



Arizona Department of Education

Type 03 District: Frequently Asked Questions

Updated 8/29/2023

[FY22 HB2124](#)

What does the statute state regarding enrolling Type 03 students in the high school district?

ARS §15-824 (A)(2)

The governing board of a school district shall admit pupils from another school district or area as follows: for three hundred fifty or fewer pupils, to a high school without the presentation of a certificate of educational convenience, if the pupil is a resident of a common school district within this state that is not within a high school district and that does not offer instruction in that pupil's grade.

How will DAA be funded for Type 03 Districts who continue to transport high school students?

Type 03 Districts can continue to transport high school students and claim the mileage to transport these students to and from school. Additionally, the Type 03 Districts will receive 50% of the DAA allocation for the high school students transported.

If the high school district does not transport the high school students, will they still receive DAA for these students?

Yes, the students will be enrolled in the high school district and the high school district will receive 100% DAA for these students.

Is there a change to the funding formula for Type 03 District?

The funding formula remains the same for all districts.

Can high school districts contract with the parents of students from Type 03 Districts to provide transportation?

The high school district may contract with a third-party transportation company or parents to transport the students from a Type 03 District.



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Are the Type 03 students limited to the 30-mile transportation limit for Open Enrollment Students?

The high school students enrolled from a Type 03 District are not considered Open Enrollment. The 30-mile limit would not apply to these students. The 30-mile transportation limit does still apply to Open Enrollment students.

How will District of Residency be reported?

For Type 03 Transportation Districts, the District of Residence (DOR) will continue to be reported at the Transportation District.

For Non-transporting Districts, the District of Residence will be reported at the District of Attendance.

If a student drops out after leaving the Type 03 district before enrolling in the high school district, how will this impact the “dropout rate” for the high school district?

The dropout rate of the high school district would only be impacted if the student was enrolled in the district. If the student never enrolled in the high school district, the dropout rate would not be impacted.

How will the tax rate be determined?

The county board of supervisors shall annually levy an additional tax in each common school district not within a high school district that is equal to the countywide average per pupil equalization base for high school pupils multiplied by the number of resident high school pupils in the common school district not within a high school district during the prior school year.

How will the monies received from the new tax rate be distributed to the districts?

These funds will be distributed in the same manner as the previous State Equalization Tax Rate. School Finance is currently working on a solution to report the amounts that each district will receive from this new county tax.

Will the tax rate change annually?

Yes, this tax rate will be calculated and assessed annually.



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How will the property tax be determined if students come from a neighboring county?

The property tax will be levied by the county of the common school district not within a high school district.

Who will be responsible for the IEP?

The IEP will be the responsibility of the high school district at which the student attends. For further information regarding IEPs, please reach out to ESS.

Who will pay for private placement identified in the IEP?

The high school district will be responsible for paying for the private placement costs if the IEP has identified the private placement as the least restrictive environment. HB2124 included language for "FY24, FY25 and FY26 that the department of education shall accept and review requests for grant monies from the extraordinary special education needs fund established by ARS §15-774 by school districts that offer high school services and that demonstrate a substantial and negative financial impact associated with accepting students with special education needs who previously had been paid through tuition and are now accepted via open enrollment."

Who will apply for funding through the "extraordinary special education needs fund"?

The high school district at which the Type 03 high school student is attending.

What additional documentation should be maintained for the Type 03 High School Students?

The high school district should maintain a list of students who are enrolled from Type 03 districts until ADE implements a new enrollment code for these students. Once the new enrollment code is implemented, all Type 03 high school students should be enrolled using this code.