REFERENCE TITLE: professional education standards board

State of Arizona Senate Forty-eighth Legislature Second Regular Session 2008

SB 1378

Introduced by Senator O'Halleran

AN ACT

AMENDING SECTIONS 15-183, 15-203, 15-240, 15-350 AND 15-501, ARIZONA REVISED STATUTES; REPEALING SECTIONS 15-508 AND 15-509, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-512 AND 15-514, ARIZONA REVISED STATUTES; REPEALING SECTIONS 15-531, 15-532 AND 15-533, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-534, 15-534.01, 15-534.02 AND 15-534.03, ARIZONA REVISED STATUTES; REPEALING SECTION 15-535, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-539 AMD 15-545, ARIZONA REVISED STATUTES; REPEALING SECTION 15-550, ARIZONA REVISED STATUTES; AMENDING SECTION 15-551, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 5, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 4; AMENDING SECTIONS 15-779.02, 15-914.01, 41-1092.02 AND 41-2831, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3018.01; RELATING TO THE PROFESSIONAL EDUCATION STANDARDS BOARD.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 15-183, Arizona Revised Statutes, is amended to read:

15-183. <u>Charter schools: application: requirements: immunity: exemptions: renewal of application: reprisal</u>

- A. An applicant seeking to establish a charter school shall submit a written application to a proposed sponsor as prescribed in subsection C of this section. The application shall include a detailed business plan for the charter school and may include a mission statement for the charter school, a description of the charter school's organizational structure and the governing body, a financial plan for the first three years of operation of the charter school, a description of the charter school's hiring policy, the name of the charter school's applicant or applicants and requested sponsor, a description of the charter school's facility and the location of the school, a description of the grades being served and an outline of criteria designed to measure the effectiveness of the school.
- B. The sponsor of a charter school may contract with a public body, private person or private organization for the purpose of establishing a charter school pursuant to this article.
- C. The sponsor of a charter school may be either a school district governing board, the state board of education or the state board for charter schools, subject to the following requirements:
- 1. For charter schools that submit an application for sponsorship to a school district governing board:
- (a) An applicant for a charter school may submit its application to a school district governing board, which shall either accept or reject sponsorship of the charter school within ninety days. An applicant may submit a revised application for reconsideration by the governing board. If the governing board rejects the application, the governing board shall notify the applicant in writing of the reasons for the rejection. The applicant may request, and the governing board may provide, technical assistance to improve the application.
- (b) In the first year that a school district is determined to be out of compliance with the uniform system of financial records, within fifteen days of the determination of noncompliance, the school district shall notify by certified mail each charter school sponsored by the school district that the school district is out of compliance with the uniform system of financial records. The notification shall include a statement that if the school district is determined to be out of compliance for a second consecutive year, the charter school will be required to transfer sponsorship to another entity pursuant to subdivision (c) of this paragraph.
- (c) In the second consecutive year that a school district is determined to be out of compliance with the uniform system of financial records, within fifteen days of the determination of noncompliance, the school district shall notify by certified mail each charter school sponsored

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by the school district that the school district is out of compliance with the uniform system of financial records. A charter school that receives a notification of school district noncompliance pursuant to this subdivision shall file a written sponsorship transfer application within forty-five days with the state board of education, the state board for charter schools or the school district governing board if the charter school is located within the geographic boundaries of that school district. A charter school that receives a notification of school district noncompliance may request an extension of time to file a sponsorship transfer application and the state board of education, the state board for charter schools or a school district governing board may grant an extension of not more than an additional thirty days if good cause exists for the extension. The state board of education and the state board for charter schools shall approve a sponsorship transfer application pursuant to this paragraph.

- (d) Beginning July 1, 2000, a school district governing board shall not grant a charter to a charter school that is located outside the geographic boundaries of that school district.
- (e) A school district that has been determined to be out of compliance with the uniform system of financial records during either of the previous two fiscal years shall not sponsor a new or transferring charter school.
- 2. The applicant may submit the application to the state board of education or the state board for charter schools. The state board of education or the state board for charter schools may approve the application if the application meets the requirements of this article and may approve the charter if the proposed sponsor determines, within its sole discretion, that the applicant is sufficiently qualified to operate a charter school. state board of education or the state board for charter schools may approve any charter schools transferring charters. The state board of education and the state board for charter schools shall approve any charter schools transferring charters from a school district that is determined to be out of compliance with the uniform system of financial records pursuant to this section, but may require the charter school to sign a new charter that is equivalent to the charter awarded by the former sponsor. If the state board of education or the state board for charter schools rejects the preliminary application, the state board of education or the state board for charter schools shall notify the applicant in writing of the reasons for the rejection and of suggestions for improving the application. An applicant may submit a revised application for reconsideration by the state board of education or the state board for charter schools. The applicant may request, and the state board of education or the state board for charter schools may provide, technical assistance to improve the application.
- 3. Each applicant seeking to establish a charter school shall submit a full set of fingerprints to the approving agency for the purpose of obtaining a state and federal criminal records check pursuant to section 41-1750 and Public Law 92-544. If an applicant will have direct contact with students,

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the applicant shall possess a valid fingerprint clearance card that is issued pursuant to title 41, chapter 12, article 3.1. The department of public safety may exchange this fingerprint data with the federal bureau of investigation. The criminal records check shall be completed before the issuance of a charter.

- All persons engaged in instructional work directly as a classroom, laboratory or other teacher or indirectly as a supervisory teacher, speech therapist or principal shall have a valid fingerprint clearance card that is issued pursuant to title 41, chapter 12, article 3.1, unless the person is a volunteer or guest speaker who is accompanied in the classroom by a person with a valid fingerprint clearance card. A charter school shall not employ a teacher whose certificate has been revoked for a violation of section 15-507 or 15-550 or for any offense that placed a pupil in danger. personnel shall be fingerprint checked pursuant to section 15-512. Before employment, the charter school shall make documented, good faith efforts to contact previous employers of a person to obtain information and recommendations that may be relevant to a person's fitness for employment as prescribed in section 15-512, subsection F. The charter school shall notify the department of public safety if the charter school or sponsor receives credible evidence that a person who possesses a valid fingerprint clearance card is arrested for or is charged with an offense listed in section 41-1758.03, subsection B. Charter schools may hire personnel that have not yet received a fingerprint clearance card if proof is provided of the submission of an application to the department of public safety for a fingerprint clearance card and if the charter school that is seeking to hire the applicant does all of the following:
- (a) Documents in the applicant's file the necessity for hiring and placement of the applicant before receiving a fingerprint clearance card.
- (b) Ensures that the department of public safety completes a statewide criminal history information check on the applicant. A statewide criminal history information check shall be completed by the department of public safety every one hundred twenty days until the date that the fingerprint check is completed.
- (c) Obtains references from the applicant's current employer and the two most recent previous employers except for applicants who have been employed for at least five years by the applicant's most recent employer.
- (d) Provides general supervision of the applicant until the date that the fingerprint card is obtained.
- (e) Completes a search of criminal records in all local jurisdictions outside of this state in which the applicant has lived in the previous five years.
- (f) Verifies the fingerprint status of the applicant with the department of public safety.
- 5. If a charter school operator is not already subject to a public meeting or hearing by the municipality in which the charter school is

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located, the operator of a charter school shall conduct a public meeting at least thirty days before the charter school operator opens a site or sites for the charter school. The charter school operator shall post notices of the public meeting in at least three different locations that are within three hundred feet of the proposed charter school site.

- D. A board that is authorized to sponsor charter schools pursuant to this article has no legal authority over or responsibility for a charter school sponsored by a different board. This subsection does not apply to the state board of education's duty to exercise general supervision over the public school system pursuant to section 15-203, subsection A, paragraph 1.
 - E. The charter of a charter school shall ensure the following:
- 1. Compliance with federal, state and local rules, regulations and statutes relating to health, safety, civil rights and insurance. The department of education shall publish a list of relevant rules, regulations and statutes to notify charter schools of their responsibilities under this paragraph.
- 2. That it is nonsectarian in its programs, admission policies and employment practices and all other operations.
- 3. That it provides a comprehensive program of instruction for at least a kindergarten program or any grade between grades one and twelve, except that a school may offer this curriculum with an emphasis on a specific learning philosophy or style or certain subject areas such as mathematics, science, fine arts, performance arts or foreign language.
- 4. That it designs a method to measure pupil progress, toward the pupil outcomes adopted by the state board of education pursuant to section 15-741.01 including participation in the Arizona instrument to measure standards test and the nationally standardized norm-referenced achievement test as designated by the state board and the completion and distribution of an annual report card as prescribed in chapter 7, article 3 of this title.
- 5. That, except as provided in this article and in its charter, it is exempt from all statutes and rules relating to schools, governing boards and school districts.
- 6. That, except as provided in this article, it is subject to the same financial and electronic data submission requirements as a school district, including the uniform system of financial records as prescribed in chapter 2, article 4 of this title, procurement rules as prescribed in section 15-213 and audit requirements. The auditor general shall conduct a comprehensive review and revision of the uniform system of financial records to ensure that the provisions of the uniform system of financial records that relate to charter schools are in accordance with commonly accepted accounting principles used by private business. A school's charter may include exceptions to the requirements of this paragraph that are necessary as determined by the district governing board, the state board of education or the state board for charter schools. The department of education or the

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office of the auditor general may conduct financial, program or compliance audits.

- 7. Compliance with all federal and state laws relating to the education of children with disabilities in the same manner as a school district.
- 8. That it provides for a governing body for the charter school that is responsible for the policy decisions of the charter school.
- 9. That it provides a minimum of one hundred seventy-five instructional days before June 30 of each fiscal year unless it is operating on an alternative calendar approved by its sponsor. The superintendent of public instruction shall adjust the apportionment schedule accordingly to accommodate a charter school utilizing an alternative calendar.
- F. The charter of a charter school shall include a description of the charter school's personnel policies, personnel qualifications and method of school governance and the specific role and duties of the sponsor of the charter school. A charter school shall keep on file the resumes of all current and former employees who provide instruction to pupils at the charter school. Resumes shall include an individual's educational and teaching background and experience in a particular academic content subject area. A charter school shall inform parents and guardians of the availability of the resume information and shall make the resume information available for inspection on request of parents and guardians of pupils enrolled at the charter school. Nothing in this subsection shall be construed to require any charter school to release personally identifiable information in relation to any teacher or employee including the teacher's or employee's address, salary, social security number or telephone number.
- G. The charter of a charter school may be amended at the request of the governing body of the charter school and on the approval of the sponsor.
 - H. Charter schools may contract, sue and be sued.
- An approved plan to establish a charter school is effective for fifteen years from the first day of operation. At the conclusion of the first fourteen years of operation, the charter school may apply for renewal. In addition to any other requirements, the application for renewal shall include a detailed business plan for the charter school. The sponsor may deny the request for renewal if, in its judgment, the charter school has failed to complete the obligations of the contract or has failed to comply with this article. A sponsor shall give written notice of its intent not to renew the charter school's request for renewal to the charter school at least twelve months before the expiration of the approved plan to allow the charter school an opportunity to apply to another sponsor to transfer the operation of the charter school. If the operation of the charter school is transferred to another sponsor, the fifteen year period of the current charter shall be maintained. A sponsor shall review a charter at five year intervals and may revoke a charter at any time if the charter school breaches one or more provisions of its charter. At least ninety days before the effective date of

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the proposed revocation the sponsor shall give written notice to the operator of the charter school of its intent to revoke the charter. Notice of the sponsor's intent to revoke the charter shall be delivered personally to the operator of the charter school or sent by certified mail, return receipt requested, to the address of the charter school. The notice shall incorporate a statement of reasons for the proposed revocation of the charter. The sponsor shall allow the charter school at least ninety days to correct the problems associated with the reasons for the proposed revocation of the charter. The final determination of whether to revoke the charter shall be made at a public hearing called for such purpose.

- J. After renewal of the charter at the end of the fifteen year period described in subsection I of this section, the charter may be renewed for successive periods of fifteen years if the charter school and its sponsor deem that the school is in compliance with its own charter and this article.
- K. A charter school that is sponsored by the state board of education or the state board for charter schools may not be located on the property of a school district unless the district governing board grants this authority.
- L. A governing board or a school district employee who has control over personnel actions shall not take unlawful reprisal against another employee of the school district because the employee is directly or indirectly involved in an application to establish a charter school. A governing board or a school district employee shall not take unlawful reprisal against an educational program of the school or the school district because an application to establish a charter school proposes the conversion of all or a portion of the educational program to a charter school. As used in FOR THE PURPOSES OF this subsection, "unlawful reprisal" means an action that is taken by a governing board or a school district employee as a direct result of a lawful application to establish a charter school and that is adverse to another employee or an education program and:
- 1. With respect to a school district employee, results in one or more of the following:
 - (a) Disciplinary or corrective action.
 - (b) Detail, transfer or reassignment.
 - (c) Suspension, demotion or dismissal.
 - (d) An unfavorable performance evaluation.
 - (e) A reduction in pay, benefits or awards.
- (f) Elimination of the employee's position without a reduction in force by reason of lack of monies or work.
- (g) Other significant changes in duties or responsibilities that are inconsistent with the employee's salary or employment classification.
- 2. With respect to an educational program, results in one or more of the following:
 - (a) Suspension or termination of the program.
- (b) Transfer or reassignment of the program to a less favorable department.

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- (c) Relocation of the program to a less favorable site within the school or school district.
 - (d) Significant reduction or termination of funding for the program.
- M. Charter schools shall secure insurance for liability and property loss. The governing body of a charter school that is sponsored by the state board of education or the state board for charter schools may enter into an intergovernmental agreement or otherwise contract to participate in an insurance program offered by a risk retention pool established pursuant to section 11-952.01 or 41-621.01 or the charter school may secure its own insurance coverage. The pool may charge the requesting charter school reasonable fees for any services it performs in connection with the insurance program.
- N. Charter schools do not have the authority to acquire property by eminent domain.
- O. A sponsor, including members, officers and employees of the sponsor, is immune from personal liability for all acts done and actions taken in good faith within the scope of its authority.
- P. Charter school sponsors and this state are not liable for the debts or financial obligations of a charter school or persons who operate charter schools.
- Q. The sponsor of a charter school shall establish procedures to conduct administrative hearings on determination by the sponsor that grounds exist to revoke a charter. Procedures for administrative hearings shall be similar to procedures prescribed for adjudicative proceedings in title 41, chapter 6, article 10. Except as provided in section 41-1092.08, subsection H, final decisions of the state board of education and the state board for charter schools from hearings conducted pursuant to this subsection are subject to judicial review pursuant to title 12, chapter 7, article 6.
- R. The sponsoring entity of a charter school shall have oversight and administrative responsibility for the charter schools that it sponsors.
- S. Charter schools may pledge, assign or encumber their assets to be used as collateral for loans or extensions of credit.
- T. All property accumulated by a charter school shall remain the property of the charter school.
- U. Charter schools may not locate a school on property that is less than one-fourth mile from agricultural land regulated pursuant to section 3-365, except that the owner of the agricultural land may agree to comply with the buffer zone requirements of section 3-365. If the owner agrees in writing to comply with the buffer zone requirements and records the agreement in the office of the county recorder as a restrictive covenant running with the title to the land, the charter school may locate a school within the affected buffer zone. The agreement may include any stipulations regarding the charter school, including conditions for future expansion of the school and changes in the operational status of the school that will result in a breach of the agreement.

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- V. A transfer of a charter to another sponsor, a transfer of a charter school site to another sponsor or a transfer of a charter school site to a different charter shall be completed before the beginning of the fiscal year that the transfer is scheduled to become effective. An entity that sponsors charter schools may accept a transferring school after the beginning of the fiscal year if the transfer is approved by the superintendent of public instruction. The superintendent of public instruction shall have the discretion to consider each transfer during the fiscal year on a case by case basis. If a charter school is sponsored by a school district that is determined to be out of compliance with this title, the uniform system of financial records or any other state or federal law, the charter school may transfer to another sponsoring entity at any time during the fiscal year.
- W. The sponsoring entity may not charge any fees to a charter school that it sponsors unless the sponsor has provided services to the charter school and the fees represent the full value of those services provided by the sponsor. On request, the value of the services provided by the sponsor to the charter school shall be demonstrated to the department of education.
 - Sec. 2. Section 15-203, Arizona Revised Statutes, is amended to read: 15-203. <u>Powers and duties</u>
 - A. The state board of education shall:
- 1. Exercise general supervision over and regulate the conduct of the public school system and adopt any rules and policies it deems necessary to accomplish this purpose.
 - 2. Keep a record of its proceedings.
 - 3. Make rules for its own government.
 - 4. Determine the policy and work undertaken by it.
- 5. Appoint its employees, on the recommendation of the superintendent of public instruction.
 - 6. Prescribe the duties of its employees if not prescribed by statute.
- 7. Delegate to the superintendent of public instruction the execution of board policies and rules.
- 8. Recommend to the legislature changes or additions to the statutes pertaining to schools.
- 9. Prepare, publish and distribute reports concerning the educational welfare of this state.
- 10. Prepare a budget for expenditures necessary for proper maintenance of the board and accomplishment of its purposes and present the budget to the legislature.
 - 11. Aid in the enforcement of laws relating to schools.
- 12. Prescribe a minimum course of study in the common schools, minimum competency requirements for the promotion of pupils from the third grade and minimum course of study and competency requirements for the promotion of pupils from the eighth grade. The state board of education shall prepare a fiscal impact statement of any proposed changes to the minimum course of study or competency requirements and, on completion, shall send a copy to the

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director of the joint legislative budget committee and the executive director of the school facilities board. The state board of education shall not adopt any changes in the minimum course of study or competency requirements in effect on July 1, 1998 that will have a fiscal impact on school capital costs.

13. Prescribe minimum course of study and competency requirements for the graduation of pupils from high school. The state board of education shall prepare a fiscal impact statement of any proposed changes to the minimum course of study or competency requirements and, on completion, shall send a copy to the director of the joint legislative budget committee and the executive director of the school facilities board. The state board of education shall not adopt any changes in the minimum course of study or competency requirements in effect on July 1, 1998 that will have a fiscal impact on school capital costs.

14. Supervise and control the certification of persons engaged in instructional work directly as any classroom, laboratory or other teacher or indirectly as a supervisory teacher, speech therapist, principal or superintendent in a school district, including school district preschool programs, or any other educational institution below the community college, college or university level, and prescribe rules for certification, including rules for certification of teachers who have teaching experience and who are trained in other states, which are not unnecessarily restrictive and are substantially similar to the rules prescribed for the certification of teachers trained in this state. The rules shall require applicants for all certificates for common school instruction to complete a minimum of forty five classroom hours or three college level credit hours, or the equivalent, of training in research based systematic phonics instruction from a public or private provider. The rules shall not require a teacher to obtain a master's degree or to take any additional graduate courses as a condition of certification or recertification. The rules shall allow a general equivalency diploma to be substituted for a high school diploma in the certification of emergency substitute teachers.

15. 14. Adopt a list of approved tests for determining special education assistance to gifted pupils as defined in and as provided in chapter 7, article 4.1 of this title. The adopted tests shall provide separate scores for quantitative reasoning, verbal reasoning and nonverbal reasoning and shall be capable of providing reliable and valid scores at the highest ranges of the score distribution.

16. Adopt rules governing the methods for the administration of all proficiency examinations.

17. Adopt proficiency examinations for its use. The state board of education shall determine the passing score for the proficiency examination.

18. Include within its budget the cost of contracting for the purchase, distribution and scoring of the examinations as provided in paragraphs 16 and 17 of this subsection.

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19. Supervise and control the qualifications of professional nonteaching school personnel and prescribe standards relating to qualifications.
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- 20. Impose such disciplinary action, including the issuance of a letter of censure, suspension, suspension with conditions or revocation of a certificate, upon a finding of immoral or unprofessional conduct.
- $\frac{21}{10}$. Establish an assessment, data gathering and reporting system for pupil performance as prescribed in chapter 7, article 3 of this title.
- $\frac{22}{16}$. Adopt a rule to promote braille literacy pursuant to section 15-214.
- 23. Adopt rules prescribing procedures for the investigation by the department of education of every written complaint alleging that a certificated person has engaged in immoral conduct.
- 24. 17. For purposes of federal law, serve as the state board for vocational and technological education and meet at least four times each year solely to execute the powers and duties of the state board for vocational and technological education.
- 25. 18. Develop and maintain a handbook for use in the schools of this state that provides guidance for the teaching of moral, civic and ethical education. The handbook shall promote existing curriculum frameworks and shall encourage school districts to recognize moral, civic and ethical values within instructional and programmatic educational development programs for the general purpose of instilling character and ethical principles in pupils in kindergarten programs and grades one through twelve.
- $\frac{26.}{26.}$ 19. Require pupils to recite the following passage from the declaration of independence for pupils in grades four through six at the commencement of the first class of the day in the schools, except that a pupil shall not be required to participate if the pupil or the pupil's parent or guardian objects:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed. . . .

- 27. Adopt rules that provide for teacher certification reciprocity. The rules shall provide for a one year reciprocal teaching certificate with minimum requirements including valid teacher certification from a state with substantially similar criminal history or teacher fingerprinting requirements and proof of the submission of an application for a fingerprint clearance card pursuant to title 41, chapter 12, article 3.1.
- 28. 20. Adopt rules that will be in effect until December 31, 2006 and that provide for the presentation of an honorary high school diploma to a person who has never obtained a high school diploma and who meets each of the following requirements:

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- (a) Is at least sixty-five years of age.
- (b) Currently resides in this state.
- (c) Provides documented evidence from the Arizona department of veterans' services that the person enlisted in the armed forces of the United States before completing high school in a public or private school.
- (d) Was honorably discharged from service with the armed forces of the United States.
- 29. 21. Cooperate with the Arizona-Mexico commission in the governor's office and with researchers at universities in this state to collect data and conduct projects in the United States and Mexico on issues that are within the scope of the duties of the department of education and that relate to quality of life, trade and economic development in this state in a manner that will help the Arizona-Mexico commission to assess and enhance the economic competitiveness of this state and of the Arizona-Mexico region.
- 30. Adopt rules to define and provide guidance to schools as to the activities that would constitute immoral or unprofessional conduct of certificated persons.
- 31. 22. Adopt guidelines to encourage pupils in grades nine, ten, eleven and twelve to volunteer for twenty hours of community service before graduation from high school. A school district that complies with the guidelines adopted pursuant to this paragraph is not liable for damages resulting from a pupil's participation in community service unless the school district is found to have demonstrated wanton or reckless disregard for the safety of the pupil and other participants in community service. For the purposes of this paragraph, "community service" may include service learning. The guidelines shall include the following:
- (a) A list of the general categories in which community service may be performed.
- (b) A description of the methods by which community service will be monitored.
 - (c) A consideration of risk assessment for community service projects.
- (d) Orientation and notification procedures of community service opportunities for pupils entering grade nine, including the development of a notification form. The notification form shall be signed by the pupil and the pupil's parent or guardian, except that a pupil shall not be required to participate in community service if the parent or guardian notifies the principal of the pupil's school in writing that the parent or guardian does not wish the pupil to participate in community service.
- (e) Procedures for a pupil in grade nine to prepare a written proposal that outlines the type of community service that the pupil would like to perform and the goals that the pupil hopes to achieve as a result of community service. The pupil's written proposal shall be reviewed by a faculty advisor, a guidance counselor or any other school employee who is designated as the community service program coordinator for that school. The

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pupil may alter the written proposal at any time before performing community service.

- (f) Procedures for a faculty advisor, a guidance counselor or any other school employee who is designated as the community service program coordinator to evaluate and certify the completion of community service performed by pupils.
- 32. 23. To facilitate the transfer of military personnel and their dependents to and from the public schools of this state, pursue, in cooperation with the Arizona board of regents, 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.
- 33. 24. Adopt guidelines that school district governing boards shall use in identifying pupils who are eligible for gifted programs and in providing gifted education programs and services. The state board of education shall adopt any other guidelines and rules that it deems necessary in order to carry out the purposes of chapter 7, article 4.1 of this title.
 - B. The state board of education may:
 - 1. Contract.
 - 2. Sue and be sued.
- $3.\;$ Distribute and score the tests prescribed in chapter 7, article 3 of this title.
- 4. Provide for an advisory committee to conduct hearings and screenings to determine whether grounds exist to impose disciplinary action against a certificated person, whether grounds exist to reinstate a revoked or surrendered certificate and whether grounds exist to approve or deny an initial application for certification or a request for renewal of a certificate. The board may delegate its responsibility to conduct hearings and screenings to its advisory committee. Hearings shall be conducted pursuant to title 41, chapter 6, article 6.
- 5. Proceed with the disposal of any complaint requesting disciplinary action or with any disciplinary action against a person holding a certificate as prescribed in subsection A, paragraph 14 of this section after the suspension or expiration of the certificate or surrender of the certificate by the holder.
- 6. Assess costs and reasonable attorney fees against a person who files a frivolous complaint or who files a complaint in bad faith. Costs

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assessed pursuant to this paragraph shall not exceed the expenses incurred by the state board in the investigation of the complaint.

Sec. 3. Section 15-240, Arizona Revised Statutes, is amended to read: 15-240. <u>Issuance of subpoenas</u>

- A. On the request of any person who is investigating, on behalf of the department of education PROFESSIONAL EDUCATION STANDARDS BOARD, a complaint alleging that a certificated person has engaged in immoral or unprofessional conduct, the department of education PROFESSIONAL EDUCATION STANDARDS BOARD may issue subpoenas compelling the attendance and testimony of witnesses or demanding the production for examination or copying of documents or any physical evidence.
- B. The superior court, on application by the department of education PROFESSIONAL EDUCATION STANDARDS BOARD or by the person subpoenaed, has jurisdiction to issue an order either:
- 1. Requiring the person to appear before the department of education PROFESSIONAL EDUCATION STANDARDS BOARD or the duly authorized agent to produce evidence relating to the matter under investigation.
- 2. Revoking, limiting or modifying the subpoena if in the court's opinion the evidence demanded does not relate to conduct that might constitute grounds for disciplinary action, is not relevant to the subject matter of the investigation or does not describe with sufficient particularity the evidence whose production is required.
- C. Any failure to obey an order of the court pursuant to subsection B may be punished by the court as contempt.
 - Sec. 4. Section 15-350, Arizona Revised Statutes, is amended to read: 15-350. <u>Investigation of immoral or unprofessional conduct:</u> confidentiality
- A. On request of the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD, any school or school district that has employed a certificated person during the time in which the person is alleged to have engaged in conduct constituting grounds for disciplinary action shall make available the attendance and testimony of witnesses, documents and any physical evidence within the school district's control for examination or copying. All information received and records or reports kept by the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD during an investigation of immoral or unprofessional conduct are confidential and are not a public record.
- B. Notwithstanding subsection A of this section, the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD may provide information, records or reports relating to the investigation of a certificate holder to any school or school district that currently employs OR IS CONSIDERING THE EMPLOYMENT OF the certificate holder. All information, records or reports received by any school or school district pursuant to this subsection shall be used for employment purposes only, are confidential and are not a public record.

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C. An investigator who is regularly employed and paid by the $\frac{\text{state}}{\text{board of education}}$ PROFESSIONAL EDUCATION STANDARDS BOARD has the authority to access criminal history records and criminal history record information, as defined in section 41-1750, from law enforcement agencies.

Sec. 5. Section 15-501, Arizona Revised Statutes, is amended to read: 15-501. Definitions

In this chapter, unless the context otherwise requires:

- 1. "Administrator" means any school district administrator except a school principal devoting not less than fifty per cent of his time to classroom teaching.
- 2. "Certificated teacher" means a person who holds a certificate from the state board of education OR THE PROFESSIONAL EDUCATION STANDARDS BOARD to work in the schools of this state and who is employed under contract in a school district in a position which requires certification except a psychologist or an administrator devoting less than fifty per cent of his time to classroom teaching.
- 3. "Full-time" means employed for a full school day, or its equivalent, or for a full class load, or its equivalent, as determined by the governing board.
- 4. "Governing board" means the governing board of a school district or a county school superintendent in the case of accommodation schools located in such county.
- 5. "Major portion of a school year" means full-time employment for fifty-one per cent of the school days during which school is in session, except that a certificated teacher is not deemed to have completed the major portion of the third school year of three consecutive years of employment until the end of the third school year.
- 6. "Superintendent" means the superintendent of schools of a school district.
- 7. "Suspension without pay" means suspension without pay for a period of time not to exceed ten school days.

Sec. 6. Repeal

Sections 15-508 and 15-509, Arizona Revised Statutes, are repealed.

Sec. 7. Section 15-512, Arizona Revised Statutes, is amended to read:

15-512. Noncertificated personnel; fingerprinting personnel;

background investigations; affidavit; civil immunity; violation; classification; definition

A. Noncertificated personnel and personnel who are not paid employees of the school district and who are not either the parent or the guardian of a pupil who attends school in the school district but who are required or allowed to provide services directly to pupils without the supervision of a certificated employee and who are initially hired by a school district after

January 1, 1990 shall be fingerprinted as a condition of employment except for personnel who are required as a condition of licensing to be fingerprinted if the license is required for employment or for personnel who

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were previously employed by a school district and who reestablished employment with that district within one year after the date that the employee terminated employment with the district. A school district may release the results of a background check to another school district for employment purposes. The employee's fingerprints and the form prescribed in subsection D of this section shall be submitted to the school district within twenty days after the date an employee begins work. A school district may terminate an employee if the information on the form provided under subsection D of this section is inconsistent with the information received from the fingerprint check. The school district shall develop procedures for fingerprinting employees. For the purposes of this subsection, "supervision" means under the direction of and, except for brief periods of time during a school day or a school activity, within sight of a certificated employee when providing direct services to pupils.

- B. Fingerprint checks shall be conducted pursuant to section 41-1750, subsection G.
- C. The school district shall assume the costs of fingerprint checks and may charge these costs to its fingerprinted employee, except that the school district may not charge the costs of the fingerprint check to personnel of the school district who are not paid employees. The fees charged for fingerprinting shall be deposited with the county treasurer who shall credit the deposit to the fingerprint fund of the school district. The costs charged to a fingerprinted employee are limited to and the proceeds in the fund may only be applied to the actual costs, including personnel costs, incurred as a result of the fingerprint checks. The fingerprint fund is a continuing fund which is not subject to reversion.
- D. Personnel required to be fingerprinted as prescribed in subsection A of this section shall certify on forms that are provided by the school and notarized whether they are awaiting trial on or have ever been convicted of or admitted in open court or pursuant to a plea agreement TO committing any of the following criminal offenses in this state or similar offenses in another jurisdiction:
 - 1. Sexual abuse of a minor.
 - 2. Incest.
 - 3. First or second degree murder.
 - 4. Kidnapping.
 - 5. Arson.
 - 6. Sexual assault.
 - 7. Sexual exploitation of a minor.
- 8. Felony offenses involving contributing to the delinquency of a minor.
 - 9. Commercial sexual exploitation of a minor.
- 10. Felony offenses involving sale, distribution or transportation of, offer to sell, transport, or distribute or conspiracy to sell, transport or distribute marijuana or dangerous or narcotic drugs.

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- 11. Felony offenses involving the possession or use of marijuana, dangerous drugs or narcotic drugs.
- 12. Misdemeanor offenses involving the possession or use of marijuana or dangerous drugs.
 - 13. Burglary in the first degree.
 - 14. Burglary in the second or third degree.
 - 15. Aggravated or armed robbery.
 - 16. Robbery.
 - 17. A dangerous crime against children as defined in section 13-604.01.
- 10 18. Child abuse.
- 11 19. Sexual conduct with a minor.
 - 20. Molestation of a child.
 - 21. Manslaughter.
 - 22. Aggravated assault.
 - 23. Assault.
 - 24. Exploitation of minors involving drug offenses.
 - E. A school district may refuse to hire or may review or terminate personnel who have been convicted of or admitted committing any of the criminal offenses prescribed in subsection D of this section or of a similar offense in another jurisdiction. A school district which is considering terminating an employee pursuant to the provisions of this subsection shall hold a hearing to determine whether a person already employed shall be terminated. In conducting a review, the governing board shall utilize the guidelines, including the list of offenses that are not subject to review, as prescribed by the state board of education pursuant to section 15-534, subsection C. In considering whether to hire or terminate the employment of a person the governing board shall take into account the following factors:
 - 1. The nature of the crime and the potential for crimes against children.
 - 2. Offenses committed as a minor for which proceedings were held under the jurisdiction of a juvenile or an adult court.
 - 3. Offenses that have been expunded by a court of competent jurisdiction, if the person has been pardoned or if the person's sentence has been commuted.
 - 4. The employment record of the person since the commission of the crime if the crime was committed more than ten years before the governing board's consideration of whether to hire or terminate the person.
 - 5. The reliability of the evidence of an admission of a crime unless made under oath in a court of competent jurisdiction.
 - F. Before employment with the school district, the district shall make documented, good faith efforts to contact previous employers of a person to obtain information and recommendations which may be relevant to a person's fitness for employment. A governing board shall adopt procedures for conducting background investigations required by this subsection, including one or more standard forms for use by school district officials to document

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their efforts to obtain information from previous employers. A school district may provide information received as a result of a background investigation required by this section to any other school district, to any other public school and to any public entity that agrees pursuant to a contract or intergovernmental agreement to perform background investigations for school districts or other public schools. School districts and other public schools may enter into intergovernmental agreements pursuant to section 11-952 and cooperative purchasing agreements pursuant to rules adopted in accordance with section 15-213 for the purposes of performing or contracting for the performance of background investigations and for sharing the results of background investigations required by this subsection. Information obtained about an employee or applicant for employment by any school district or other public school in the performance of a background investigation may be retained by that school district or the other public school or by any public entity that agrees pursuant to contract to perform background investigations for school districts or other public schools and may be provided to any school district or other public school that is performing a background investigation required by this subsection.

- G. A school district may fingerprint any other employee of the district, whether paid or not, or any other applicant for employment with the school district not otherwise required by this section to be fingerprinted on the condition that the school district may not charge the costs of the fingerprint check to the fingerprinted applicant or nonpaid employee.
- H. Subsection A of this section does not apply to a person who provides instruction or other education services to a pupil, with the written consent of the parent or guardian of the pupil, under a work release program, advance placement course or other education program that occurs off school property.
- I. Public entities that agree pursuant to contract to perform background investigations, public schools, the department of education and previous employers who provide information pursuant to this section are immune from civil liability unless the information provided is false and is acted on by the school district to the harm of the employee and the public entity, the public school, the previous employer or the department of education knows the information is false or acts with reckless disregard of the information's truth or falsity. A school district which relies on information obtained pursuant to this section in making employment decisions is immune from civil liability for use of the information unless the information obtained is false and the school district knows the information is false or acts with reckless disregard of the information's truth or falsity.
- J. The superintendent of a school district or chief administrator of a charter school or the person's designee who is responsible for implementing the governing board's policy regarding background investigations required by subsection F of this section and who fails to carry out that responsibility

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is guilty of unprofessional conduct and shall be subject to disciplinary action by the state board.

- K. A school district may hire noncertificated personnel before receiving the results of the fingerprint check but may terminate employment if the information on the form provided in subsection D of this section is inconsistent with the information received from the fingerprint check. In addition to any other conditions or requirements deemed necessary by the superintendent of public instruction to protect the health and safety of pupils, noncertificated personnel who are required or allowed unsupervised contact with pupils may be hired by school districts before the results of a fingerprint check are received if all of the following conditions are met:
- 1. The school district that is seeking to hire the applicant shall document in the applicant's file the necessity for hiring and placement of the applicant before a fingerprint check could be completed.
- 2. The school district that is seeking to hire the applicant shall do all of the following:
- (a) Ensure that the department of public safety completes a statewide criminal history information check on the applicant. A statewide criminal history information check shall be completed by the department of public safety every one hundred twenty days until the date that the fingerprint check is completed.
- (b) Obtain references from the applicant's current employer and two most recent previous employers except for applicants who have been employed for at least five years by the applicant's most recent employer.
- (c) Provide general supervision of the applicant until the date that the fingerprint check is completed.
- (d) Report to the superintendent of public instruction on June 30 and December 31 the number of applicants hired prior to the completion of a fingerprint check. In addition, the school district shall report the number of applicants for whom fingerprint checks were not received after one hundred twenty days and after one hundred seventy-five days of hire.
- L. Notwithstanding any other law, this section does not apply to pupils who attend school in a school district and who are also employed by a school district.
- M. A person who makes a false statement, representation or certification in any application for employment with the school district is guilty of a class 3 misdemeanor.
- N. For the purpose PURPOSES of this section, "background investigation" means any communication with an employee's or applicant's former employer that concerns the education, training, experience, qualifications and job performance of the employee or applicant and that is used for the purpose of evaluating the employee or applicant for employment. Background investigation does not include the results of any state or federal criminal history records check.

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Sec. 8. Section 15-514, Arizona Revised Statutes, is amended to read: 15-514. Reports of immoral or unprofessional conduct; immunity

- A. Any certificated person or governing board member who reasonably suspects or receives a reasonable allegation that a person certificated by the state board of education OR THE PROFESSIONAL EDUCATION STANDARDS BOARD has engaged in conduct involving minors that would be subject to the reporting requirements of section 13-3620 shall report or cause reports to be made to the department of education PROFESSIONAL EDUCATION STANDARDS BOARD in writing as soon as is reasonably practicable but not later than three business days after the person first suspects or receives an allegation of the conduct.
- B. The superintendent of a school district or the chief administrator of a charter school who reasonably suspects or receives a reasonable allegation that an act of immoral or unprofessional conduct that would constitute grounds for dismissal or criminal charges by a certificated person has occurred shall report the conduct to the department of education PROFESSIONAL EDUCATION STANDARDS BOARD.
- C. A person who reports or provides information pursuant to this section regarding the immoral or unprofessional conduct of a certificated person in good faith is not subject to an action for civil damages as a result.
- D. A governing board or school or school district employee who has control over personnel decisions shall not take unlawful reprisal against an employee because the employee reports in good faith information as required by this section. For the purposes of this subsection, "unlawful reprisal" means an action that is taken by a governing board as a direct result of a lawful report pursuant to this section and, with respect to the employee, results in one or more of the following:
 - 1. Disciplinary action.
 - 2. Transfer or reassignment.
 - 3. Suspension, demotion or dismissal.
 - 4. An unfavorable performance evaluation.
- 5. Other significant changes in duties or responsibilities that are inconsistent with the employee's salary or employment classification.
- E. Failure to report information as required by this section by a certificated person constitutes grounds for disciplinary action by the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD.
- F. A governing board or school district employee who has control over personnel decisions and who reasonably suspects or receives a reasonable allegation that a person certificated by the state board of education OR THE PROFESSIONAL EDUCATION STANDARDS BOARD has engaged in conduct involving minors that would be subject to the reporting requirements of section 13-3620 and this article shall not accept the resignation of the certificate holder until these suspicions or allegations have been reported to the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD.

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Sec. 9. Repeal

Sections 15-531, 15-532 and 15-533, Arizona Revised Statutes, are repealed.

Sec. 10. Section 15-534, Arizona Revised Statutes, is amended to read: 15-534. Fingerprinting: review and disciplinary action: violation: classification

- A. A person who applies for a certificate as prescribed in section $\frac{15-203}{15-562}$ shall have a valid fingerprint clearance card that is issued pursuant to title 41, chapter 12, article 3.1. Applicants who possess a certificate pursuant to section $\frac{15-203}{15-562}$ and who apply for additional certificates or who apply for renewal of any certificate shall meet one of the following requirements:
- 1. Have a valid fingerprint clearance card issued pursuant to title 41, chapter 12, article 3.1.
- 2. Provide proof of the submission of an application for a fingerprint clearance card. Applicants who have been denied a fingerprint clearance card shall also provide proof that the applicant qualifies for a good cause exception hearing pursuant to section 41-619.55.
- B. A person who is certified pursuant to section $\frac{15-203}{15-562}$ shall maintain a valid fingerprint clearance card during the valid period of the person's certificate or certificates.
- C. The state board of education may review and determine whether to renew or not issue a certificate to an applicant for certification on a finding that the applicant engaged in conduct that is immoral or unprofessional or engaged in conduct that would warrant disciplinary action if the person had been certified at the time that the alleged conduct occurred. The board shall prescribe guidelines for this process.
- D. The state board of education may take disciplinary action against or not renew the certificate of a person on a finding that the certificated person engaged in conduct that is immoral or unprofessional or engaged in conduct that would warrant disciplinary action if the person had been certified at the time that the alleged conduct occurred. The board shall prescribe guidelines for this process.
- E. C. The department of education may issue conditional certification before an applicant has obtained a valid fingerprint clearance card. A conditional certificate may be used only for employment in the school district that submits an application to the department of education for conditional certification pursuant to this subsection. The state board of education PROFESSIONAL EDUCATION STANDARDS BOARD may revoke conditional certification if the information on the application for a conditional certificate is false or incomplete, the applicant is denied a fingerprint clearance card or the conditional certificate is used for employment in a school district other than the school district that is indicated on the application for conditional certification. In addition to any other conditions or requirements deemed necessary by the superintendent of public

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instruction to protect the health and safety of pupils, conditional certification shall be issued before the applicant obtains a fingerprint clearance card if all of the following conditions are met:

- 1. The school district that is seeking to hire the applicant verifies in writing on a form developed by the department of education the necessity for hiring and placement of the applicant before a fingerprint check is completed.
- 2. The school district that is seeking to hire the applicant performs all of the following:
- (a) Ensures that the department of public safety completes a statewide criminal records check on the applicant. A statewide criminal records check shall be completed by the department of public safety every one hundred twenty days until the date that the fingerprint check is completed.
- (b) Completes a search of criminal records in all local jurisdictions outside of this state in which the applicant has lived in the previous five years.
- (c) Obtains references from the applicant's current employer and two most recent previous employers except for applicants who have been employed for at least five years by the applicant's most recent employer.
- (d) Provides general supervision of the applicant until the applicant receives permanent certification from the department of education.
- F. D. Before employment, schools or school districts shall verify the certification and fingerprint status of applicants who apply for school or school district positions that require certification.
- G. E. The state board of education PROFESSIONAL EDUCATION STANDARDS BOARD shall notify the department of public safety if the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD receives credible evidence that a person who possesses a valid fingerprint clearance card either:
- 1. Is arrested for or charged with an offense listed in section 41-1758.03, subsection B.
- 2. Falsified information on the form required by subsection ${\sf A}$ of this section.
- H. F. A person who makes a false statement, representation or certification in any application for certification is guilty of a class 3 misdemeanor.
- Sec. 11. Section 15-534.01, Arizona Revised Statutes, is amended to read:

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15-534.01. <u>Withdrawal of applications for administrative deficiencies; denial of applications for substantive deficiencies; certification timeframes</u>
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A. If an application for certification is administratively incomplete, as prescribed in title 41, chapter 6, article 7.1, the department of education or the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD shall issue a written notice requesting the applicant to supply missing documents or other information. The department of education shall consider

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an application for certification withdrawn if, within sixty days after the date of the notice, the applicant does not supply the documentation or information requested or does not provide reasonable documented justification for the delay. On receipt of documented justification, the department of education shall provide an additional thirty days for the requested documentation or information to be provided before considering an application withdrawn.

- B. If an application for certification is substantively incomplete, as prescribed in title 41, chapter 6, article 7.1, the department of education or the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD may issue a written notice requesting the applicant to supply additional documents or other information. The state board of education PROFESSIONAL EDUCATION STANDARDS BOARD shall deny an application for certification if, within sixty days after the date of the notice, the applicant does not supply the documentation or information requested.
- C. If the final day of a deadline imposed by this section falls on a Saturday, Sunday or other legal holiday, the next business day is the final day of the deadline.
- D. A notice of denial of an application for certification issued by the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD pursuant to subsection B of this section shall comply with section 41-1076.
- E. A person who has had an application for certification denied by the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD pursuant to subsection B of this section may file a written request for a hearing with the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD within fifteen days after receiving the notice of denial. The appeal shall be conducted in accordance with title 41, chapter 6, article 6.
- Sec. 12. Section 15-534.02, Arizona Revised Statutes, is amended to read:

15-534.02. Restrictions on applications for certification after the surrender, revocation or denial of certificate

- A. A person shall not submit an application for certification with the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD for a period of five years if any of the following occurs:
- 1. The person surrenders a certificate issued by the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD.
- 2. The person's certificate is revoked by the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD on grounds of immoral or unprofessional conduct pursuant to rules adopted by the state board of education pursuant to section 15-203 OR BY THE PROFESSIONAL EDUCATION STANDARDS BOARD.
- 3. The person's application for certification is denied by the state board of education OR THE PROFESSIONAL EDUCATION STANDARDS BOARD on grounds of immoral or unprofessional conduct pursuant to rules adopted by the state board of education $\frac{15-203}{15-203}$ OR BY THE PROFESSIONAL

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EDUCATION STANDARDS BOARD. This paragraph does not apply to a person who, after denial of an application for certification, provides additional information that was not previously considered by the state board of education OR THE PROFESSIONAL EDUCATION STANDARDS BOARD and that addresses the grounds on which the state board of education OR THE PROFESSIONAL EDUCATION STANDARDS BOARD denied the application for certification.

- B. The five year period prescribed in subsection A begins on the date that the state board of education OR THE PROFESSIONAL EDUCATION STANDARDS BOARD accepts a surrendered certificate, makes a final decision to revoke a certificate or makes a final determination to deny an application for certification.
- C. A person who has had a certificate revoked pursuant to section 15-550 is not eligible to apply for certification with the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD.
- D. The department of education shall not process an application for certification submitted by a person who is prohibited from submitting an application pursuant to subsections A and C $\frac{1}{2}$
- Sec. 13. Section 15-534.03, Arizona Revised Statutes, is amended to read:

15-534.03. <u>Service of documents; change of address notice requirement</u>

- A. Every notice or decision issued by the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD pertaining to the denial of an application for initial certification or renewal of a certificate or pertaining to disciplinary action against a certificated person shall be served by personal delivery or certified mail, return receipt requested, to the applicant or certificated person's last address of record with the department of education or by any other method that is reasonably calculated to give actual notice to the applicant or the certificated person.
- B. Each applicant or certificated person shall inform the department of education of any change of address within thirty days of the change of address.

Sec. 14. Repeal

Section 15-535, Arizona Revised Statutes, is repealed.

Sec. 15. Section 15-539, Arizona Revised Statutes, is amended to read: 15-539. Dismissal of certificated teacher; due process; written

charges; notice; hearing on request

A. Upon a written statement of charges presented by the superintendent, charging that there exists cause for the suspension without pay for a period of time greater than ten school days or dismissal of a certificated teacher of the district, the governing board shall, except as otherwise provided in this article, SHALL give notice to the teacher of its intention to suspend without pay or dismiss the teacher at the expiration of thirty days from the date of the service of the notice.

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- B. Whenever the superintendent presents a statement of charges wherein the alleged cause for dismissal constitutes immoral or unprofessional conduct, the governing board may adopt a resolution that a complaint be filed with the department of education OR THE PROFESSIONAL EDUCATION STANDARDS BOARD. Pending disciplinary action by the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD, the certificated teacher may be reassigned by the superintendent or placed on administrative leave by the GOVERNING board pursuant to section 15-540.
- C. The governing board shall give a certificated teacher who has been employed by the school district for more than the major portion of three consecutive school years notice of intention to dismiss if its intention to dismiss is based on charges of inadequacy of classroom performance as defined by the governing board pursuant to subsection D of this section. The governing board or its authorized representative shall give the teacher a written preliminary notice of inadequacy of classroom performance at least ten instructional days prior to the start of the period of time within which to correct the inadequacy and overcome the grounds for the charge. The governing board may delegate to employees of the governing board the general authority to issue preliminary notices of inadequacy of classroom performance to teachers pursuant to this section without the need for prior approval of each notice by the governing board. In all cases in which an employee of the governing board issues a preliminary notice of inadequacy of classroom performance without prior approval by the governing board, the employee shall report its issuance to the governing board within five school days. The written preliminary notice of inadequacy of classroom performance shall specify the nature of the inadequacy of classroom performance with such particularity as to furnish the teacher an opportunity to correct the teacher's inadequacies and overcome the grounds for the charge. The written preliminary notice of inadequacy of classroom performance shall be based on a valid evaluation according to school district procedure, shall include a copy of any evaluation pertinent to the charges made and shall state the date by which the teacher has to correct the inadequacy and overcome the grounds for the charge. That evaluation shall not be conducted within two instructional days of any school break of one week or more. The written preliminary notice of inadequacy of classroom performance shall allow the teacher not less than eighty-five instructional days within which to correct the inadequacy and overcome the grounds for the charge. If within the time specified in the written preliminary notice of inadequacy of classroom performance the teacher does not demonstrate adequate classroom performance, the governing board shall dismiss the teacher either within thirty days of the service of a subsequent notice of intention to dismiss or by the end of the contract year in which the subsequent notice of intention to dismiss is served unless the teacher has requested a hearing as provided in subsection G of this section. If the teacher demonstrates adequate classroom performance during the period allowed to correct such deficiencies as specified in the written preliminary

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notice of inadequacy of classroom performance, the governing board may not dismiss the teacher for the reasons specified in the written preliminary notice of inadequacy of classroom performance. If the governing board of a school district has received approval to budget for a career ladder program, the governing board may define inadequacy of classroom performance by establishing a single level of performance which is required of all teachers or by establishing more than one required level of performance. If more than one level is established, the same level of performance for minimum adequacy shall be required of all teachers who have completed the same number of years of teaching in the district.

- D. The governing board shall develop a definition of inadequacy of classroom performance that applies to notices issued pursuant to section 15-536, section 15-538 and this section. The governing board shall develop its definition of inadequacy of classroom performance in consultation with its certificated teachers. The consultation may be accomplished by holding a public hearing, forming an advisory committee, providing teachers the opportunity to respond to a proposed definition or obtaining teacher approval of a career ladder program which defines inadequacy of classroom performance.
- E. Any written statement of charges alleging unprofessional conduct, conduct in violation of the rules or policies of the governing board or inadequacy of classroom performance shall specify instances of behavior and the acts or omissions constituting the charge so that the certificated teacher will be able to prepare a defense. If applicable, it shall state the statutes, rules or written objectives of the governing board which the certificated teacher is alleged to have violated and set forth the facts relevant to each occasion of alleged unprofessional conduct, conduct in violation of the rules or policies of the governing board or inadequacy of classroom performance.
- F. The notice shall be in writing and shall be served upon the certificated teacher personally or by United States registered or certified mail addressed to the teacher's last known address. A copy of the charges, together with a copy of this section and sections 15-501, 15-538.01, 15-540, 15-541, 15-542 and 15-544 through 15-547, shall be attached to the notice.
- G. The certificated teacher who receives notice that there exists cause for dismissal or suspension without pay shall have the right to a hearing if the teacher files a written request with the governing board within thirty days of service of notice. The filing of a timely request shall suspend the imposition of a suspension without pay or a dismissal pending completion of the hearing.
 - Sec. 16. Section 15-545, Arizona Revised Statutes, is amended to read: 15-545. Resignation restrictions; unprofessional act; penalty

A certificated teacher shall not resign after signing and returning his contract, unless the resignation is first approved by the governing board. A teacher who resigns contrary to this section shall be deemed to commit an unprofessional act and, upon request of the governing board, shall MAY be

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subject to such disciplinary action, including suspension or revocation of certificate, as the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD deems appropriate.

Sec. 17. Repeal

Section 15-550, Arizona Revised Statutes, is repealed.

Sec. 18. Section 15-551, Arizona Revised Statutes, is amended to read: 15-551. Confidentiality of pupil's name; disciplinary hearing; civil penalty

- A. The governing board and the state board of education PROFESSIONAL EDUCATION STANDARDS BOARD shall keep confidential the name of a pupil involved in a hearing before either board regarding the dismissal or discipline of a school district employee or an action on a certificate. The GOVERNING board AND THE PROFESSIONAL EDUCATION STANDARDS BOARD shall not disclose the pupil's name without the consent of the pupil's parent or guardian except by order of the superior court. This section does not prevent either board from disclosing the pupil's name to any party to the hearing.
- B. The GOVERNING board AND THE PROFESSIONAL EDUCATION STANDARDS BOARD shall take a pupil's testimony in executive session. The pupil shall be referred to by a fictitious name during any public portions of the hearing. The pupil's name and testimony are not subject to inspection pursuant to title 39, chapter 1, article 2.
- C. A person who participates in a hearing described in subsection A shall keep confidential the name of any pupil involved in the hearing. The county attorney may enforce a civil penalty of five hundred dollars against a person who violates this subsection.
- D. The $\frac{\text{state board}}{\text{professional EDUCATION STANDARDS BOARD shall adopt}}$ rules for the implementation of this section.
- Sec. 19. Title 15, chapter 5, Arizona Revised Statutes, is amended by adding article 4, to read:

ARTICLE 4. PROFESSIONAL EDUCATION STANDARDS BOARD

15-561. <u>Professional education standards board; membership;</u> <u>terms; quorum; travel expenses; immunity</u>

- A. THE PROFESSIONAL EDUCATION STANDARDS BOARD IS ESTABLISHED CONSISTING OF THE FOLLOWING MEMBERS WHO ARE APPOINTED BY THE GOVERNOR PURSUANT TO SECTION 38-211 FOR A TERM OF FOUR YEARS BEGINNING ON THE THIRD MONDAY IN JANUARY:
- 1. EIGHT TEACHERS WHO ARE CERTIFICATED BY THIS STATE AND WHO ARE ACTIVELY TEACHING IN A PUBLIC SCHOOL IN THIS STATE. THREE OF THE MEMBERS APPOINTED PURSUANT TO THIS PARAGRAPH SHALL PROVIDE INSTRUCTION IN KINDERGARTEN PROGRAMS OR IN ANY OF GRADES ONE THROUGH SIX IN A SCHOOL DISTRICT. ONE OF THE MEMBERS APPOINTED PURSUANT TO THIS PARAGRAPH SHALL PROVIDE INSTRUCTION IN GRADE SEVEN OR EIGHT IN A SCHOOL DISTRICT. TWO OF THE MEMBERS APPOINTED PURSUANT TO THIS PARAGRAPH SHALL PROVIDE INSTRUCTION IN GRADES NINE THROUGH TWELVE IN A SCHOOL DISTRICT. ONE OF THE MEMBERS

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APPOINTED PURSUANT TO THIS PARAGRAPH SHALL BE A TEACHER CURRENTLY TEACHING IN A SPECIALIZED INSTRUCTIONAL AREA IN A SCHOOL DISTRICT. ONE OF THE MEMBERS APPOINTED PURSUANT TO THIS PARAGRAPH SHALL BE A TEACHER CURRENTLY TEACHING IN A CHARTER SCHOOL.

- 2. THREE ADMINISTRATORS WHO ARE CERTIFICATED BY THIS STATE AND WHO ARE ACTIVELY WORKING IN AN ADMINISTRATIVE POSITION IN A PUBLIC SCHOOL DISTRICT IN THIS STATE. ONE MEMBER APPOINTED PURSUANT TO THIS PARAGRAPH SHALL BE A SCHOOL DISTRICT SUPERINTENDENT. ONE MEMBER APPOINTED PURSUANT TO THIS PARAGRAPH SHALL BE THE PRINCIPAL OF AN ELEMENTARY SCHOOL, A MIDDLE SCHOOL OR A JUNIOR HIGH SCHOOL. ONE MEMBER APPOINTED PURSUANT TO THIS PARAGRAPH SHALL BE THE PRINCIPAL OF A HIGH SCHOOL.
 - 3. ONE MEMBER OF A SCHOOL DISTRICT GOVERNING BOARD.
- 4. ONE NONCERTIFICATED EMPLOYEE WHO IS ACTIVELY WORKING IN A PUBLIC SCHOOL DISTRICT IN THIS STATE.
- 5. ONE MEMBER FROM A PUBLIC COLLEGE OR UNIVERSITY IN THIS STATE THAT PREPARES TEACHERS.
 - 6. ONE MEMBER FROM THE STATE BOARD OF EDUCATION.
- 7. ONE PUBLIC MEMBER WHO DOES NOT HOLD AN ACTIVE CERTIFICATE UNDER THIS TITLE AND WHO IS NOT EMPLOYED BY ANY SCHOOL DISTRICT OR CHARTER SCHOOL IN THIS STATE.
- 8. THE SUPERINTENDENT OF PUBLIC INSTRUCTION OR THE SUPERINTENDENT'S DESIGNEE.
- B. NOT MORE THAN ONE MEMBER OF THE BOARD MAY BE APPOINTED FROM THE SAME SCHOOL DISTRICT.
- C. THE GOVERNOR SHALL FILL VACANCIES THAT OCCUR FROM ANY CAUSE BY APPOINTING A REPLACEMENT MEMBER FOR THE UNEXPIRED TERM PURSUANT TO SECTION 38-211.
- D. THE BOARD SHALL ANNUALLY ELECT FROM ITS MEMBERSHIP A CHAIRPERSON AND A VICE-CHAIRPERSON.
- E. A MAJORITY OF THE BOARD CONSTITUTES A QUORUM FOR THE TRANSACTION OF BUSINESS. CONCURRENCE BY A MAJORITY OF A QUORUM IS NECESSARY FOR THE BOARD TO TAKE OFFICIAL ACTION.
- F. BOARD MEMBERS ARE ELIGIBLE FOR REIMBURSEMENT OF EXPENSES AS PROVIDED BY TITLE 38, CHAPTER 4, ARTICLE 2.
- G. MEMBERS OF THE BOARD ARE IMMUNE FROM PERSONAL LIABILITY WITH RESPECT TO ALL ACTS DONE AND ACTIONS TAKEN IN GOOD FAITH WITHIN THE SCOPE OF THEIR AUTHORITY DURING DULY CONSTITUTED REGULAR AND SPECIAL MEETINGS.

15-562. Powers and duties

- A. THE PROFESSIONAL EDUCATION STANDARDS BOARD SHALL ADOPT RULES THAT PROVIDE FOR THE FOLLOWING:
- 1. THE ESTABLISHMENT OF PROFESSIONAL STANDARDS FOR EDUCATION EMPLOYEES.
- 2. THE SUBSTANCE, ADMINISTRATION AND PASSING SCORES FOR ALL PROFICIENCY EXAMINATIONS THAT ARE ALIGNED WITH THE PROFESSIONAL STANDARDS.
 - 3. THE ESTABLISHMENT OF STANDARDS FOR EDUCATOR PREPARATION PROGRAMS.

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- 4. THE ESTABLISHMENT OF STANDARDS FOR INDUCTION AND PROFESSIONAL DEVELOPMENT.
 - 5. THE CERTIFICATION AND LICENSURE OF SCHOOL EMPLOYEES.
 - 6. TEACHER CERTIFICATION RECIPROCITY.
- 7. GUIDELINES FOR SCHOOLS CONCERNING THE ACTIVITIES THAT CONSTITUTE IMMORAL OR UNPROFESSIONAL CONDUCT OF CERTIFICATED PERSONS.
- 8. PROCEDURES FOR THE INVESTIGATION AND ADJUDICATION OF EVERY WRITTEN COMPLAINT ALLEGING THAT A CERTIFICATED PERSON HAS ENGAGED IN IMMORAL OR UNPROFESSIONAL CONDUCT.
- B. THE PROFESSIONAL EDUCATION STANDARDS BOARD MAY REVIEW AND DETERMINE WHETHER TO RENEW OR NOT ISSUE A CERTIFICATE TO AN APPLICANT FOR CERTIFICATION OR A CERTIFICATE HOLDER OR TO TAKE ACTION AGAINST A CERTIFICATE HOLDER ON A FINDING THAT THE APPLICANT OR CERTIFICATE HOLDER ENGAGED IN IMMORAL OR UNPROFESSIONAL CONDUCT OR CONDUCT THAT WOULD WARRANT DISCIPLINARY ACTION IF THE PERSON HAD BEEN CERTIFIED AT THE TIME THAT THE ALLEGED CONDUCT OCCURRED.
- C. THE PROFESSIONAL EDUCATION STANDARDS BOARD MAY INITIATE A COMPLAINT THAT SEEKS DISCIPLINARY ACTION AGAINST A CERTIFICATE HOLDER.
- D. THE PROFESSIONAL EDUCATION STANDARDS BOARD MAY IMPOSE DISCIPLINARY ACTION, INCLUDING THE ISSUANCE OF A LETTER OF CENSURE, SUSPENSION, SUSPENSION WITH CONDITIONS OR REVOCATION OF A CERTIFICATE, ON A FINDING OF IMMORAL OR UNPROFESSIONAL CONDUCT.
- E. THE PROFESSIONAL EDUCATION STANDARDS BOARD MAY PROCEED WITH THE DISPOSAL OF ANY COMPLAINT THAT REQUESTS DISCIPLINARY ACTION OR WITH ANY DISCIPLINARY ACTION AGAINST A CERTIFICATE HOLDER AFTER THE SUSPENSION OR EXPIRATION OF THE CERTIFICATE OR SURRENDER OF THE CERTIFICATE BY THE HOLDER.
- F. THE PROFESSIONAL EDUCATION STANDARDS BOARD OR A SUBCOMMITTEE OF THE BOARD SHALL CONDUCT HEARINGS AND SCREENINGS TO DETERMINE WHETHER GROUNDS EXIST TO APPROVE OR DENY AN INITIAL APPLICATION FOR CERTIFICATION OR AN APPLICATION FOR RENEWAL OF A CERTIFICATE, WHETHER GROUNDS EXIST TO IMPOSE DISCIPLINARY ACTION AGAINST A CERTIFICATED PERSON AND WHETHER GROUNDS EXIST TO REINSTATE A REVOKED OR SURRENDERED CERTIFICATE. HEARINGS SHALL BE CONDUCTED PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 6. A DECISION OF THE BOARD TO IMPOSE DISCIPLINARY ACTION, REINSTATE A REVOKED OR SURRENDERED CERTIFICATE OR APPROVE OR DENY AN INITIAL APPLICATION FOR CERTIFICATION OR AN APPLICATION FOR RENEWAL OF A CERTIFICATE SHALL COMPLY WITH SECTION 41-1063 AND SHALL CONSTITUTE A FINAL DECISION UNDER SECTION 41-1063. A PARTY MAY APPEAL A DECISION PURSUANT TO TITLE 12, CHAPTER 7, ARTICLE 6.
- G. THE PROFESSIONAL EDUCATION STANDARDS BOARD MAY ENTER INTO INTERGOVERNMENTAL AGREEMENTS OR CONTRACTS PURSUANT TO TITLE 11, CHAPTER 7, ARTICLE 3 FOR THE ADMINISTRATION AND EVALUATION OF PROFICIENCY EXAMINATIONS, INCLUDING EXAMINATIONS ON THE CONSTITUTION OF THE UNITED STATES AND ON THE CONSTITUTION OF ARIZONA.
- H. THE PROFESSIONAL EDUCATION STANDARDS BOARD MAY FIX AND COLLECT FEES FOR CERTIFICATION OF PERSONS PURSUANT TO THIS ARTICLE.

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I. THE PROFESSIONAL EDUCATION STANDARDS BOARD MAY HIRE AN EXECUTIVE DIRECTOR TO ADMINISTER THE POLICIES OF THE PROFESSIONAL EDUCATION STANDARDS BOARD.

15-563. Professional education standards board fund

A. THE PROFESSIONAL EDUCATION STANDARDS BOARD FUND IS ESTABLISHED. ALL MONIES COLLECTED UNDER THIS CHAPTER SHALL BE DEPOSITED WITH THE STATE TREASURER. THE MONIES IN THE PROFESSIONAL EDUCATION STANDARDS BOARD FUND, SUBJECT TO ANNUAL LEGISLATIVE APPROPRIATION, SHALL BE USED TO FUND THE OPERATIONAL COSTS OF THE PROFESSIONAL EDUCATION STANDARDS BOARD ESTABLISHED IN SECTION 15-561.

B. MONIES IN THE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190, RELATING TO LAPSING OF APPROPRIATIONS.

Sec. 20. Section 15-779.02, Arizona Revised Statutes, is amended to read:

15-779.02. <u>Gifted pupils; scope and sequence; annual financial</u> report

- A. The governing board of each school district shall develop a scope and sequence for the identification process of and curriculum modifications for gifted pupils to ensure that gifted pupils receive gifted education commensurate with their academic abilities and potentials. Programs and services for gifted pupils shall be provided as an integrated, differentiated learning experience during the regular school day. The scope and the sequence shall:
- 1. Provide for routine screening for gifted pupils using one or more tests adopted by the state board as prescribed in section 15-203, subsection A, paragraph $\frac{15}{14}$ and section 15-779.01. School districts may identify any number of pupils as gifted but shall identify as gifted at least those pupils who score at or above the ninety-seventh percentile, based on national norms, on a test adopted by the state board of education.
- 2. Include an explanation of how gifted education for gifted pupils differs from regular education in such areas as:
 - (a) Content, including a broad based interdisciplinary curriculum.
 - (b) Process, including higher level thinking skills.
 - (c) Product, including variety and complexity.
 - (d) Learning environment, including flexibility.
- 3. Include criteria, which shall be reviewed by the state board of education and the department of education at least once every four years, that address the elements of program design, identification, curriculum, instruction, social development, emotional development, professional development of administrators, teachers, school psychologists and counselors, parent involvement, community involvement, program assessment and budgeting. The budget information shall include separate data on identification and program costs and any other data required by the superintendent of public instruction to administer and evaluate the program effectively.

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- B. The governing board shall submit the scope and the sequence to the department of education for approval on or before July 1 if any changes were made during the previous fiscal year. The governing board shall submit the scope and the sequence to the department of education for approval on or before July 1 every five years if no changes were made during the previous five years. All school districts shall provide to gifted pupils gifted education commensurate with their academic abilities and potentials.
- C. If the governing board fails to submit the scope and sequence for gifted pupils as prescribed in subsection B of this section or if the scope and sequence submitted by the governing board fails to receive full approval by the superintendent of public instruction, the school district is not eligible to receive state aid for the group A weight for seven per cent of the student count and shall compute the weighted student count for pupils in group A as provided in section 15-943 by adjustment of the student count accordingly. On or before December 1 of each year, the department of education shall notify those school districts that appear to be in noncompliance and note the specific areas of deficiencies that must be corrected on or before April 1 of the following year to be eligible to use the actual student count rather than an adjusted student count. On or before April 15 of each year, the department shall notify those districts that must use an adjusted student count for the next fiscal year's state aid as provided in chapter 9 of this title.
- D. The annual financial report of a school district as prescribed in section 15-904 shall include the amount of monies spent on programs for gifted pupils and the number of pupils enrolled in programs or receiving services by grade level.
- Sec. 21. Section 15-914.01, Arizona Revised Statutes, is amended to read:

15-914.01. Accounting responsibility: definition

- A. School districts with a student count of at least four thousand may apply to the state board of education to assume accounting responsibility.
- B. A school district applying to the state board of education to assume accounting responsibility shall develop and file with the department of education an accounting responsibility plan and document in the plan:
- 1. Administrative and internal accounting controls designed to achieve compliance with the uniform system of financial records and the objectives of this section, including:
- (a) Procedures for approving, preparing and signing vouchers and warrants.
- (b) Procedures to ensure verification of administrators' and teachers' certification records with the department of education for all classroom and administrative personnel required to hold a certificate by the $\frac{1}{2}$ STANDARDS BOARD before issuing warrants for their services.

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- (c) Procedures to account for all revenues, including allocation of certain revenues to funds.
- (d) Procedures for reconciling the accounting records monthly to the county treasurer.
- 2. A compilation of resources required to implement accounting responsibility, including, at a minimum, personnel, training and equipment, and A comprehensive analysis of the budgetary implications of accounting responsibility for the school district and the county treasurer.
- C. Prior to January 1 of the fiscal year preceding the fiscal year of implementation and before submitting an application to assume accounting responsibility, a school district shall apply for evaluation by the auditor general. On completion of the evaluation the auditor general may recommend approval or denial of accounting responsibility to the state board of education. The evaluation by the auditor general shall be performed contingent on staff availability and may be billed to the school district at cost. Evaluation at a minimum shall include the following:
- 1. The most recent financial statements audited by an independent certified public accountant.
- 2. The most recent report on internal control, report on compliance and uniform system of financial records compliance questionnaire prepared by an independent certified public accountant or procedural review completed by the auditor general.
- 3. The working papers of the independent certified public accountant responsible for auditing the school district, if deemed appropriate by the auditor general.
 - 4. A procedural review if deemed appropriate by the auditor general.
- D. School districts that are approved by the state board of education to assume accounting responsibility shall contract with an independent certified public accountant for an annual financial and compliance audit. The auditor general may reevaluate the school district annually based on the audit to determine compliance with the uniform system of financial records.
- E. To assume accounting responsibility a school district shall notify the county treasurer and the county school superintendent of its intention before March 1 of the fiscal year preceding the fiscal year of implementation. On notification, the county treasurer shall establish acceptable standards for interface by school districts with the county treasurer, including specifications for computer hardware and software compatibility and procedures to ensure the capacity of each school district for reconciliation of accounts with those of the county treasurer.
- F. Any school district that fails to maintain accounting standards as provided by the uniform system of financial records and THAT is found to be in noncompliance with the uniform system of financial records by the state board of education as provided in section 15-272 is not eligible to participate in the program provided by this section.

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- G. Any school district that has assumed accounting responsibility pursuant to this section, that fails to maintain accounting standards as provided by the uniform system of financial records and THAT is found to be in noncompliance with the uniform system of financial records by the state board of education as provided in section 15-272 is no longer eligible to participate in the program provided by this section.
- H. For the purposes of this section, "accounting responsibility" means authority for a school district to operate with full independence from the county school superintendent with respect to revenues and expenditures, including allocating revenues, monitoring vouchers, authorizing and issuing warrants and maintaining and verifying staff records for certification and payroll purposes.

Sec. 22. Section 41-1092.02, Arizona Revised Statutes, is amended to read:

41-1092.02. Appealable agency actions; application of procedural rules; exemption from article

- A. This article applies to all contested cases as defined in section 41-1001 and all appealable agency actions, except contested cases with or appealable agency actions of:
 - 1. The state department of corrections.
 - 2. The board of executive clemency.
 - 3. The industrial commission of Arizona.
 - 4. The Arizona corporation commission.
- 5. The Arizona board of regents and institutions under its jurisdiction.
 - 6. The state personnel board.
 - 7. The department of juvenile corrections.
 - 8. The department of transportation.
- 9. The department of economic security except as provided in sections 8-506.01, 8-811 and 46-458.
 - 10. The department of revenue regarding:
 - (a) Income tax, withholding tax or estate tax.
- (b) Any tax issue related to information associated with the reporting of income tax, withholding tax or estate tax unless the taxpayer requests in writing that this article apply and waives confidentiality under title 42, chapter 2, article 1.
 - 11. The board of tax appeals.
 - 12. The state board of equalization.
- 13. The state board of education, but only in connection with contested cases and appealable agency actions related to applications for issuance or renewal of a certificate and discipline of certificate holders pursuant to sections 15-203, 15-534, 15-534.01, 15-535, 15-545 and 15-550.
 - 13. THE PROFESSIONAL EDUCATION STANDARDS BOARD.
 - 14. The board of fingerprinting.

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- B. Unless waived by all parties, an administrative law judge shall conduct all hearings under this article, and the procedural rules set forth in this article and rules made by the director apply.
 - C. Except as provided in subsection A of this section:
- 1. A contested case heard by the office of administrative hearings regarding taxes administered under title 42 shall be subject to the provisions under section 42-1251.
- 2. A final decision of the office of administrative hearings regarding taxes administered under title 42 may be appealed by either party to the director of the department of revenue, or a taxpayer may file and appeal directly to the board of tax appeals pursuant to section 42-1253.
- D. Except as provided in subsections A, B, E, F and G of this section and notwithstanding any other administrative proceeding or judicial review process established in statute or administrative rule, this article applies to all appealable agency actions and to all contested cases.
- E. Except for a contested case or an appealable agency action regarding unclaimed property, sections 41-1092.03, 41-1092.08 and 41-1092.09 do not apply to the department of revenue.
 - F. The board of appeals established by section 37-213 is exempt from:
- 1. The time frames for hearings and decisions provided in section 41-1092.05, subsection A, section 41-1092.08 and section 41-1092.09.
- 2. The requirement in section 41-1092.06, subsection A to hold an informal settlement conference at the appellant's request if the sole subject of an appeal pursuant to section 37-215 is the estimate of value reported in an appraisal of lands or improvements.
- G. Auction protest procedures pursuant to title 37, chapter 2, article 4.1 are exempt from this article.
- Sec. 23. Section 41-2831, Arizona Revised Statutes, is amended to read:

41-2831. State educational system for committed youth; report

- A. The director shall establish a state educational system for committed youth for the common and high school education of committed youth.
- B. The director shall identify three persons who are qualified to serve as superintendent of the state educational system for committed youth. The director and the superintendent of public instruction shall agree on one of the three persons whom the director shall employ as superintendent to manage the educational system. The superintendent of the educational system shall employ teachers and other personnel as needed in accordance with chapter 4, article 5 of this title, subject to the approval of the director. All persons who are employed to work in the educational system, including the superintendent, shall hold the appropriate certificate prescribed by the state board of education in section 15-203, subsection A, paragraph 14

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- C. The director shall cause to be implemented the course of study for youth who are enrolled in the state educational system for committed youth.
- D. The director shall consider the inclusion of factors related to a pupil's academic progress and standards of behavior as part of the length of stay guidelines adopted as prescribed in section 41-2816.
- E. The state educational system for committed youth shall provide appropriate education to all committed youth as required by state and federal law. If not otherwise required by law, the educational system shall provide an appropriate education to all committed youth who have not received a high school diploma or a high school certificate of equivalency.
- F. On entrance of a youth to the state educational system for committed youth, the educational system shall administer a basic skills examination to the youth to determine the educational needs of the youth. A similar examination shall be administered on the youth's exit from the educational system to assess the youth's progress while enrolled in the educational system.
- G. The department is entitled to receive equalization assistance for the costs of the state educational system for committed youth as provided in title 15, chapter 11.1.
 - H. The superintendent shall:
- 1. Keep records and provide information as the department of education requires to determine the appropriate amount of equalization assistance.
- 2. Prepare an annual financial report containing information similar to that provided by school districts in the report prescribed in section 15-904 in a format prescribed by the department of administration in consultation with the auditor general and submit the report to the governor, the speaker of the house of representatives, the president of the senate and the department of education by November 1. When submitting the report to the speaker and president, the superintendent shall send a copy of the report to the chairmen of the house and senate education committees and shall send a notice to all other legislators that the report is available on request.
- 3. Establish a system for communicating with each youth's school district of residence in order to facilitate the transfer of records, the determination of the most appropriate educational program and the transfer of educational credit.
- I. The department of administration shall develop and maintain a special pay plan for teachers and other professional educational personnel within the state educational system for committed youth. The pay plan shall attempt to keep salaries at a comparable level to that of public school district personnel. Recommendations for this pay plan shall be included within the department of administration's annual recommendation to the legislature pursuant to section 41-763.01.

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Sec. 24. Title 41, chapter 27, article 2, Arizona Revised Statutes, is amended by adding section 41-3018.01, to read:

41-3018.01. <u>Professional education standards board: termination</u>
<u>July 1, 2018</u>

- A. THE PROFESSIONAL EDUCATION STANDARDS BOARD TERMINATES ON JULY 1, 2018.
 - B. TITLE 15, CHAPTER 5, ARTICLE 4 IS REPEALED ON JANUARY 1, 2019. Sec. 25. Succession
- A. As provided by this act, the professional education standards board succeeds to the authority, powers, duties and responsibilities of the state board of education and the department of education regarding the certification and regulation of the education profession.
- B. This act does not alter the effect of any actions that were taken or impair the valid obligations of the state board of education or the department of education in existence before January 15, 2009.
- C. Administrative rules and orders that were adopted by the state board of education and the department of education and that relate to certification and regulation of the education profession continue in effect until superseded by administrative action of the professional education standards board.
- D. All administrative matters, contracts and judicial and quasi-judicial actions of the state board of education or the department of education, whether completed, pending or in process, that relate to the certification and regulation of the education profession on January 15, 2009 are transferred to and retain the same status with the professional education standards board.
- E. All certificates or other indicia of qualification and authority that were issued by the state board of education or the department of education retain their validity for the duration of their terms of validity as provided by law.
- F. All records, data and investigative findings relating to the certification and regulation of the education profession on January 15, 2009 are transferred from the state board of education and the department of education to the professional education standards board.
- G. All personnel whose jobs relate exclusively to the certification and regulation of the education profession and who are employed by the state board of education or the department of education are transferred to comparable positions and pay classifications in the professional education standards board. These personnel work exclusively for and under the direction of the professional education standards board. The professional education standards board and related staff shall be housed in the department of education.

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H. All monies appropriated to or remaining in the teacher certification fund and investigative unit are transferred to the professional education standards board fund established in section 15-563, Arizona Revised Statutes, as added by this act.

Sec. 26. <u>Professional education standards board; initial appointments</u>

- A. Notwithstanding section 15-561, Arizona Revised Statutes, as added by this act, the initial terms of the appointed members of the professional education standards board are:
 - 1. Four terms selected by the governor ending January 1, 2010.
 - 2. Six terms selected by the governor ending January 1, 2011.
 - 3. Six terms selected by the governor ending January 1, 2012.
- B. The governor shall make the initial appointment of the professional education standards board as prescribed in section 15-561, Arizona Revised Statutes, as added by this act, no later than January 13, 2009.
- C. The governor shall make all subsequent appointments as prescribed by statute.

Sec. 27. Purpose

Pursuant to section 41-2955, subsection E, Arizona Revised Statutes, the legislature establishes the professional education standards board for the purpose of supervising and controlling the certification of persons employed in public schools.

Sec. 28. <u>Effective date</u>

This act is effective from and after January 12, 2009.

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