HOUSE OF REPRESENTATIVES

HB 2442

community college expenditure limits; recalculation
Sponsor: Representative Olson

DPA	Committee on Government & Higher Education
X	Caucus and COW
	House Engrossed

OVERVIEW

HB 2442 requires the Economic Estimates Commission (Commission) to recalculate the expenditure limits for each community college district after the October full-time equivalent student enrollment (FTSE) report is produced by the Office of the Auditor General (OAG).

HISTORY

Arizona Revised Statutes § 15-1466.01 establishes the process by which FTSE is calculated in the Arizona community college system. Basic actual FTSE is calculated by adding the total number of full-time equivalent students enrolled as of 45 days after classes begin for both the fall and spring semesters, and dividing the sum by two. Additional formulas exist to calculate student enrollment in short-term, skill center and open entry, open exit courses. The sum of all four FTSE counts is the basis for determining the amount of state aid a community college district will receive. The OAG is required to audit the FTSE reported by each community college district and submit a report of its findings by October 15 of each year.

The Commission is responsible for estimating personal income and the percent change in per capita personal income in Arizona for each fiscal year (FY). The Commission calculates the maximum amount expected to be available for legislative appropriations from state tax revenues and the required appropriation to or transfer from the budget stabilization fund for each FY. The Commission is also responsible for calculating the expenditure limits for counties, cities and towns, community colleges and the aggregate expenditure limitation for all school districts (Arizona Department of Revenue).

The Commission calculates the expenditure limitation for a community college district by adjusting the district's expenditures of local revenues in FY 1980 for changes in student population and inflation (OAG).

PROVISIONS

1. Requires the Commission, after the close of each FY, to recalculate the expenditure limitation for each community college district by December 1, using the OAG's October FTSE report.
2. Makes technical and conforming changes.

AMENDMENTS

Committee on Government & Higher Education

1. Requires each community college district to submit its FTSE calculation to the Joint Legislative Budget Committee (JLBC).

2. Directs JLBC to evaluate the validity and accuracy of the community college district's FTSE data and report an approved or revised calculation to the Commission and the community college district.
3. Requires the Commission to use the FTSE calculation reported by JLBC to calculate the community college district's expenditure limit.
4. Removes the requirement that the Commission recalculate community college district expenditure limits, using the OAG's October FTSE report.