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KEN BENNETT
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CHAPTER 14

HOUSE BILL 2006

AN ACT

AMENDING SECTIONS 15-183 AND 15-342, ARIZONA REVISED STATUTES; RELATING TO SCHOOL DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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. Charter schools; application; requirements; immunity; exemptions; renewal of application; reprisal

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

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. The 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,

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.

4. 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. All other 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 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.

(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 located, the operator of a charter school shall conduct a public meeting at

1 least thirty days before the charter school operator opens a site or sites
2 for the charter school. The charter school operator shall post notices of
3 the public meeting in at least three different locations that are within
4 three hundred feet of the proposed charter school site.
5 6. A person who is employed by a charter school or who is an applicant
6 for employment with a charter school, who is arrested for or charged with a
7 nonappealable offense listed in section 41-1758.03, subsection B and who does
8 not immediately report the arrest or charge to the person's supervisor or
9 potential employer is guilty of unprofessional conduct and the person shall
10 be immediately dismissed from employment with the charter school or
11 immediately excluded from potential employment with the charter school.
12 7. A person who is employed by a charter school and who is convicted
13 of any nonappealable offense listed in section 41-1758.03, subsection B or is
14 convicted of any nonappealable offense that amounts to unprofessional conduct
15 under section 15-550 shall immediately do all of the following:
16 (a) Surrender any certificates issued by the department of education.
17 (b) Notify the person's employer or potential employer of the
18 conviction.
19 (c) Notify the department of public safety of the conviction.
20 (d) Surrender the person's fingerprint clearance card.
21 D. A board that is authorized to sponsor charter schools pursuant to
22 this article has no legal authority over or responsibility for a charter
23 school sponsored by a different board. This subsection does not apply to the
24 state board of education's duty to exercise general supervision over the
25 public school system pursuant to section 15-203, subsection A, paragraph 1.
26 E. The charter of a charter school shall ensure the following:
27 1. Compliance with federal, state and local rules, regulations and
28 statutes relating to health, safety, civil rights and insurance. The
29 department of education shall publish a list of relevant rules, regulations
30 and statutes to notify charter schools of their responsibilities under this
31 paragraph.
32 2. That it is nonsectarian in its programs, admission policies and
33 employment practices and all other operations.
34 3. That it provides a comprehensive program of instruction for at
35 least a kindergarten program or any grade between grades one and twelve,
36 except that a school may offer this curriculum with an emphasis on a specific
37 learning philosophy or style or certain subject areas such as mathematics,
38 science, fine arts, performance arts or foreign language.
39 4. That it designs a method to measure pupil progress toward the pupil
40 outcomes adopted by the state board of education pursuant to section
41 15-741.01, including participation in the Arizona instrument to measure
42 standards test and the nationally standardized norm-referenced achievement
43 test as designated by the state board and the completion and distribution of
44 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 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.

I. An approved plan to establish a charter school is effective for fifteen years from the first day of operation. At least eighteen months before the expiration of the approved plan, the sponsor shall notify the charter school that the charter school may apply for renewal. A charter school that elects to apply for renewal shall file an application for renewal at least fifteen months before the expiration of the approved plan. 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 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. 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.

(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

1 charter schools from hearings conducted pursuant to this subsection are
2 subject to judicial review pursuant to title 12, chapter 7, article 6.
3 R. The sponsoring entity of a charter school shall have oversight and
4 administrative responsibility for the charter schools that it sponsors.
5 S. Charter schools may pledge, assign or encumber their assets to be
6 used as collateral for loans or extensions of credit.
7 T. All property accumulated by a charter school shall remain the
8 property of the charter school.
9 U. Charter schools may not locate a school on property that is less
10 than one-fourth mile from agricultural land regulated pursuant to section
11 3-365, except that the owner of the agricultural land may agree to comply
12 with the buffer zone requirements of section 3-365. If the owner agrees in
13 writing to comply with the buffer zone requirements and records the agreement
14 in the office of the county recorder as a restrictive covenant running with
15 the title to the land, the charter school may locate a school within the
16 affected buffer zone. The agreement may include any stipulations regarding
17 the charter school, including conditions for future expansion of the school
18 and changes in the operational status of the school that will result in a
19 breach of the agreement.
20 V. A transfer of a charter to another sponsor, a transfer of a charter
21 school site to another sponsor or a transfer of a charter school site to a
22 different charter shall be completed before the beginning of the fiscal year
23 that the transfer is scheduled to become effective. An entity that sponsors
24 charter schools may accept a transferring school after the beginning of the
25 fiscal year if the transfer is approved by the superintendent of public
26 instruction. The superintendent of public instruction shall have the
27 discretion to consider each transfer during the fiscal year on a case by case
28 basis. If a charter school is sponsored by a school district that is
29 determined to be out of compliance with this title, the uniform system of
30 financial records or any other state or federal law, the charter school may
31 transfer to another sponsoring entity at any time during the fiscal year.
32 W. The sponsoring entity may not charge any fees to a charter school
33 that it sponsors unless the sponsor has provided services to the charter
34 school and the fees represent the full value of those services provided by
35 the sponsor. On request, the value of the services provided by the sponsor
36 to the charter school shall be demonstrated to the department of education.
37 X. CHARTER SCHOOLS MAY ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH
38 A PRESIDING JUDGE OF THE JUVENILE COURT TO IMPLEMENT A LAW RELATED EDUCATION
39 PROGRAM AS DEFINED IN SECTION 15-154. THE PRESIDING JUDGE OF THE JUVENILE
40 COURT MAY ASSIGN JUVENILE PROBATION OFFICERS TO PARTICIPATE IN A LAW RELATED
41 EDUCATION PROGRAM IN ANY CHARTER SCHOOL IN THE COUNTY. THE COST OF JUVENILE
42 PROBATION OFFICERS WHO PARTICIPATE IN THE PROGRAM IMPLEMENTED PURSUANT TO
43 THIS PARAGRAPH SHALL BE FUNDED BY THE CHARTER SCHOOL.

Sec. 2. Section 15-342, Arizona Revised Statutes, is amended to read:

15-342. Discretionary powers

The governing board may:

1. Expel pupils for misconduct.

2. Exclude from grades one through eight children under six years of age.

3. Make such separation of groups of pupils as it deems advisable.

4. Maintain such special schools during vacation as deemed necessary for the benefit of the pupils of the school district.

5. Permit a superintendent or principal or representatives of the superintendent or principal to travel for a school purpose, as determined by a majority vote of the board. The board may permit members and members-elect of the board to travel within or without the school district for a school purpose and receive reimbursement. Any expenditure for travel and subsistence pursuant to this paragraph shall be as provided in title 38, chapter 4, article 2. The designated post of duty referred to in section 38-621 shall be construed, for school district governing board members, to be the member's actual place of residence, as opposed to the school district office or the school district boundaries. Such expenditures shall be a charge against the budgeted school district funds. The governing board of a school district shall prescribe procedures and amounts for reimbursement of lodging and subsistence expenses. Reimbursement amounts shall not exceed the maximum amounts established pursuant to section 38-624, subsection C.

6. Construct or provide in rural districts housing facilities for teachers and other school employees which the board determines are necessary for the operation of the school.

7. Sell or lease to the state, a county, a city or a tribal government agency~~,~~ any school property required for a public purpose, provided the sale or lease of the property will not affect the normal operations of a school within the school district.

8. Annually budget and expend funds for membership in an association of school districts within this state.

9. Enter into leases or lease-purchase agreements for school buildings or grounds, or both, as lessor or as lessee, for periods of less than five years subject to voter approval for construction of school buildings as prescribed in section 15-341, subsection A, paragraph 8.

10. Subject to chapter 16 of this title, sell school sites or enter into leases or lease-purchase agreements for school buildings and grounds, as lessor or as lessee, for a period of five years or more, but not to exceed ninety-nine years, if authorized by a vote of the school district electors in an election called by the governing board as provided in section 15-491, except that authorization by the school district electors in an election is not required if one of the following requirements is met:

(a) The market value of the school property is less than fifty thousand dollars.

(b) The buildings and sites are completely funded with monies distributed by the school facilities board.

(c) The transaction involves the sale of improved or unimproved property pursuant to an agreement with the school facilities board in which the school district agrees to sell the improved or unimproved property and transfer the proceeds of the sale to the school facilities board in exchange for monies from the school facilities board for the acquisition of a more suitable school site. For a sale of property acquired by a school district prior to July 9, 1998, a school district shall transfer to the school facilities board that portion of the proceeds that equals the cost of the acquisition of a more suitable school site. If there are any remaining proceeds after the transfer of monies to the school facilities board, a school district shall only use those remaining proceeds for future land purchases approved by the school facilities board, or for capital improvements not funded by the school facilities board for any existing or future facility.

(d) The transaction involves the sale of improved or unimproved property pursuant to a formally adopted plan and the school district uses the proceeds of this sale to purchase other property that will be used for similar purposes as the property that was originally sold, provided that the sale proceeds of the improved or unimproved property are used within two years after the date of the original sale to purchase the replacement property. If the sale proceeds of the improved or unimproved property are not used within two years after the date of the original sale to purchase replacement property, the sale proceeds shall be used towards payment of any outstanding bonded indebtedness. If any sale proceeds remain after paying for outstanding bonded indebtedness, or if the district has no outstanding bonded indebtedness, sale proceeds shall be used to reduce the district's primary tax levy. A school district shall not use the provisions of this subdivision unless all of the following conditions exist:

(i) The school district is the sole owner of the improved or unimproved property that the school district intends to sell.

(ii) The school district did not purchase the improved or unimproved property that the school district intends to sell with monies that were distributed pursuant to chapter 16 of this title.

(iii) The transaction does not violate section 15-341, subsection G.

11. Review the decision of a teacher to promote a pupil to a grade or retain a pupil in a grade in a common school or to pass or fail a pupil in a course in high school. The pupil has the burden of proof to overturn the decision of a teacher to promote, retain, pass or fail the pupil. In order to sustain the burden of proof, the pupil shall demonstrate to the governing board that the pupil has mastered the academic standards adopted by the state board of education pursuant to sections 15-701 and 15-701.01. If the governing board overturns the decision of a teacher pursuant to this paragraph, the governing board shall adopt a written finding that the pupil

has mastered the academic standards. Notwithstanding title 38, chapter 3, article 3.1, the governing board shall review the decision of a teacher to promote a pupil to a grade or retain a pupil in a grade in a common school or to pass or fail a pupil in a course in high school in executive session unless a parent or legal guardian of the pupil or the pupil, if emancipated, disagrees that the review should be conducted in executive session and then the review shall be conducted in an open meeting. If the review is conducted in executive session, the board shall notify the teacher of the date, time and place of the review and shall allow the teacher to be present at the review. If the teacher is not present at the review, the board shall consult with the teacher before making its decision. Any request, including the written request as provided in section 15-341, the written evidence presented at the review and the written record of the review, including the decision of the governing board to accept or reject the teacher's decision, shall be retained by the governing board as part of its permanent records.

12. Provide transportation or site transportation loading and unloading areas for any child or children if deemed for the best interest of the district, whether within or without the district, county or state.

13. Enter into intergovernmental agreements and contracts with school districts or other governing bodies as provided in section 11-952.

14. Include in the curricula which it prescribes for high schools in the school district career and technical education, vocational education and technology education programs and career and technical, vocational and technology program improvement services for the high schools, subject to approval by the state board of education. The governing board may contract for the provision of career and technical, vocational and technology education as provided in section 15-789.

15. Suspend a teacher or administrator from the teacher's or administrator's duties without pay for a period of time of not to exceed ten school days, if the board determines that suspension is warranted pursuant to section 15-341, subsection A, paragraphs 23 and 24.

16. Dedicate school property within an incorporated city or town to such city or town or within a county to that county for use as a public right-of-way if both of the following apply:

(a) Pursuant to an ordinance adopted by such city, town or county, there will be conferred upon the school district privileges and benefits which may include benefits related to zoning.

(b) The dedication will not affect the normal operation of any school within the district.

17. Enter into option agreements for the purchase of school sites.

18. Donate surplus or outdated learning materials to nonprofit community organizations where the governing board determines that the anticipated cost of selling the learning materials equals or exceeds the estimated market value of the materials.

19. Prescribe policies for the assessment of reasonable fees for students to use district-provided parking facilities. The fees are to be applied by the district solely against costs incurred in operating or securing the parking facilities. Any policy adopted by the governing board pursuant to this paragraph shall include a fee waiver provision in appropriate cases of need or economic hardship.

20. Establish alternative educational programs that are consistent with the laws of this state to educate pupils, including pupils who have been reassigned pursuant to section 15-841, subsection E or F.

21. Require a period of silence to be observed at the commencement of the first class of the day in the schools. If a governing board chooses to require a period of silence to be observed, the teacher in charge of the room in which the first class is held shall announce that a period of silence not to exceed one minute in duration will be observed for meditation, and during that time no activities shall take place and silence shall be maintained.

22. Require students to wear uniforms.

23. Exchange unimproved property or improved property, including school sites, where the governing board determines that the improved property is unnecessary for the continued operation of the school district without requesting authorization by a vote of the school district electors if the governing board determines that the exchange is necessary to protect the health, safety or welfare of pupils or when the governing board determines that the exchange is based on sound business principles for either:

(a) Unimproved or improved property of equal or greater value.

(b) Unimproved property that the owner contracts to improve if the value of the property ultimately received by the school district is of equal or greater value.

24. For common and high school pupils, assess reasonable fees for optional extracurricular activities and programs conducted when the common or high school is not in session, except that no fees shall be charged for pupils' access to or use of computers or related materials. For high school pupils, the governing board may assess reasonable fees for fine arts and vocational education courses and for optional services, equipment and materials offered to the pupils beyond those required to successfully complete the basic requirements of any other course, except that no fees shall be charged for pupils' access to or use of computers or related materials. Fees assessed pursuant to this paragraph shall be adopted at a public meeting after notice has been given to all parents of pupils enrolled at schools in the district and shall not exceed the actual costs of the activities, programs, services, equipment or materials. The governing board shall authorize principals to waive the assessment of all or part of a fee assessed pursuant to this paragraph if it creates an economic hardship for a pupil. For the purposes of this paragraph, "extracurricular activity" means any optional, noncredit, educational or recreational activity which

supplements the education program of the school, whether offered before, during or after regular school hours.

25. Notwithstanding section 15-341, subsection A, paragraphs 8 and 10, construct school buildings and purchase or lease school sites, without a vote of the school district electors, if the buildings and sites are totally funded from one or more of the following:

(a) Monies in the unrestricted capital outlay fund, except that the estimated cost shall not exceed two hundred fifty thousand dollars for a district that utilizes the provisions of section 15-949.

(b) Monies distributed from the school facilities board established by section 15-2001.

(c) Monies specifically donated for the purpose of constructing school buildings.

Nothing in this paragraph shall be construed to eliminate the requirement for an election to raise revenues for a capital outlay override pursuant to section 15-481 or a bond election pursuant to section 15-491.

26. Conduct a background investigation that includes a fingerprint check conducted pursuant to section 41-1750, subsection G for certificated personnel and personnel who are not paid employees of the school district, as a condition of employment. A school district may release the results of a background check to another school district for employment purposes. The school district may charge the costs of fingerprint checks to its fingerprinted employee, except that the school district may not charge the costs of fingerprint checks for personnel who are not paid employees of the school district.

27. Sell advertising space on the exterior of school buses as follows:

(a) Advertisements shall be age appropriate and not contain promotion of any substance that is illegal for minors such as alcohol, tobacco and drugs or gambling. Advertisements shall comply with the state sex education policy of abstinence.

(b) Advertising approved by the governing board may appear only on the sides of the bus in the following areas:

(i) The signs shall be below the seat level rub rail and not extend above the bottom of the side windows.

(ii) The signs shall be at least three inches from any required lettering, lamp, wheel well or reflector behind the service door or stop signal arm.

(iii) The signs shall not extend from the body of the bus so as to allow a handhold or present a danger to pedestrians.

(iv) The signs shall not interfere with the operation of any door or window.

(v) The signs shall not be placed on any emergency doors.

(c) Establish a school bus advertisement fund that is comprised of revenues from the sale of advertising space on school buses. The monies in a

school bus advertisement fund are not subject to reversion and shall be used for the following purposes:

(i) To comply with the energy conservation measures prescribed in section 15-349 in school districts that are in area A as defined in section 49-541, and any remaining monies shall be used to purchase alternative fuel support vehicles and any other pupil related costs as determined by the governing board.

(ii) For any pupil related costs as determined by the governing board in school districts not subject to the provisions of item (i) of this subdivision.

28. Assess reasonable damage deposits to pupils in grades seven through twelve for the use of textbooks, musical instruments, band uniforms or other equipment required for academic courses. The governing board shall adopt policies on any damage deposits assessed pursuant to this paragraph at a public meeting called for this purpose after providing notice to all parents of pupils in grades seven through twelve in the school district. Principals of individual schools within the district may waive the damage deposit requirement for any textbook or other item if the payment of the damage deposit would create an economic hardship for the pupil. The school district shall return the full amount of the damage deposit for any textbook or other item if the pupil returns the textbook or other item in reasonably good condition within the time period prescribed by the governing board. For the purposes of this paragraph, "in reasonably good condition" means the textbook or other item is in the same or a similar condition as it was when the pupil received it, plus ordinary wear and tear.

29. Notwithstanding section 15-1105, expend surplus monies in the civic center school fund for maintenance and operations or unrestricted capital outlay, if sufficient monies are available in the fund after meeting the needs of programs established pursuant to section 15-1105.

30. Notwithstanding section 15-1143, expend surplus monies in the community school program fund for maintenance and operations or unrestricted capital outlay, if sufficient monies are available in the fund after meeting the needs of programs established pursuant to section 15-1142.

31. Adopt guidelines for standardization of the format of the school report cards required by section 15-746 for schools within the district.

32. Adopt policies that require parental notification when a law enforcement officer interviews a pupil on school grounds. Policies adopted pursuant to this paragraph shall not impede a peace officer from the performance of the peace officer's duties. If the school district governing board adopts a policy that requires parental notification:

(a) The policy may provide reasonable exceptions to the parental notification requirement.

(b) The policy shall set forth whether and under what circumstances a parent may be present when a law enforcement officer interviews the pupil, including reasonable exceptions to the circumstances under which a parent may

be present when a law enforcement officer interviews the pupil, and shall specify a reasonable maximum time after a parent is notified that an interview of a pupil by a law enforcement officer may be delayed to allow the parent to be present.

33. Enter into voluntary partnerships with any party to finance with funds other than school district funds and cooperatively design school facilities that comply with the adequacy standards prescribed in section 15-2011 and the square footage per pupil requirements pursuant to section 15-2041, subsection D, paragraph 3, subdivision (b). The design plans and location of any such school facility shall be submitted to the school facilities board for approval pursuant to section 15-2041, subsection O. If the school facilities board approves the design plans and location of any such school facility, the party in partnership with the school district may cause to be constructed and the district may begin operating the school facility before monies are distributed from the school facilities board pursuant to section 15-2041. Monies distributed from the new school facilities fund to a school district in a partnership with another party to finance and design the school facility shall be paid to the school district pursuant to section 15-2041. The school district shall reimburse the party in partnership with the school district from the monies paid to the school district pursuant to section 15-2041, in accordance with the voluntary partnership agreement. Before the school facilities board distributes any monies pursuant to this subsection, the school district shall demonstrate to the school facilities board that the facilities to be funded pursuant to section 15-2041, subsection O meet the minimum adequacy standards prescribed in section 15-2011. If the cost to construct the school facility exceeds the amount that the school district receives from the new school facilities fund, the partnership agreement between the school district and the other party shall specify that, except as otherwise provided by the other party, any such excess costs shall be the responsibility of the school district. The school district governing board shall adopt a resolution in a public meeting that AN analysis has been conducted on the prospective effects of the decision to operate a new school with existing monies from the school district's maintenance and operations budget and how this decision may affect other schools in the school district. If a school district acquires land by donation at an appropriate school site approved by the school facilities board and a school facility is financed and built on the land pursuant to this paragraph, the school facilities board shall distribute an amount equal to twenty per cent of the fair market value of the land that can be used for academic purposes. The school district shall place the monies in the unrestricted capital outlay fund and increase the unrestricted capital budget limit by the amount of the monies placed in the fund. Monies distributed under this paragraph shall be distributed from the new school facilities fund pursuant to section 15-2041. If a school district acquires land by donation at an appropriate school site approved by the school facilities board and a

school facility is financed and built on the land pursuant to this paragraph, the school district shall not receive monies from the school facilities board for the donation of real property pursuant to section 15-2041, subsection F. It is unlawful for:

(a) A county, city or town to require as a condition of any land use approval that a landowner or landowners that entered into a partnership pursuant to this paragraph provide any contribution, donation or gift, other than a site donation, to a school district. This subdivision only applies to the property in the voluntary partnership agreement pursuant to this paragraph.

(b) A county, city or town to require as a condition of any land use approval that the landowner or landowners located within the geographic boundaries of the school subject to the voluntary partnership pursuant to this paragraph provide any donation or gift to the school district except as provided in the voluntary partnership agreement pursuant to this paragraph.

(c) A community facilities district established pursuant to title 48, chapter 4, article 6 to be used for reimbursement of financing the construction of a school pursuant to this paragraph.

(d) ~~For~~ A school district to enter into an agreement pursuant to this paragraph with any party other than a master planned community party. Any land area consisting of at least three hundred twenty acres that is the subject of a development agreement with a county, city or town entered into pursuant to section 9-500.05 or 11-1101 shall be deemed to be a master planned community. For the purposes of this subdivision, "master planned community" means a land area consisting of at least three hundred twenty acres, which may be noncontiguous, that is the subject of a zoning ordinance approved by the governing body of the county, city or town in which the land is located that establishes the use of the land area as a planned area development or district, planned community development or district, planned unit development or district or other land use category or district that is recognized in the local ordinance of such county, city or town and that specifies the use of such land is for a master planned development.

34. ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH A PRESIDING JUDGE OF THE JUVENILE COURT TO IMPLEMENT A LAW RELATED EDUCATION PROGRAM AS DEFINED IN SECTION 15-154. THE PRESIDING JUDGE OF THE JUVENILE COURT MAY ASSIGN JUVENILE PROBATION OFFICERS TO PARTICIPATE IN A LAW RELATED EDUCATION PROGRAM IN ANY SCHOOL DISTRICT IN THE COUNTY. THE COST OF JUVENILE PROBATION OFFICERS WHO PARTICIPATE IN THE PROGRAM IMPLEMENTED PURSUANT TO THIS PARAGRAPH SHALL BE FUNDED BY THE SCHOOL DISTRICT.

APPROVED BY THE GOVERNOR JULY 9, 2009.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 9, 2009.