

REFERENCE TITLE: school facilities board; construction projects

State of Arizona  
House of Representatives  
Forty-fifth Legislature  
First Regular Session  
2001

## HB 2253

Introduced by  
Representatives Knaperek, Blendu, Senators Bennett, Solomon:  
Representatives Allen, Farnsworth, Gray, Pearce, Robson, Weiers, Senators  
Martin, Petersen

### AN ACT

AMENDING SECTIONS 15-342, 15-2002, 15-2021 AND 41-2632, ARIZONA REVISED STATUTES; AMENDING LAWS 1998, FIFTH SPECIAL SESSION, CHAPTER 1, SECTION 55, AS AMENDED BY LAWS 1999, CHAPTER 299, SECTION 39 AND LAWS 2000, CHAPTER 163, SECTION 2; AMENDING LAWS 1998, FIFTH SPECIAL SESSION, CHAPTER 1, SECTION 60, AS AMENDED BY LAWS 2000, CHAPTER 163, SECTION 3; RELATING TO THE SCHOOL FACILITIES BOARD.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 15-342, Arizona Revised Statutes, is amended to  
3 read:  
4 15-342. Discretionary powers  
5 The governing board may:  
6 1. Expel pupils for misconduct.  
7 2. Exclude from grades one through eight children under six years of  
8 age.  
9 3. Make such separation of groups of pupils as it deems advisable.  
10 4. Maintain such special schools during vacation as deemed necessary  
11 for the benefit of the pupils of the school district.  
12 5. Permit a superintendent or principal or representatives of the  
13 superintendent or principal to travel for a school purpose, as determined by  
14 a majority vote of the board. The board may permit members and members-elect  
15 of the board to travel within or without the school district for a school  
16 purpose and receive reimbursement. Any expenditure for travel and  
17 subsistence pursuant to this paragraph shall be as provided in title 38,  
18 chapter 4, article 2. The designated post of duty referred to in section  
19 38-621 shall be construed, for school district governing board members, to be  
20 the member's actual place of residence, as opposed to the school district  
21 office or the school district boundaries. Such expenditures shall be a  
22 charge against the budgeted school district funds. The governing board of a  
23 school district shall prescribe procedures and amounts for reimbursement of  
24 lodging and subsistence expenses. Reimbursement amounts shall not exceed the  
25 maximum amounts established pursuant to section 38-624, subsection C.  
26 6. Construct or provide in rural districts housing facilities for  
27 teachers and other school employees which the board determines are necessary  
28 for the operation of the school.  
29 7. Sell or lease to the state, a county, a city or a tribal government  
30 agency, any school property required for a public purpose, provided the sale  
31 or lease of the property will not affect the normal operations of a school  
32 within the school district.  
33 8. Annually budget and expend funds for membership in an association  
34 of school districts within this state.  
35 9. Enter into leases or lease-purchase agreements for school buildings  
36 or grounds, or both, as lessor or as lessee, for periods of less than five  
37 years subject to voter approval for construction of school buildings as  
38 prescribed in section 15-341, subsection A, paragraph 8.  
39 10. Subject to chapter 16 of this title, sell school sites or enter  
40 into leases or lease-purchase agreements for school buildings and grounds, as  
41 lessor or as lessee, for a period of five years or more, but not to exceed  
42 ninety-nine years, if authorized by a vote of the school district electors in  
43 an election called by the governing board as provided in section 15-491,  
44 except that authorization by the school district electors in an election is  
45 not required if ~~either~~ ONE OF THE FOLLOWING REQUIREMENTS IS MET:

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

3 (b) THE BUILDINGS AND SITES ARE COMPLETELY FUNDED WITH MONIES  
4 DISTRIBUTED BY THE SCHOOL FACILITIES BOARD.

5 (c) THE TRANSACTION INVOLVES THE SALE OF IMPROVED OR UNIMPROVED  
6 PROPERTY PURSUANT TO AN AGREEMENT WITH THE SCHOOL FACILITIES BOARD IN WHICH  
7 THE SCHOOL DISTRICT AGREES TO SELL THE IMPROVED OR UNIMPROVED PROPERTY AND  
8 TRANSFER THE PROCEEDS OF THE SALE TO THE SCHOOL FACILITIES BOARD IN EXCHANGE  
9 FOR MONIES FROM THE SCHOOL FACILITIES BOARD FOR THE ACQUISITION OF A MORE  
10 SUITABLE SCHOOL SITE.

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

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

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

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

31 11. Review the decision of a teacher to promote a pupil to a grade or  
32 retain a pupil in a grade in a common school or to pass or fail a pupil in a  
33 course in high school. The pupil has the burden of proof to overturn the  
34 decision of a teacher to promote, retain, pass or fail the pupil. In order  
35 to sustain the burden of proof, the pupil shall demonstrate to the governing  
36 board that the pupil has mastered the academic standards adopted by the state  
37 board of education pursuant to sections 15-701 and 15-701.01. If the  
38 governing board overturns the decision of a teacher pursuant to this  
39 paragraph, the governing board shall adopt a written finding that the pupil  
40 has mastered the academic standards. Notwithstanding title 38, chapter 3,  
41 article 3.1, the governing board shall review the decision of a teacher to  
42 promote a pupil to a grade or retain a pupil in a grade in a common school or  
43 to pass or fail a pupil in a course in high school in executive session  
44 unless a parent or legal guardian of the pupil or the pupil, if emancipated,  
45 disagrees that the review should be conducted in executive session and then

1 the review shall be conducted in an open meeting. If the review is conducted  
2 in executive session, the board shall notify the teacher of the date, time  
3 and place of the review and shall allow the teacher to be present at the  
4 review. If the teacher is not present at the review, the board shall consult  
5 with the teacher before making its decision. Any request, including the  
6 written request as provided in section 15-341, the written evidence presented  
7 at the review and the written record of the review, including the decision of  
8 the governing board to accept or reject the teacher's decision, shall be  
9 retained by the governing board as part of its permanent records.

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

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

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

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

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

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

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

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

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

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

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

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

10          22. Require students to wear uniforms.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 (c) Establish a school bus advertisement fund that is comprised of  
38 revenues from the sale of advertising space on school buses. The monies in a  
39 school bus advertisement fund are not subject to reversion and shall be used  
40 for the following purposes:

41 (i) To comply with the energy conservation measures prescribed in  
42 section 15-349 in school districts that are in area A as defined in section  
43 49-541, and any remaining monies shall be used to purchase alternative fuel  
44 support vehicles and any other pupil related costs as determined by the  
45 governing board.

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

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

19 Sec. 2. Section 15-2002, Arizona Revised Statutes, is amended to read:  
20 15-2002. Powers and duties; executive director; staffing;  
21 report

22 A. The school facilities board shall:

23 1. Make assessments of school facilities and equipment deficiencies  
24 pursuant to section 15-2021 and approve the distribution of grants as  
25 appropriate.

26 2. Develop a ~~data-base~~ DATABASE for administering the building renewal  
27 formula prescribed in section 15-2031 and administer the distribution of  
28 monies to school districts for building renewal.

29 3. Inspect school buildings at least once every five years to ensure  
30 compliance with the building adequacy standards prescribed in section 15-2011  
31 with respect to construction of new buildings and maintenance of existing  
32 buildings.

33 4. Review and approve student population projections submitted by  
34 school districts to determine to what extent school districts are entitled to  
35 monies to construct new facilities pursuant to section 15-2041. The board  
36 shall make a final determination within six months of the receipt of an  
37 application by a school district for monies from the new school facilities  
38 fund.

39 5. Certify that plans for new school facilities meet the building  
40 adequacy standards prescribed in section 15-2011.

41 6. Develop prototypical elementary and high school designs. The board  
42 shall review the design differences between the schools with the highest  
43 academic productivity scores and the schools with the lowest academic  
44 productivity scores. The board shall also review the results of a valid and  
45 reliable survey of parent quality rating in the highest performing schools

1 and the lowest performing schools in this state. The survey of parent  
2 quality rating shall be administered by the department of education. The  
3 board shall consider the design elements of the schools with the highest  
4 academic productivity scores and parent quality ratings in the development of  
5 elementary and high school designs. The board shall develop separate school  
6 designs for elementary, middle and high schools with varying pupil  
7 capacities.

8 7. Develop application forms, reporting forms and procedures to carry  
9 out the requirements of this article.

10 8. Review and approve or reject requests submitted by school districts  
11 to take actions pursuant to section 15-341, subsection F.

12 9. Submit an annual report by December 15 to the speaker of the house  
13 of representatives, the president of the senate, the superintendent of public  
14 instruction, the director of the Arizona state library, archives and public  
15 records and the governor that includes the following information:

16 (a) A detailed description of the amount of monies distributed by the  
17 school facilities board in the previous fiscal year.

18 (b) A list of each capital project that received monies from the  
19 school facilities board during the previous fiscal year, a brief description  
20 of each project that was funded and a summary of the board's reasons for the  
21 distribution of monies for the project.

22 (c) A summary of the findings and conclusions of the building  
23 maintenance inspections conducted pursuant to this article during the  
24 previous fiscal year.

25 (d) A summary of the findings of common design elements and  
26 characteristics of the highest performing schools and the lowest performing  
27 schools based on academic productivity including the results of the parent  
28 quality rating survey.

29 For the purposes of this paragraph, "academic productivity" means academic  
30 year advancement per calendar year as measured with student-level data using  
31 the statewide nationally standardized norm-referenced achievement test.

32 10. By December 1 of each even-numbered year, report to the joint  
33 committee on capital review the estimated amounts necessary to fulfill the  
34 requirements of sections 15-2021, 15-2031 and 15-2041 for the following two  
35 fiscal years. By December 1 of each odd-numbered year, the board shall  
36 provide to the joint committee on capital review an update of the estimated  
37 amounts necessary to fulfill the requirements of sections 15-2021, 15-2031  
38 and 15-2041 for the following fiscal year. No later than January 1 of each  
39 year, the board shall instruct the state treasurer as to the amounts under  
40 the transaction privilege tax to be credited in equal quarterly installments  
41 for the following state fiscal year. The board shall provide copies of both  
42 reports to the president of the senate, the speaker of the house of  
43 representatives and the governor.

44 11. Adopt minimum school facility adequacy guidelines to provide the  
45 minimum quality and quantity of school buildings and the facilities and

1 equipment necessary and appropriate to enable pupils to achieve the  
2 educational goals of the Arizona state schools for the deaf and the  
3 blind. The school facilities board shall establish minimum school facility  
4 adequacy guidelines applicable to the Arizona state schools for the deaf and  
5 the blind by December 31, 2000.

6 B. The school facilities board may contract for private services in  
7 compliance with the procurement practices prescribed in title 41, chapter 23.

8 C. The governor shall appoint an executive director of the school  
9 facilities board pursuant to section 38-211. The executive director is  
10 eligible to receive compensation as determined pursuant to section 38-611 and  
11 may hire and fire necessary staff as approved by the legislature in the  
12 budget. The executive director shall have demonstrated competency in school  
13 finance, facilities design or facilities management, either in private  
14 business or government service. The executive director serves at the  
15 pleasure of the governor. The staff of the school facilities board is exempt  
16 from title 41, chapter 4, articles 5 and 6. The executive director:

17 1. Shall analyze applications for monies submitted to the board by  
18 school districts.

19 2. Shall assist the board in developing forms and procedures for the  
20 distribution and review of applications and the distribution of monies to  
21 school districts.

22 3. May review or audit, or both, the expenditure of monies by a school  
23 district for deficiencies corrections, building renewal and new school  
24 facilities.

25 4. Shall assist the board in the preparation of the board's annual  
26 report.

27 5. Shall research and provide reports on issues of general interest to  
28 the board.

29 6. May aid school districts in the development of reasonable and  
30 cost-effective school designs in order to avoid statewide duplicated efforts  
31 and unwarranted expenditures in the area of school design.

32 7. May assist school districts in facilitating the development of  
33 multijurisdictional facilities.

34 8. Shall assist the board in any other appropriate matter or method as  
35 directed by the members of the board.

36 9. Shall establish procedures to ensure compliance with the notice and  
37 hearing requirements prescribed in section 15-905.

38 10. May expedite any request for funds in which the local match was not  
39 obtained for a project that received preliminary approval by the state board  
40 for school capital facilities.

41 11. Shall expedite any request for funds in which the school district  
42 governing board submits an application that shows an immediate need for a new  
43 school facility.

1           12. Shall make a determination as to administrative completion within  
2 one month after the receipt of an application by a school district for monies  
3 from the new school facilities fund.

4           13. Shall provide technical support to school districts as requested by  
5 school districts in connection with the construction of new school facilities  
6 and the maintenance of existing school facilities.

7           D. When appropriate, the school facilities board shall review and use  
8 the statewide school facilities inventory and needs assessment conducted by  
9 the joint committee on capital review and issued in July, 1995.

10          E. The school facilities board shall contract with one or more private  
11 building inspectors to complete an initial assessment of school facilities  
12 and equipment provided in section 15-2021 and shall inspect each school  
13 building in this state at least once every five years to ensure compliance  
14 with section 15-2011. A copy of the inspection report, together with any  
15 recommendations for building maintenance, shall be provided to the school  
16 facilities board and the governing board of the school district.

17          F. The school facilities board may consider appropriate combinations  
18 of facilities or uses in making assessments of and curing deficiencies  
19 pursuant to subsection A, paragraph 1 of this section and in certifying plans  
20 for new school facilities pursuant to subsection A, paragraph 5 of this  
21 section.

22          G. The board shall not award any monies to fund new facilities that  
23 are financed by class A bonds that are issued by the school district.

24          H. The board shall not distribute monies to a school district for  
25 replacement or repair of facilities if the costs associated with the  
26 replacement or repair are covered by insurance or a performance or payment  
27 bond.

28          I. THE BOARD MAY CONTRACT FOR CONSTRUCTION SERVICES AND MATERIALS THAT  
29 ARE NECESSARY TO CORRECT EXISTING DEFICIENCIES IN SCHOOL DISTRICT FACILITIES  
30 AS DETERMINED PURSUANT TO SECTION 15-2021. THE BOARD MAY PROCURE THE  
31 CONSTRUCTION SERVICES NECESSARY PURSUANT TO THIS SUBSECTION BY THE  
32 CONSTRUCTION-MANAGER-AT-RISK, THE DESIGN-BUILD OR THE JOB-ORDER-CONTRACTING  
33 METHOD OF PROJECT DELIVERY AS PROVIDED BY TITLE 41, CHAPTER 23, EXCEPT THAT  
34 THE RULES ADOPTED BY THE DIRECTOR OF THE DEPARTMENT OF ADMINISTRATION DO NOT  
35 APPLY TO THE PROCUREMENT OF THESE CONSTRUCTION SERVICES AND MATERIALS.

36          Sec. 3. Section 15-2021, Arizona Revised Statutes, is amended to read:

37          15-2021. Deficiencies correction fund

38          A. A deficiencies correction fund is established consisting of monies  
39 appropriated by the legislature and monies credited to the fund pursuant to  
40 section 42-5030.01. The school facilities board shall administer the fund  
41 and distribute monies to school districts **AND VENDORS** for the purpose of  
42 correcting existing deficiencies. Monies in the fund are continuously  
43 appropriated and are exempt from the provisions of section 35-190 relating to  
44 lapsing of appropriations.

1 B. School districts are eligible for monies from the deficiencies  
2 correction fund for either of the following purposes:

3 1. To correct any square footage deficiency pursuant to section  
4 15-2011. School districts shall submit a summary notice on a form prescribed  
5 by the school facilities board that the school district believes it has a  
6 square footage deficiency pursuant to section 15-2011, subsection C to the  
7 school facilities board by December 1, 1998. If the school district exceeds  
8 the standard by ten per cent or more, the school district may be required to  
9 pay for the cost of an on-site space assessment by the school facilities  
10 board. By June 30, 1999, the school facilities board shall assess all  
11 alleged square footage deficiencies from the school district notices.

12 2. To correct quality deficiencies based on the district's inability  
13 to comply with the minimum school facility adequacy requirements established  
14 in and pursuant to section 15-2011. This state shall not correct quality  
15 deficiencies pursuant to this paragraph for elective courses that require the  
16 school district facilities to exceed building adequacy standards. School  
17 districts shall submit a summary notice on a form prescribed by the school  
18 facilities board that the school district has a quality deficiency need to  
19 the school facilities board by August 1, 1999.

20 C. The school facilities board shall calculate the amount of  
21 distribution for square footage deficiencies based on the square footage  
22 prescribed in section 15-2011, subsection C and the cost per square foot  
23 based on the amounts prescribed in section 15-2041, subsection D, paragraph  
24 3, subdivision (c), adjusted as needed to bring the school district into  
25 compliance with the minimum school facility adequacy requirements established  
26 in and pursuant to section 15-2011.

27 D. The school facilities board may distribute monies for new  
28 construction to a school district if the board determines after its  
29 assessment that the new construction is more cost-effective than correcting  
30 the deficiencies in the existing school building or buildings.

31 E. The school facilities board shall distribute monies ~~to school~~  
32 ~~districts~~ from the deficiencies correction fund **TO SCHOOL DISTRICTS AND**  
33 **VENDORS FOR THE PURPOSE OF CORRECTING EXISTING DEFICIENCIES** in an amount  
34 approved by the board. The school facilities board shall review and award  
35 monies to correct deficiencies pursuant to this section by June 30, 2001 and  
36 shall ensure that school districts correct deficiencies pursuant to this  
37 section by June 30, 2003.

38 F. School districts that receive monies from the deficiencies  
39 correction fund shall establish a school district deficiencies correction  
40 fund and shall use the monies in the school district deficiencies correction  
41 fund only for the purposes prescribed in this section. Ending cash balances  
42 in a school district's deficiencies correction fund may be used in following  
43 fiscal years only for the purposes prescribed in this section. Each school  
44 district that receives monies from the deficiencies correction fund shall  
45 annually report the expenditures in the previous fiscal year to the school

1 facilities board by October 15 and provide an accounting of the monies  
2 remaining in the deficiencies correction fund at the end of the previous  
3 fiscal year. The school facilities board shall submit a report to the  
4 legislature and the Arizona state library, archives and public records by  
5 December 15, 1999 that includes a detailed cost estimate of the monies that  
6 will need to be appropriated to correct the existing deficiencies of all  
7 schools in this state by June 30, 2003. This state shall annually  
8 appropriate monies to the deficiencies correction fund established in this  
9 section in order to correct existing deficiencies of all schools in this  
10 state by June 30, 2003.

11 G. A DEFICIENCY CORRECTION PROJECT AWARDED PURSUANT TO THIS SECTION  
12 MAY BE COMBINED WITH THE DEFICIENCY CORRECTION PROJECTS OF ONE OR MORE  
13 ADDITIONAL SCHOOL DISTRICTS FOR PURPOSES OF PROCURING CONSTRUCTION SERVICES  
14 AND MATERIALS THAT ARE NECESSARY TO CORRECT DEFICIENCIES IF THE SCHOOL  
15 FACILITIES BOARD DETERMINES THAT COMBINING THE PROJECTS MAXIMIZES THE  
16 PURCHASING VALUE OF THE PUBLIC MONIES OF THIS STATE.

17 Sec. 4. Section 41-2632, Arizona Revised Statutes, is amended to read:  
18 41-2632. Cooperative purchasing authorized

19 A. Any public procurement unit may either participate in, sponsor,  
20 conduct or administer a cooperative purchasing agreement for the procurement  
21 of any materials, services or construction with one or more public  
22 procurement units in accordance with an agreement entered into between the  
23 participants. A nonprofit educational or public health institution may enter  
24 into an agreement pursuant to this section if one or more of the parties  
25 involved is a public procurement unit. An agreement entered into as provided  
26 in this article is exempt from section 11-952, subsections D and F. Parties  
27 under a cooperative purchasing agreement may:

28 1. Sponsor, conduct or administer a cooperative agreement for the  
29 procurement or disposal of any materials, services or construction.

30 2. Cooperatively use materials or services.

31 3. Commonly use or share warehousing facilities, capital equipment and  
32 other facilities.

33 4. Provide personnel, except that the requesting public procurement  
34 unit shall pay the public procurement unit providing the personnel the direct  
35 and indirect cost of providing the personnel, in accordance with the  
36 agreement.

37 5. On request, make available to other public procurement units  
38 informational, technical or other services that may assist in improving the  
39 efficiency or economy of procurement. The public procurement unit furnishing  
40 the informational or technical services has the right to request  
41 reimbursement for the reasonable and necessary costs of providing such  
42 services.

43 B. THE SCHOOL FACILITIES BOARD OR SCHOOL DISTRICTS, OR BOTH, MAY ENTER  
44 INTO AN AGREEMENT WITH A PUBLIC PROCUREMENT UNIT PURSUANT TO THIS SECTION FOR

1 THE PURPOSE OF PROCURING MATERIALS AND SERVICES NEEDED TO CORRECT  
2 DEFICIENCIES IN SCHOOL FACILITIES AS DETERMINED IN SECTION 15-2021.

3 ~~B.~~ C. The activities described in this section do not limit what  
4 parties may do under a cooperative purchasing agreement.

5 Sec. 5. Laws 1998, fifth special session, chapter 1, section 55, as  
6 amended by Laws 1999, chapter 299, section 39 and Laws 2000, chapter 163,  
7 section 2, is amended to read:

8 Sec. 55. Exemption from rule making requirements; delayed  
9 effective date of rules

10 Notwithstanding any other law, the school facilities board is exempt  
11 from the provisions of title 41, chapter 6, Arizona Revised Statutes, until  
12 December 31, ~~2000~~ 2001 ~~with respect to the rules establishing minimum school~~  
13 ~~facility adequacy guidelines pursuant to section 15-2011, Arizona Revised~~  
14 ~~Statutes, as added by this act.~~ By March 31, 1999, the school facilities  
15 board shall provide a final draft of proposed minimum school facility  
16 adequacy guidelines to the governor, the speaker of the house of  
17 representatives and the president of the senate and the school facilities  
18 board shall make copies of the final draft available to the public. The  
19 school facilities board shall provide the public with an opportunity to  
20 comment on the proposed rules and shall hold at least one public hearing on  
21 the proposed rules. The rules adopted pursuant to this section do not become  
22 effective until April 30, 1999.

23 Sec. 6. Laws 1998, fifth special session, chapter 1, section 60, as  
24 amended by Laws 2000, chapter 163, section 3, is amended to read:

25 Sec. 60. School facilities board; procurement

26 Notwithstanding any other provision of law, the school facilities board  
27 is exempt from the provisions of title 41, chapter 23, Arizona Revised  
28 Statutes, until from and after December 31, ~~2000~~ 2001.

29 Sec. 7. Retroactivity

30 Sections 5 and 6 of this act are effective retroactively to from and  
31 after December 31, 2000.

32 Sec. 8. Emergency

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