

REFERENCE TITLE: **scholarships; grants; nonlapsing funds**

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
Second Regular Session  
2008

## **HB 2089**

Introduced by  
Representatives Biggs, Burges, Murphy, Senator Johnson: Representatives  
Anderson, Barto, Crump, Groe, Senators Gorman, Harper

**AN ACT**

**AMENDING SECTIONS 15-817.06 AND 15-891.04, ARIZONA REVISED STATUTES; AMENDING  
LAWS 2006, CHAPTER 340, SECTION 2; RELATING TO SCHOOL FINANCE.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-817.06, Arizona Revised Statutes, is amended to  
3 read:

4 15-817.06. Displaced pupils choice grant fund

5 A. The displaced pupils choice grant fund is established. The  
6 department shall administer the fund. Monies in the fund are continuously  
7 appropriated. Monies in the fund shall be used for displaced pupils choice  
8 grants pursuant to this article.

9 B. Monies in the fund are exempt from the provisions of section 35-190  
10 relating to lapsing of appropriations ~~until June 30, 2008.~~

11 Sec. 2. Section 15-891.04, Arizona Revised Statutes, is amended to  
12 read:

13 15-891.04. Scholarship funding and payment; fund; liability;  
14 rules

15 A. The maximum scholarship granted for a pupil with a disability shall  
16 be equivalent to the base support level prescribed in section 15-943 for that  
17 particular pupil.

18 B. The amount of any assessment fee required by the participating  
19 qualified school may be paid from the total amount of the scholarship. The  
20 amount of the Arizona scholarship shall be the lesser of:

21 1. The amount prescribed in subsection A of this section.

22 2. The amount of the qualified school's tuition and fees or the actual  
23 per pupil costs, whichever is greater.

24 C. If the participating qualified school requires partial payment of  
25 tuition before the start of the academic year to reserve space for pupils  
26 admitted to the school, a partial scholarship payment may be paid by the  
27 department of education before the first quarterly payment of the year in  
28 which the Arizona scholarship is awarded, up to a maximum of one thousand  
29 dollars, and the amount of this payment shall be deducted from subsequent  
30 scholarship payments. If a pupil decides not to attend the participating  
31 qualified school, the partial reservation payment shall be returned to the  
32 department of education by the participating qualified school. A pupil shall  
33 not be awarded more than one reservation payment per year.

34 D. The school district shall report to the department of education all  
35 pupils who are attending a qualified school under the scholarship program  
36 offered pursuant to this article.

37 E. The Arizona scholarships for pupils with disabilities program fund  
38 is established consisting of monies appropriated for this purpose. The  
39 department of education shall administer the fund. Monies in the fund are  
40 continuously appropriated **AND ARE EXEMPT FROM THE PROVISIONS OF SECTION**  
41 **35-190 RELATING TO LAPSING OF APPROPRIATIONS.** Following notification of the  
42 number of program participants in the scholarship program, the department of  
43 education shall transfer from the fund the amount calculated under subsection  
44 A of this section in quarterly installments to the parents of pupils who  
45 participate in the scholarship program. When a pupil enters the scholarship

1 program, the department of education shall receive all documentation required  
2 for the pupil's participation, including the qualified school's and pupil's  
3 fee schedules, at least thirty days before the first quarterly scholarship  
4 payment is made for the pupil. The department of education shall not make  
5 any retroactive payments from the fund.

6 F. On proper documentation reviewed and approved by the department of  
7 education, the superintendent of public instruction shall make scholarship  
8 payments in four equal quarterly installments on dates selected by the  
9 department of education. The initial payment shall be made after the  
10 department of education verifies that the pupil has been accepted for  
11 admission at the qualified school, and subsequent payments shall be made on  
12 verification of continued enrollment and attendance at the qualified school.  
13 Payment shall be by individual warrant payable to the pupil's parent and  
14 mailed by the department of education to the qualified school of the parent's  
15 choice, and the parent shall restrictively endorse the warrant to the  
16 qualified school for deposit into the account of the qualified school.

17 G. Liability shall not arise on the part of the state based on the  
18 award or use of an Arizona scholarship.

19 H. The state board of education may adopt rules to carry out the  
20 purposes of this article, except that the inclusion of eligible qualified  
21 schools in the scholarship program shall not be construed to expand the  
22 regulatory authority of this state or its officers or any school district to  
23 impose any additional regulation of qualified schools.

24 Sec. 3. Laws 2006, chapter 340, section 2 is amended to read:

25 Sec. 2. Appropriation; purpose; exemption

26 A. The sum of \$2,500,000 is appropriated from the state general fund  
27 in fiscal year 2006-2007 to the department of education for deposit in the  
28 Arizona scholarship for pupils with disabilities program fund established by  
29 section 15-891.04, Arizona Revised Statutes, ~~as added by this act.~~

30 B. The appropriation made in subsection A of this section is exempt  
31 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
32 lapsing of appropriations ~~until June 30, 2008.~~

33 Sec. 4. Emergency

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