



STATE OF ARIZONA  
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY  
GOVERNOR

EXECUTIVE OFFICE

April 13, 2018

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

Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2<sup>nd</sup> Regular Session, which I signed on April 12, 2018:

- HB 2081 insurance adjusters; application of laws (Livingston)
- HB 2083 insurance contracts; construction (Livingston)
- HB 2086 schools; diabetes management policies; pharmacists (Carter)
- HB 2188 prisoners; special services fund; uses (Boyer)
- HB 2192 military family relief fund; extension (Carter)
- HB 2211 bankruptcy exemption; personal property (Thorpe)
- HB 2228 AHCCCS; annual waiver; applicability (Cook)
- HB 2246 jail; prohibited items; drugs (Farnsworth, E.)
- HB 2314 misdemeanor sentence; authorized disposition (Farnsworth, E.)
- HB 2315 intensive probation; employment wages; monitoring (Farnsworth, E.)
- HB 2321 auricular acupuncturists; fingerprinting (Carter)
- HB 2328 concealed weapons permit; electronic reports (Farnsworth, E.)
- HB 2601 securities; crowdfunding; virtual coin offerings (Weninger)
- HB 2602 running nodes; blockchain; regulation prohibition (Weninger)
- SB 1034 committee of reference; standing committee (Kavanagh)
- SB 1054 ASRS; nonparticipating employers (Fann)
- SB 1090 Beirut barracks bombing remembrance day (Borrelli)
- SB 1100 workers' compensation; claim settlement (Fann)
- SB 1113 zoning violations; notice; service (Fann)
- SB 1150 application fees; financial institutions department (Farnsworth, D.)

SB 1185 appropriations; named claimants (Kavanagh)  
SB 1260 law enforcement officers; interviews; rights (Borrelli)  
SB 1379 flood protection districts; divisions; electors (Pratt)  
SB 1385 tax appeals; administrative hearings; confidentiality (Farnsworth, D.)  
SB 1394 DHS; reporting; abortions (Barto)  
SB 1431 memorial; veterans; suicide (Barto)  
SB 1442 personal finance (Yee)  
SB 1447 juror questionnaire; investigations (Griffin)  
SB 1451 patient referral inducements; prohibited compensation (Barto)  
SB 1455 civil traffic violations; procedures; penalties (Petersen)  
SB 1493 environmental quality; dredge, fill permits (Griffin)  
SB 1503 delinquent restitution; procedure (Smith)

Sincerely,

A handwritten signature in black ink that reads "Douglas A. Ducey". The signature is written in a cursive, flowing style.

Douglas A. Ducey  
Governor  
State of Arizona

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

House Engrossed Senate Bill  
**FILED**

**MICHELE REAGAN**  
**SECRETARY OF STATE**

State of Arizona  
Senate  
Fifty-third Legislature  
Second Regular Session  
2018

**CHAPTER 221**  
**SENATE BILL 1442**

AN ACT

AMENDING TITLE 15, CHAPTER 2, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-259; AMENDING SECTION 15-701.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2015, CHAPTER 1, SECTION 1, CHAPTER 127, SECTION 1 AND CHAPTER 145, SECTION 1; REPEALING SECTION 15-701.01, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2017, CHAPTER 210, SECTION 4; RELATING TO SCHOOL CURRICULA.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 15, chapter 2, article 3, Arizona Revised  
3 Statutes, is amended by adding section 15-259, to read:

4 15-259. State seal of personal finance proficiency program:  
5 requirements; diploma; program termination

6 A. THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL ESTABLISH A STATE  
7 SEAL OF PERSONAL FINANCE PROFICIENCY PROGRAM TO RECOGNIZE STUDENTS WHO  
8 GRADUATE FROM A SCHOOL OPERATED BY A SCHOOL DISTRICT OR A CHARTER SCHOOL  
9 LOCATED IN THIS STATE AND WHO HAVE ATTAINED A HIGH LEVEL OF PROFICIENCY IN  
10 PERSONAL FINANCE.

11 B. THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL:

12 1. CREATE A STATE SEAL OF PERSONAL FINANCE PROFICIENCY, WHICH SHALL  
13 BE AFFIXED TO THE DIPLOMA AND NOTED ON THE TRANSCRIPT OF A STUDENT TO  
14 RECOGNIZE THAT THE STUDENT HAS MET THE REQUIREMENTS PRESCRIBED IN THIS  
15 SECTION.

16 2. DELIVER THE STATE SEAL OF PERSONAL FINANCE PROFICIENCY TO EACH  
17 PUBLIC SCHOOL DISTRICT OR CHARTER SCHOOL THAT PARTICIPATES IN THE PROGRAM.

18 C. ANY SCHOOL DISTRICT OR CHARTER SCHOOL MAY VOLUNTARILY  
19 PARTICIPATE IN THE STATE SEAL OF PERSONAL FINANCE PROFICIENCY PROGRAM BY  
20 NOTIFYING THE SUPERINTENDENT OF PUBLIC INSTRUCTION OF THE SCHOOL  
21 DISTRICT'S OR CHARTER SCHOOL'S INTENT TO PARTICIPATE IN THE PROGRAM.

22 D. EACH SCHOOL DISTRICT GOVERNING BOARD OR CHARTER SCHOOL GOVERNING  
23 BODY THAT PARTICIPATES IN THE STATE SEAL OF PERSONAL FINANCE PROFICIENCY  
24 PROGRAM SHALL:

25 1. IDENTIFY THE STUDENTS WHO HAVE MET THE REQUIREMENTS TO BE  
26 AWARDED THE STATE SEAL OF PERSONAL FINANCE PROFICIENCY.

27 2. AFFIX THE STATE SEAL OF PERSONAL FINANCE PROFICIENCY TO THE  
28 DIPLOMA AND NOTE THE RECEIPT OF THE STATE SEAL OF PERSONAL FINANCE  
29 PROFICIENCY ON THE TRANSCRIPT OF EACH STUDENT WHO MEETS THOSE  
30 REQUIREMENTS.

31 E. THE STATE BOARD OF EDUCATION, IN COLLABORATION WITH ANY  
32 ORGANIZATION WITH EXPERTISE IN FINANCE OR FINANCIAL LITERACY, SHALL ADOPT  
33 MINIMUM REQUIREMENTS FOR THE PROGRAM ESTABLISHED PURSUANT TO THIS SECTION  
34 AND MAY ADOPT RULES AS NECESSARY TO CARRY OUT THE PURPOSES OF THIS  
35 SECTION.

36 F. A SCHOOL DISTRICT OR CHARTER SCHOOL THAT PARTICIPATES IN THE  
37 STATE SEAL OF PERSONAL FINANCE PROFICIENCY PROGRAM ESTABLISHED PURSUANT TO  
38 THIS SECTION SHALL AWARD A STUDENT, ON GRADUATION FROM HIGH SCHOOL, A HIGH  
39 SCHOOL DIPLOMA WITH A STATE SEAL OF PERSONAL FINANCE PROFICIENCY IF THE  
40 STUDENT MEETS BOTH OF THE FOLLOWING REQUIREMENTS:

41 1. SUCCESSFULLY COMPLETES ALL SOCIAL STUDIES REQUIREMENTS FOR  
42 GRADUATION WITH AN OVERALL GRADE POINT AVERAGE IN THOSE CLASSES OF 3.0 OR  
43 HIGHER ON A 4.0 SCALE, OR THE EQUIVALENT.

44 2. DEMONSTRATES PROFICIENCY IN PERSONAL FINANCE BY MEETING THE  
45 REQUIREMENTS ADOPTED PURSUANT TO SUBSECTION E OF THIS SECTION.

1 G. THE PROGRAM ESTABLISHED PURSUANT TO THIS SECTION ENDS ON JULY 1,  
2 2028 PURSUANT TO SECTION 41-3102.

3 Sec. 2. Section 15-701.01, Arizona Revised Statutes, as amended by  
4 Laws 2015, chapter 1, section 1, chapter 127, section 1 and chapter 145,  
5 section 1, is amended to read:

6 15-701.01. High school; graduation; requirements; community  
7 college or university courses; transfer from  
8 other schools; academic credit

9 A. The state board of education shall:

10 1. Prescribe a minimum course of study, as defined in section  
11 15-101 and incorporating the academic standards adopted by the state board  
12 of education, for the graduation of pupils from high school.

13 2. Prescribe competency requirements for the graduation of pupils  
14 from high school incorporating the academic standards in at least the  
15 areas of reading, writing, mathematics, science and social studies. The  
16 academic standards prescribed by the state board of education in social  
17 studies shall include personal finance. ~~This paragraph does not allow the~~  
18 ~~state board of education to establish a required separate personal finance~~  
19 ~~course for the purpose of the graduation of pupils from high school.~~ THE  
20 STATE BOARD OF EDUCATION MAY CONSIDER THE ESTABLISHMENT OF A REQUIRED  
21 SEPARATE PERSONAL FINANCE COURSE FOR THE PURPOSE OF THE GRADUATION OF  
22 PUPILS FROM HIGH SCHOOL. Beginning in the 2016-2017 school year, the  
23 competency requirements for social studies shall include a requirement  
24 that, in order to graduate from high school or obtain a high school  
25 equivalency diploma, a pupil must correctly answer at least sixty of the  
26 one hundred questions listed on a test that is identical to the civics  
27 portion of the naturalization test used by the United States citizenship  
28 and immigration services. A district school or charter school shall  
29 document on the pupil's transcript that the pupil has passed a test that  
30 is identical to the civics portion of the naturalization test used by the  
31 United States citizenship and immigration services as required by this  
32 section.

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

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

37 1. Prescribe curricula that include the academic standards in the  
38 required subject areas pursuant to subsection A, paragraph 1 of this  
39 section.

40 2. Prescribe criteria for the graduation of pupils from the high  
41 schools in the school district. These criteria shall include  
42 accomplishment of the academic standards in at least reading, writing,  
43 mathematics, science and social studies, as determined by district  
44 assessment. Other criteria may include additional measures of academic  
45 achievement and attendance. Pursuant to the prescribed graduation

1 requirements adopted by the state board of education, the governing board  
2 may approve a rigorous computer science course that would fulfill a  
3 mathematics course required for graduation from high school. The  
4 governing board may approve a rigorous computer science course only if the  
5 rigorous computer science course includes significant mathematics content  
6 and the governing board determines the high school where the rigorous  
7 computer science course is offered has sufficient capacity, infrastructure  
8 and qualified staff, including competent teachers of computer science.  
9 The school district governing board or charter school governing body may  
10 determine the method and manner in which to administer a test that is  
11 identical to the civics portion of the naturalization test used by the  
12 United States citizenship and immigration services. A pupil who does not  
13 obtain a passing score on the test that is identical to the civics portion  
14 of the naturalization test may retake the test until the pupil obtains a  
15 passing score.

16 C. The governing board may prescribe the course of study and  
17 competency requirements for the graduation of pupils from high school that  
18 are in addition to or higher than the course of study and competency  
19 requirements that the state board prescribes.

20 D. The governing board may prescribe competency requirements for  
21 the passage of pupils in courses that are required for graduation from  
22 high school.

23 E. A teacher shall determine whether to pass or fail a pupil in a  
24 course in high school ~~as provided in section 15-521, paragraph 4~~ on the  
25 basis of the competency requirements, if any have been prescribed. The  
26 governing board, if it reviews the decision of a teacher to pass or fail a  
27 pupil in a course in high school as provided in section 15-342, paragraph  
28 11, shall base its decision on the competency requirements, if any have  
29 been prescribed.

30 F. Graduation requirements established by the governing board may  
31 be met by a pupil who passes courses in the required or elective subjects  
32 at a community college or university, if the course is at a higher level  
33 than the course taught in the high school attended by the pupil or, if the  
34 course is not taught in the high school, the level of the course is equal  
35 to or higher than the level of a high school course. The governing board  
36 shall determine if the subject matter of the community college or  
37 university course is appropriate to the specific requirement the pupil  
38 intends it to fulfill and if the level of the community college or  
39 university course is less than, equal to or higher than a high school  
40 course, and the governing board shall award one-half of a Carnegie unit  
41 for each three semester hours of credit THAT the pupil earns in an  
42 appropriate community college or university course. If a pupil is not  
43 satisfied with the decision of the governing board regarding the amount of  
44 credit granted or the subjects for which credit is granted, the pupil may  
45 request that the state board of education review the decision of the

1 governing board, and the state board shall make the final determination of  
2 the amount of credit to be given the pupil and for which subjects. The  
3 governing board shall not limit the number of credits that is required for  
4 high school graduation and that may be met by taking community college or  
5 university courses. For the purposes of this subsection:

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

10 2. "University" means a university under the jurisdiction of the  
11 Arizona board of regents.

12 G. A pupil who transfers from a private school shall be provided  
13 with a list that indicates those credits that have been accepted and  
14 denied by the school district. A pupil may request to take an examination  
15 in each particular course in which credit has been denied. The school  
16 district shall accept the credit for each particular course in which the  
17 pupil takes an examination and receives a passing score on a test designed  
18 and evaluated by a teacher in the school district who teaches the subject  
19 matter on which the examination is based. In addition to the above  
20 requirements, the governing board of a school district may prescribe  
21 requirements for the acceptance of the credits of pupils who transfer from  
22 a private school.

23 H. If a pupil who was previously enrolled in a charter school or  
24 school district enrolls in a school district in this state, the school  
25 district shall accept credits earned by the pupil in courses or  
26 instructional programs at the charter school or school district. The  
27 governing board of a school district may adopt a policy concerning the  
28 application of transfer credits for the purpose of determining whether a  
29 credit earned by a pupil who was previously enrolled in a school district  
30 or charter school will be assigned as an elective or core credit.

31 I. A pupil who transfers credit from a charter school, A school  
32 district or Arizona online instruction shall be provided with a list that  
33 indicates which credits have been accepted as ~~an~~ elective ~~credit~~ CREDITS  
34 and which credits have been accepted as ~~a~~ core ~~credit~~ CREDITS by the  
35 school district or charter school. Within ten school days after receiving  
36 the list, ~~a~~ THE pupil may request to take an examination in each  
37 particular course in which core credit has been denied. The school  
38 district or charter school shall accept the credit as a core credit for  
39 each particular course in which the pupil takes an examination and  
40 receives a passing score on a test, ~~THAT IS~~ aligned to the competency  
41 requirements adopted pursuant to this section, ~~AND THAT IS~~ designed and  
42 evaluated by a teacher in the school district or charter school who  
43 teaches the subject matter on which the examination is based. If a pupil  
44 is enrolled in a school district or charter school and that pupil also  
45 participates in Arizona online instruction between May 1 and July 31, the

1 school district or charter school shall not require proof of payment as a  
2 condition of the school district or charter school accepting credits  
3 earned from the online course provider.

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

8 K. Pupils who earn a Grand Canyon diploma pursuant to article 6 of  
9 this chapter are exempt from the graduation requirements prescribed in  
10 this section. Pupils who earn a Grand Canyon diploma are entitled to all  
11 the rights and privileges of persons who graduate with a high school  
12 diploma issued pursuant to this section, including access to postsecondary  
13 scholarships and other forms of student financial aid and access to all  
14 forms of postsecondary education. Notwithstanding any other law, a pupil  
15 who is eligible for a Grand Canyon diploma may elect to remain in high  
16 school through grade twelve and shall not be prevented from enrolling at a  
17 high school after the pupil becomes eligible for a Grand Canyon diploma.  
18 A pupil who is eligible for a Grand Canyon diploma and who elects not to  
19 pursue one of the options prescribed in section 15-792.03 may only be  
20 readmitted to that high school or another high school in this state  
21 pursuant to policies adopted by the school district of readmission.

22 Sec. 3. Repeal

23 Section 15-701.01, Arizona Revised Statutes, as amended by Laws  
24 2017, chapter 210, section 4, is repealed.

**APPROVED BY THE GOVERNOR APRIL 12, 2018**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 13, 2018**

Passed the House April 5, 20 18,

Passed the Senate February 22, 20 18,

by the following vote: 43 Ayes,

by the following vote: 30 Ayes,

16 Nays, 1 Not Voting

0 Nays, 0 Not Voting

[Signature]  
Speaker of the House

[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 was received by the Governor this~~

~~\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Secretary to the Governor~~

~~Approved this \_\_\_\_\_ day of~~

~~\_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Governor of Arizona~~

S.B. 1442

~~EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE~~

~~This Bill was received by the Secretary of State~~

~~this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Secretary of State~~

SENATE CONCURS IN HOUSE  
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 9, 20 18

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting

Steve Gallardo  
President of the Senate

Susan Arenas  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

9<sup>th</sup> day of April, 20 18

at 5:00 o'clock P. M.

[Signature]  
Secretary to the Governor

Approved this 12<sup>th</sup> day of

April 2018

at 4:48 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 13 day of April, 20 18

at 4:50 o'clock P. M.

Michelle Reagan  
Secretary of State