



ARIZONA STATE SENATE
Fifty-Sixth Legislature, First Regular Session

FACT SHEET FOR S.B. 1272

CTEs; in-demand programs; funding

Purpose

Removes the requirement for the Office of Economic Opportunity (OEO) to compile an in-demand regional education list and the conditions for a career technical education district (CTED) to receive funding for students in grade 9 or students in the school year immediately following graduation. Repeals the Arizona Industry Credentials Incentive Program (Incentive Program) and Incentive Program Fund (Incentive Program Fund).

Background

CTEDs are responsible for providing career and technical education (CTE) preparation programs designed to prepare students for advanced CTE or entry into the workforce. The OEO, in collaboration with the Arizona Department of Education (ADE), must annually compile an in-demand regional education list of the CTE programs that lead to a high-demand career path with median-to-high-wage jobs in that region. For a CTED student in grade 9 or the school year immediately following graduation to generate funding, the student must be enrolled in a CTE program on the in-demand regional education list. A CTED does not receive funding for a student in grade 9 until the student reaches the 40th day of grade 11 enrolled in a CTE program on the in-demand regional education list. A CTED may offer associate degrees that are accredited by a regional or national accreditation agency for CTED programs that are on the in-demand regional education list (A.R.S. §§ [15-393](#); [15-398](#); and [15-790](#)).

In 2019, the Legislature established the Incentive Program and Incentive Program Fund and directed ADE to provide \$1,000 incentive awards to school districts, charter schools and CTEDs for each high school graduate who obtains a qualifying certification, credential or license through a CTE course or program ([Laws 2019, Chapter 265](#)). OEO must annually provide an in-demand education list to ADE that: 1) includes information on wages, business growth and job openings; and 2) ranks the top occupations in each industry that address a critical statewide, regional or economic need. ADE must then annually convene a commission to review a list that only includes certificates, credentials and licenses that qualify for the Incentive Program, publish the list on the ADE website and submit the list to the Joint Legislative Budget Committee for review. Incentive Program award monies may be spent on: 1) instructional costs and professional development for CTE program teacher certification; 2) offsetting a student's cost of certification, credentialing or licensure; 3) developmental costs relating to creating, expanding or improving an approved CTE program site; 4) instructional hardware, software or supplies; and 5) career exploration and awareness activities for parents, students and the community ([A.R.S. § 15-249.15](#)).

If removing the specified conditions for a CTED to receive funding for students in grade 9 or in the school year immediately following graduation results in a change in average daily membership for CTEDs, there may be a fiscal impact to the state General Fund.

Provisions

1. Removes the requirement for OEO, in collaboration with ADE, to annually compile an in-demand regional education list of the approved CTE programs that lead to a career path in high demand with median-to-high-wage jobs in that region.
2. Removes the stipulation that a CTED is provided funding for a student in grade 9 only if the student reaches the 40th day of grade 11 enrolled in an approved CTE program that was on the OEO's in-demand regional education list for the year in which the student began the program.
3. Removes the stipulation that a CTED is provided funding for a student in the school year immediately following graduation only if the student is enrolled in a CTE program that was included on the OEO's in-demand regional education list for the year in which the student began the program.
4. Removes the requirement that ADE's annual CTED report must include a separate listing of information for each CTED on students enrolled in an internship course.
5. Removes the criteria that an associate degree offered by a CTED may only be for CTED programs that are on the OEO's in-demand regional education list.
6. Repeals the Incentive Program and Incentive Program Fund and the requirements relating to:
 - a) ADE's administration of the list of qualifying CTE credentials;
 - b) distribution of \$1,000 awards to school districts, charter schools and CTEDs for each qualifying student;
 - c) permissible uses of Incentive Program award monies; and
 - d) ADE's annual Incentive Program report.
7. Makes technical and conforming changes.
8. Becomes effective on the general effective date.

Prepared by Senate Research

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LB/MH/slp