

COMMITTEE ON EDUCATION  
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2610  
(Reference to printed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.

[Green underlining in brackets] indicates text added to new session law or text restoring existing law.

[GREEN STRIKEOUT IN BRACKETS] indicates new text removed from statute or previously enacted session law.

[Green strikeout in brackets] indicates text removed from existing statute, previously enacted session law or new session law.

<<Green carets>> indicate a section added to the bill.

<<Green strikeout in carets>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Section 1. Section 15-103, Arizona Revised Statutes, is amended to  
3 read:

4 15-103. School districts; financial mismanagement;  
5 intervention; receivership; definitions

6 A. The state board of education shall review allegations of school  
7 district insolvency and gross mismanagement. The state board shall give  
8 the school district an opportunity to respond to these allegations at a  
9 public meeting. If the state board determines that the school district is  
10 insolvent or has grossly mismanaged its finances, the state board shall  
11 appoint a receiver or fiscal crisis team for that school district.

12 B. The state board shall find a school district insolvent if it  
13 finds one or more of the following:

14 1. The school district is unable to pay debts as they fall due or  
15 in the usual course of business.

16 2. The salaries of any teachers or other employees have remained  
17 unpaid for forty-five days.

18 3. The tuition due another school district or other state  
19 institution remains unpaid on or after January 1 of the year following the  
20 school year it was due and there is no dispute regarding the validity or  
21 amount of the claim.

22 4. The school district has defaulted in payment of its bonds or  
23 interest on bonds or in payment of rentals due any state or federal  
24 authority or private business for a period of sixty calendar days and no  
25 action has been initiated within that period of time to make payment.

26 5. The school district has contracted for any loan not authorized  
27 by law.

28 6. The school district has accumulated and has operated with a  
29 deficit equal to five ~~per cent~~ PERCENT or more of the school district's  
30 revenue control limit for any fiscal year within the past two fiscal years  
31 or the conditions prescribed in section 15-107 have occurred.

32 7. The school district's warrants have not been honored for payment  
33 by the school district's servicing bank or by the county treasurer and the

1 warrants have remained unpaid for a period of more than sixty calendar  
2 days.

3 C. A school district shall not be deemed to be insolvent pursuant  
4 to subsection B of this section if the circumstances are the result of the  
5 failure of the state to make any payments of monies due the school  
6 district at the time payment is due.

7 D. The state board of education ~~shall have~~ HAS jurisdiction over  
8 all petitions requesting that a school district be placed in receivership  
9 and a receiver be appointed or that a fiscal crisis team be appointed  
10 because of the school district's alleged insolvency or gross  
11 mismanagement. The state board ~~shall have~~ HAS the burden of demonstrating  
12 by a preponderance of the evidence that the school district is insolvent  
13 or is engaged in gross mismanagement.

14 E. If the state board of education finds that the school district  
15 is insolvent or has engaged in gross mismanagement, the state board may  
16 place the school district in receivership and appoint a receiver  
17 recommended by the state board. The state board shall develop and adopt a  
18 list of qualified receivers to be appointed by the board.

19 F. On appointment, the receiver SHALL PERFORM THE ACTIONS  
20 PRESCRIBED IN PARAGRAPH 1 OF THIS SUBSECTION AND may perform any of the  
21 actions prescribed in ~~paragraphs 1 through 11~~ PARAGRAPH 2 of this  
22 subsection and shall begin a full review and investigation of the school  
23 district's financial affairs and submit to the state board of education a  
24 detailed report listing the findings of that investigation that ~~shall~~  
25 ~~include~~ INCLUDES a financial improvement plan and budget that details how  
26 the school district will eliminate any continued gross financial  
27 mismanagement and achieve financial solvency. The plan shall include a  
28 proposed timeline for achieving financial solvency. The receiver shall  
29 submit the report within one hundred twenty days after the receiver's  
30 appointment. The financial improvement plan approved by the state board  
31 of education:

32 1. SHALL REQUIRE THE RECEIVER TO TERMINATE FOR CAUSE THE SCHOOL  
33 DISTRICT SUPERINTENDENT. THE RECEIVER MAY NOT PROVIDE A SEVERANCE OR  
34 BUYOUT PACKAGE TO THE SCHOOL DISTRICT SUPERINTENDENT IF THE STATE BOARD OF  
35 EDUCATION PLACES THE SCHOOL DISTRICT IN RECEIVERSHIP. A SUPERINTENDENT  
36 WHO IS TERMINATED PURSUANT TO THIS PARAGRAPH MAY APPEAL THE TERMINATION TO  
37 THE STATE BOARD OF EDUCATION IF THE SUPERINTENDENT FILES AN APPEAL WITH  
38 THE STATE BOARD WITHIN THIRTY DAYS AFTER RECEIVING NOTICE OF THE  
39 TERMINATION.

40 2. May authorize the receiver to do any of the following:

41 ~~1.~~ (a) Override any decisions of the school district's governing  
42 board or the school district superintendent, or both, concerning the  
43 management and operation of the school district, and initiate and make  
44 decisions concerning the management and operation of the school district.

45 ~~2.~~ (b) Attend any and all meetings of the school district's  
46 governing board and administrative staff.

47 ~~3.~~ (c) Supervise the day-to-day activities of the school  
48 district's staff, including reassigning the duties and responsibilities of

1 personnel in a manner that, in the determination of the receiver, best  
2 suits the needs of the school district.

3 ~~4.~~ (d) Place on extended leave, suspend or terminate for cause the  
4 school district's ~~superintendent or~~ chief financial officer, ~~or both~~. The  
5 receiver is not authorized to provide a severance or buyout package to the  
6 school district's ~~superintendent or~~ chief financial officer if the school  
7 district is placed ~~into~~ IN receivership by the state board of education.  
8 A ~~person~~ CHIEF FINANCIAL OFFICER WHO IS terminated pursuant to this  
9 ~~paragraph~~ SUBDIVISION may appeal the ~~receiver's decision~~ TERMINATION to  
10 the state board of education if an appeal is filed with the state board  
11 within thirty days ~~of~~ AFTER receiving notice of the termination.

12 ~~5.~~ (e) Authorize pupils to transfer from schools operated by the  
13 school district to schools operated by another school district that is not  
14 currently in receivership.

15 ~~6.~~ (f) Appoint a chief educational officer who shall possess the  
16 powers and duties of a school district superintendent. A chief  
17 educational officer who is appointed pursuant to this ~~paragraph~~  
18 SUBDIVISION shall hold a valid administrative certificate.

19 ~~7.~~ (g) Appoint a chief fiscal officer who shall possess the powers  
20 and duties of the school district's chief school business official and any  
21 other duties regarding budgeting, accounting and other financial matters  
22 that are assigned to the school district by law.

23 ~~8.~~ (h) Appoint a competent independent public accountant to audit  
24 the accounts of the school district.

25 ~~9.~~ (i) Reorganize the school district's financial accounts,  
26 management and budgetary systems to improve financial responsibility and  
27 reduce financial inefficiency within the district.

28 ~~10.~~ (j) Establish school district fiscal guidelines and a system of  
29 internal controls, including internal administrative controls and internal  
30 accounting controls, with provisions for internal audits.

31 ~~11.~~ (k) Cancel or renegotiate any contract, other than contracts of  
32 certificated teachers who have been employed by the school district in the  
33 capacity of a certificated teacher for more than one year immediately  
34 before the date the receiver was appointed, to which the governing board  
35 or the school district is a party if the cancellation or renegotiation of  
36 the contract will produce needed economies in the operation of the  
37 district's schools. The receiver may refuse to reemploy any certificated  
38 teacher who has not been employed by the school district for more than the  
39 major portion of three consecutive school years ~~as provided in section~~  
40 ~~15-536~~.

41 G. The receiver's power, authority and duties ~~shall be~~ ARE  
42 effective on the date of the receiver's appointment by the state board of  
43 education. The receiver shall perform the receiver's duties according to  
44 the instructions of the state board of education order and according to  
45 law. The receiver shall promptly report any violations of law, including  
46 a violation of the uniform system of financial records, to the state board  
47 of education.

1 H. On review and approval of the state board of education, the  
2 receiver shall take all necessary steps to implement the financial  
3 improvement plan and budget ~~utilizing~~ USING those powers identified in the  
4 plan as prescribed in subsection F of this section.

5 I. The salary and benefits of the receiver and any officers or  
6 employees appointed by the receiver shall be paid by the school district.  
7 The state board of education shall determine the salary for the receiver  
8 and any officers or employees appointed by the receiver based on amounts  
9 recommended by the state board.

10 J. The state board of education shall remove the school district  
11 from receivership and dismiss the receiver and dismiss any officer or  
12 employee appointed by the receiver thirty days after all of the following  
13 have occurred:

14 1. The auditor general certifies that the school district has been  
15 financially solvent for one fiscal year.

16 2. The auditor general certifies that the school district's  
17 financial records are in compliance with the uniform system of financial  
18 records and generally accepted accounting principles.

19 3. The receiver certifies that the school district is no longer  
20 engaged in gross mismanagement.

21 4. The state board of education has determined that the school  
22 district is able to pay its debts as those debts become due.

23 K. Beginning ninety days after the submission of the first report  
24 prescribed in subsection F of this section, the receiver shall submit a  
25 quarterly progress report to the state board of education. The state  
26 board of education shall review the expenses and costs of the receiver at  
27 least once each calendar quarter.

28 L. The state board of education shall formally review the  
29 receiver's progress every six months. If, based on the quarterly progress  
30 reports, the state board determines that the receiver's progress is  
31 insufficient, the state board may remove the current receiver and appoint  
32 another receiver for the school district.

33 M. The state board of education may dismiss the receiver for cause  
34 or on a majority vote of no confidence in the receiver of the state board.

35 N. The school district shall indemnify the receiver and any officer  
36 or employee appointed by the receiver who is made or threatened to be made  
37 a party to any litigation by reason of their status under this section if  
38 the receiver, officer or employee acted in good faith and in a manner that  
39 the receiver, officer or employee reasonably believed to be consistent  
40 with the best interest of the school district and if the receiver, officer  
41 or employee had no reasonable cause to believe that the conduct was  
42 unlawful.

43 O. During the period of time that the school district is in  
44 receivership, ~~no~~ A member, officer, employee or agent of the school  
45 district may NOT enter into any contract or incur any liability on behalf  
46 of the school district for any purpose if the amount of the contract or  
47 liability exceeds the receiver's authorized financial plan and budget for  
48 the school district. The receiver may discipline, including, if warranted,

1 imposing a suspension from duty without pay, removal from office or  
2 termination of, any school district employee or officer who violates this  
3 subsection.

4 P. This section does not create a private cause of action against  
5 the school district or its officers, directors, board members or  
6 employees.

7 Q. The assumption of control of the school district by the receiver  
8 shall ~~in no way~~ NOT interfere with the election ~~or reelection~~ of school  
9 district governing board members, EXCEPT AS REQUIRED BY SECTION 15-302.01.

10 R. This section shall not interfere with a school district's  
11 ability to declare bankruptcy under federal law.

12 S. The state board of education shall continue to monitor and offer  
13 technical assistance to a school district for two years after its removal  
14 from receivership.

15 T. All information received and records or reports kept by the  
16 state board of education during an investigation resulting from a  
17 complaint against a receiver appointed pursuant to this section or section  
18 15-107 are confidential and not a public record.

19 U. The state board of education or the department of education  
20 shall immediately notify the auditor general if the board or department  
21 has knowledge that a superintendent or chief financial officer who was  
22 employed at the school district at the time the school district was placed  
23 in receivership is currently employed in another school district or  
24 charter school in this state.

25 V. Notwithstanding any other law, a fiscal crisis team appointed  
26 pursuant to this section ~~shall be~~ IS subject to section 15-107,  
27 subsections E through H and a school district that is assigned a level two  
28 fiscal crisis team pursuant to this section ~~shall be~~ IS subject to section  
29 15-107, subsections J, K and L.

30 W. For the purposes of this section:

31 1. "Fiscal crisis team" means either:

32 (a) A level one fiscal crisis team with the duties and authority  
33 prescribed in section 15-107, subsection D, paragraph 2.

34 (b) A level two fiscal crisis team with the duties and authority  
35 prescribed in section 15-107, subsection D, paragraph 3.

36 2. "Gross mismanagement" means that the school district's officers  
37 or employees committed or engaged in gross incompetence or systemic and  
38 egregious mismanagement of the school district's finances or financial  
39 records.

40 3. "Notice" means written notice personally served or delivered by  
41 certified mail, return receipt requested.

42 4. "Receiver" means an individual WHO IS appointed by the state  
43 board of education from the persons recommended by the state board for the  
44 purpose of managing a school district placed in receivership by the state  
45 board of education.

46 5. "Receivership" means the state or condition of being under the  
47 control of the receiver appointed by the state board of education.

1       6. "Superintendent" means the chief executive officer of the school  
2 district.

3       Sec. 2. Title 15, chapter 3, article 1, Arizona Revised Statutes,  
4 is amended by adding section 15-302.01, to read:

5       15-302.01. School district governing board members; removal;  
6               appointment

7       NOTWITHSTANDING ANY OTHER LAW, IF THE STATE BOARD OF EDUCATION  
8 PLACES A SCHOOL DISTRICT IN RECEIVERSHIP PURSUANT TO SECTION 15-103, THE  
9 COUNTY SCHOOL SUPERINTENDENT OF THE COUNTY IN WHICH THE SCHOOL DISTRICT IS  
10 LOCATED SHALL REMOVE EACH MEMBER OF THE SCHOOL DISTRICT GOVERNING BOARD  
11 AND SHALL FILL THE VACANCIES PURSUANT TO SECTION 15-302, EXCEPT THAT[:  
12       1.] THE COUNTY SCHOOL SUPERINTENDENT MAY NOT ACCEPT NAMES FROM THE  
13 SCHOOL DISTRICT GOVERNING BOARD FOR CONSIDERATION.

14       [2. IF THE SCHOOL DISTRICT IS LOCATED IN TWO OR MORE COUNTIES, EACH  
15 VACANCY SHALL BE FILLED BY THE COUNTY SCHOOL SUPERINTENDENT OF THE COUNTY  
16 IN WHICH THE REMOVED GOVERNING BOARD MEMBER RESIDED AT THE TIME OF  
17 REMOVAL.]

18       ~~<<Sec. 3. Section 15-421, Arizona Revised Statutes, is amended to~~  
19 ~~read:~~

20       ~~15-421. Governing boards; members; qualifications;~~  
21               ~~prohibitions; candidate statements; definitions~~

22       ~~A. The governing body of a school district shall be a governing~~  
23 ~~board. There shall be three governing board members, except as otherwise~~  
24 ~~provided by this section and section 15-425, subsection A.~~

25       ~~B. The governing body of a high school district shall be a~~  
26 ~~governing board composed of:~~

27       ~~1. In a single district, the governing board members of the common~~  
28 ~~school district.~~

29       ~~2. In a union high school district, five members.~~

30       ~~C. A person is eligible for election to the office of governing~~  
31 ~~board member if all of the following apply:~~

32       ~~1. The person is a registered voter of this state.~~

33       ~~2. The person has been a resident of the school district for at~~  
34 ~~least one year immediately preceding the day of election.~~

35       ~~3. The person is not subject to registration as a sex offender in~~  
36 ~~this state or in any other jurisdiction.~~

37       ~~4. THE PERSON HAS NOT BEEN REMOVED FROM THE OFFICE OF GOVERNING~~  
38 ~~BOARD MEMBER PURSUANT TO SECTION 15-302.01.~~

39       ~~D. An employee of a school district, including a person who~~  
40 ~~directly provides certified or classified services to the school district~~  
41 ~~as an employee of a third-party contractor, or the spouse of such an~~  
42 ~~employee may not hold membership on the governing board of a school~~  
43 ~~district by which the employee is employed.~~

44       ~~E. Notwithstanding subsection D of this section and title 38,~~  
45 ~~chapter 3, article 8, a small school district may employ, including~~  
46 ~~employment through a third-party contractor that provides services to the~~  
47 ~~small school district, a substitute teacher who is related to a member of~~  
48 ~~the governing board as immediate family and who has had the same household~~

1 ~~of residence within the preceding four years. If a small school district~~  
2 ~~employs a substitute teacher pursuant to this subsection, the member of~~  
3 ~~the governing board who is related to the substitute teacher shall be~~  
4 ~~recused from voting on any matter relating to substitute teachers.~~

5 ~~F. A school district may employ, including employment through a~~  
6 ~~third-party contractor that provides services to the school district, a~~  
7 ~~person who served as a member of the school district's governing board~~  
8 ~~during the preceding two years only in a position in which the person will~~  
9 ~~provide services directly to students, including as a certificated~~  
10 ~~teacher, a substitute teacher and an employee or contractor who provides~~  
11 ~~transportation, instructional support or student support services. A~~  
12 ~~school district may increase the time period prescribed in this subsection~~  
13 ~~to be more than two years.~~

14 ~~G. A member of one governing board is ineligible to be a candidate~~  
15 ~~for nomination or election to or serve simultaneously as a member of any~~  
16 ~~other governing board, except that a member of a governing board may be a~~  
17 ~~candidate for nomination or election for any other governing board if the~~  
18 ~~member is serving in the last year of a term of office. A member of a~~  
19 ~~governing board shall resign the member's seat on the governing board~~  
20 ~~before becoming a candidate for nomination or election to the governing~~  
21 ~~board of any other school district, unless the member of the governing~~  
22 ~~board is serving in the last year of a term of office.~~

23 ~~H. Notwithstanding section 15-511, each county school~~  
24 ~~superintendent shall publish on the superintendent's website the statement~~  
25 ~~of each certified candidate for membership on a school district governing~~  
26 ~~board located in the county. The county school superintendent shall list~~  
27 ~~each school district on the superintendent's website from which a link~~  
28 ~~shall be established to the candidate's name, which shall link to the~~  
29 ~~candidate's statement and photograph. The candidate shall submit the~~  
30 ~~statement to the person at the county school superintendent's office~~  
31 ~~assigned to manage candidate statements, after notice of certification~~  
32 ~~from the county school superintendent's office but not later than~~  
33 ~~twenty-one days before the date that general election early ballots are~~  
34 ~~allowed to be mailed. The person shall post each candidate's statement on~~  
35 ~~the county school superintendent's website not later than fourteen days~~  
36 ~~before the date that general election early ballots are allowed to be~~  
37 ~~mailed. If a candidate does not submit a statement, the county school~~  
38 ~~superintendent's website shall state "no response submitted" for the~~  
39 ~~candidate. The candidate statements shall be posted on the website~~  
40 ~~alphabetically by each school district and by candidate. The candidate~~  
41 ~~statement shall be typewritten or electronically submitted. The county~~  
42 ~~school superintendent shall post the statements verbatim as they are~~  
43 ~~received unless a candidate requests in writing that typographical errors~~  
44 ~~be corrected. The candidate statement shall contain the following items~~  
45 ~~in the same size and format for each candidate:~~

- 46 ~~1. A recent photograph of the candidate.~~
- 47 ~~2. A statement not to exceed five hundred words.~~



1       ~~3. A disclosure of any relationships by affinity, by consanguinity~~  
2 ~~or by law to the third degree that exist between the candidate and any~~  
3 ~~current governing board members or other candidates for election to the~~  
4 ~~same governing board.~~

5       ~~I. Persons related as immediate family who have the same household~~  
6 ~~of residence within four years prior shall not serve simultaneously on the~~  
7 ~~governing board of the same school district if the governing board is~~  
8 ~~composed of five members. For a school district with a student count of~~  
9 ~~at least two hundred fifty that is located in a county with a population~~  
10 ~~of more than five hundred thousand persons, not more than two persons~~  
11 ~~related by affinity, by consanguinity or by law to the third degree shall~~  
12 ~~serve simultaneously on the governing board of the same school district if~~  
13 ~~the governing board is composed of five members. A qualified elector who~~  
14 ~~resides in the school district may bring an action in superior court to~~  
15 ~~enforce this subsection.~~

16       ~~J. A person related as immediate family who has the same household~~  
17 ~~of residence within four years prior to a member of the governing board of~~  
18 ~~the same school district is ineligible to be a candidate for nomination or~~  
19 ~~election to that governing board if the governing board is composed of~~  
20 ~~five members, except that a person related as immediate family who has the~~  
21 ~~same household of residence within four years prior to a member of a~~  
22 ~~governing board may be a candidate for nomination or election to the~~  
23 ~~governing board of the same school district if the member is serving in~~  
24 ~~the last year of a term of office. For a school district with a student~~  
25 ~~count of at least two hundred fifty that is located in a county with a~~  
26 ~~population of more than five hundred thousand persons, not more than two~~  
27 ~~persons related by affinity, by consanguinity or by law to the third~~  
28 ~~degree shall be eligible to be a candidate for nomination or election to a~~  
29 ~~governing board that is composed of five members. A qualified elector who~~  
30 ~~resides in the school district may bring an action in superior court to~~  
31 ~~enforce this subsection.~~

32       ~~K. Persons related as immediate family who have the same household~~  
33 ~~of residence within four years prior are ineligible to be simultaneous~~  
34 ~~candidates for nomination or election to the governing board of the same~~  
35 ~~school district if the governing board is composed of five members. For a~~  
36 ~~school district with a student count of at least two hundred fifty that is~~  
37 ~~located in a county with a population of more than five hundred thousand~~  
38 ~~persons, not more than two persons related by affinity, by consanguinity~~  
39 ~~or by law to the third degree shall be simultaneous candidates for~~  
40 ~~nomination or election to a governing board that is composed of five~~  
41 ~~members. A qualified elector who resides in the school district may bring~~  
42 ~~an action in superior court to enforce this subsection.~~

43       ~~L. For the purposes of this section:~~

44       ~~1. "Household of residence" means the place of abode during~~  
45 ~~applicable time periods or the residence address used by an individual for~~  
46 ~~voter registration or property tax purposes.~~

47       ~~2. "Immediate family" means individuals who are married to each~~  
48 ~~other and any children of those individuals.~~



1 ~~3. "Small school district" has the same meaning prescribed in~~  
2 ~~section 15-901.>>~~

3 <<Sec. 3. Section 38-201, Arizona Revised Statutes, is amended to  
4 read:

5 38-201. General qualifications

6 A. Every officer shall be ~~[not less than]~~ [AT LEAST] eighteen years  
7 of age, a citizen of the United States and a resident of this state.

8 B. ~~[No]~~ [A] person is ~~[NOT]~~ eligible to any office, employment or  
9 service in any public institution in ~~[the]~~ [THIS] state~~[-]~~ or in any of  
10 the several counties ~~[thereof,]~~ [OF THIS STATE] of any kind or character,  
11 whether by election, appointment or contract, unless ~~[he]~~ [THE PERSON] is  
12 a citizen of the United States, but ~~[the provisions of]~~ this subsection  
13 ~~[shall]~~ [DOES] not apply to the employment of any teacher, instructor or  
14 professor authorized to teach in the United States under the teacher  
15 exchange program as provided by federal statutes or the employment of  
16 university or college faculty members.

17 C. A person who is unable to speak, write and read the English  
18 language is not eligible to hold a state, county, city, town or precinct  
19 office in the state, whether elective or appointive, and ~~[no]~~ [A]  
20 certificate of election or commission shall ~~[NOT]~~ issue to a person so  
21 disqualified.

22 D. Except as provided in subsection E [OF THIS SECTION], a person  
23 is not eligible for employment by or service for ~~[the]~~ [THIS] state or a  
24 political subdivision of ~~[the]~~ [THIS] state, including all boards and  
25 commissions of ~~[the]~~ [THIS] state or political subdivision [OF THIS  
26 STATE], all multimember governing bodies of departments, agencies,  
27 institutions and instrumentalities of ~~[the]~~ [THIS] state or political  
28 subdivisions [OF THIS STATE] unless the person has registered with the  
29 selective service system if required by the federal military selective  
30 service act (62 Stat. 604; 50 United States Code App. section 453).

31 E. A person may not be denied a right, privilege or benefit by  
32 reason of subsection D [OF THIS SECTION] if either of the following  
33 applies:

34 1. The requirement for the person to so register has terminated or  
35 become inapplicable to the person.

36 2. The person shows by a preponderance of the evidence that the  
37 failure of the person to register with the selective service system was  
38 not a knowing and ~~[willful]~~ [WILFULL] failure to register.

39 [F. A PERSON IS NOT ELIGIBLE TO HOLD A STATE, COUNTY, CITY, TOWN OR  
40 PRECINCT OFFICE IN THIS STATE, WHETHER ELECTIVE OR APPOINTIVE, AND A  
41 CERTIFICATE OF ELECTION OR COMMISSION MAY NOT BE ISSUED TO A PERSON WHO IS  
42 DISQUALIFIED PURSUANT TO THIS SUBSECTION IF THE PERSON EITHER:

43 1. IS REMOVED FROM THE OFFICE OF SCHOOL DISTRICT GOVERNING BOARD  
44 MEMBER PURSUANT TO SECTION 15-302.01.

45 2. RESIGNED FROM THE OFFICE OF SCHOOL DISTRICT GOVERNING BOARD  
46 MEMBER UP TO ONE MONTH BEFORE THE SCHOOL DISTRICT WAS PLACED IN  
47 RECEIVERSHIP PURSUANT TO SECTION 15-103.]>>

1       <<Sec. 4. County treasurer; warrants issued by a school  
2               district in receivership; intent; delayed repeal  
3       [A. Notwithstanding any other law, the county treasurer shall  
4 register warrants in the total amount of \$2,500,000 that are issued by a  
5 school district in receivership pursuant to section 15-103, Arizona  
6 Revised Statutes, as amended by this act, and approved by the receiver  
7 regardless of whether there are sufficient monies in the school district's  
8 account.  
9       B. The legislature intends that warrants registered pursuant to  
10 subsection A of this section be funded by basic state aid payments to the  
11 school district.  
12       C. This section is repealed from and after December 31, 2026.]>>  
13       <<Sec. 5. Department of education; budget capacity  
14               calculation; school districts in receivership;  
15               delayed repeal  
16       [A. Notwithstanding any other law, the department of education may  
17 not consider the cash balance or budget carryforward of a school district  
18 that is placed in receivership in the third quarter of the 2024-2025  
19 fiscal year when calculating the school district's budget capacity until  
20 March 2025.  
21       B. This section is repealed from and after December 31, 2026.]>>  
22       <<Sec. 6. Emergency  
23       [This act is an emergency measure that is necessary to preserve the  
24 public peace, health or safety and is operative immediately as provided by  
25 law.]>>  
26 Enroll and engross to conform  
27 Amend title to conform  
    And, as so amended, it do pass

MATT GRESS  
CHAIRMAN

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01/28/2025  
07:20 PM  
C: VS