any necessary information to the
17 department but may not be further audited, required to revise its budget
18 or annual financial report or be subject to further action under section
19 15-915, Arizona Revised Statutes, for the actions taken by the department
20 to retroactively recalculate the student count of that school district
21 pursuant to subsection A of this section.

22 C. This section applies retroactively to from and after June 30,
23 2013.

APPROVED BY THE GOVERNOR APRIL 27, 2017.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 27, 2017.

Passed the House February 2, 20 17

Passed the Senate March 16, 20 17

by the following vote: 59 Ayes,

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

0 Nays, 1 Not Voting

[Signature]
Speaker of the House
 Pro Tempore

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR**

This Bill received by the Governor this

_____ day of _____, 20 _____

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

at _____ o'clock _____ M.

Governor of Arizona

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE**

This Bill received by the Secretary of State

this _____ day of _____, 20 _____

at _____ o'clock _____ M.

Secretary of State

H.B. 2108

HOUSE FINAL PASSAGE
as per Joint Conference

SENATE FINAL PASSAGE
as per Joint Conference

Passed the House April 20, 2017

Passed the Senate April 24, 2017

by the following vote: 56 Ayes,

by the following vote: 29 Ayes,

0 Nays, 3 Not Voting
1 Vacant

0 Nays, 1 Not Voting

[Signature]
Speaker of the House
 Pro Tempore
[Signature]
Chief Clerk of the House

[Signature]
President of the Senate
[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

25th day of April, 2017

at 12:09 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 27th day of

April, 2017

at 4:32 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 27 day of April, 2017

at 5:04 o'clock P. M.

[Signature]
Secretary of State