

REFERENCE TITLE: **debt limitations; net assessed value**

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

HB 2054

Introduced by
Representative Mitchell

AN ACT

AMENDING SECTIONS 15-393, 15-1021, 35-451 AND 35-503, ARIZONA REVISED STATUTES; RELATING TO PUBLIC DEBT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-393, Arizona Revised Statutes, is amended to
3 read:

4 15-393. Joint technical education district governing board;
5 report; definitions

6 A. The management and control of the joint district are vested in the
7 joint technical education district governing board, including the content and
8 quality of the courses offered by the district, the quality of teachers who
9 provide instruction on behalf of the district, the salaries of teachers who
10 provide instruction on behalf of the district and the reimbursement of other
11 entities for the facilities used by the district. Unless the governing
12 boards of the school districts participating in the formation of the joint
13 district vote to implement an alternative election system as provided in
14 subsection B of this section, the joint board shall consist of five members
15 elected from five single member districts formed within the joint district.
16 The single member district election system shall be submitted as part of the
17 plan for the joint district pursuant to section 15-392 and shall be
18 established in the plan as follows:

19 1. The governing boards of the school districts participating in the
20 formation of the joint district shall define the boundaries of the single
21 member districts so that the single member districts are as nearly equal in
22 population as is practicable, except that if the joint district lies in part
23 in each of two or more counties, at least one single member district may be
24 entirely within each of the counties comprising the joint district if this
25 district design is consistent with the obligation to equalize the population
26 among single member districts.

27 2. The boundaries of each single member district shall follow election
28 precinct boundary lines, as far as practicable, in order to avoid further
29 segmentation of the precincts.

30 3. A person who is a registered voter of this state and who is a
31 resident of the single member district is eligible for election to the office
32 of joint board member from the single member district. The terms of office
33 of the members of the joint board shall be as prescribed in section 15-427,
34 subsection B. An employee of a joint technical education district or the
35 spouse of an employee shall not hold membership on a governing board of a
36 joint technical education district by which the employee is employed. A
37 member of one school district governing board or joint technical education
38 district governing board is ineligible to be a candidate for nomination or
39 election to or serve simultaneously as a member of any other governing board,
40 except that a member of a governing board may be a candidate for nomination
41 or election for any other governing board if the member is serving in the
42 last year of a term of office. A member of a governing board shall resign
43 the member's seat on the governing board before becoming a candidate for
44 nomination or election to the governing board of any other school district or

1 joint technical education district, unless the member of the governing board
2 is serving in the last year of a term of office.

3 4. Nominating petitions shall be signed by the number of qualified
4 electors of the single member district as provided in section 16-322.

5 B. The governing boards of the school districts participating in the
6 formation of the joint district may vote to implement any other alternative
7 election system for the election of joint district board members. If an
8 alternative election system is selected, it shall be submitted as part of the
9 plan for the joint district pursuant to section 15-392, and the
10 implementation of the system shall be as approved by the United States
11 justice department.

12 C. The joint technical education district shall be subject to the
13 following provisions of this title:

- 14 1. Chapter 1, articles 1 through 6.
- 15 2. Sections 15-208, 15-210, 15-213 and 15-234.
- 16 3. Articles 2, 3 and 5 of this chapter.
- 17 4. Section 15-361.
- 18 5. Chapter 4, articles 1, 2 and 5.
- 19 6. Chapter 5, articles 1, 2 and 3.
- 20 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729
21 and 15-730.
- 22 8. Chapter 7, article 5.
- 23 9. Chapter 8, articles 1, 3 and 4.
- 24 10. Sections 15-828 and 15-829.
- 25 11. Chapter 9, article 1, article 6, except for section 15-995, and
26 article 7.
- 27 12. Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
- 28 13. Sections 15-1101 and 15-1104.
- 29 14. Chapter 10, articles 2, 3, 4 and 8.

30 D. Notwithstanding subsection C of this section, the following apply
31 to a joint technical education district:

32 1. A joint district may issue bonds for the purposes specified in
33 section 15-1021 and in chapter 4, article 5 of this title to an amount in the
34 aggregate, including the existing indebtedness, not exceeding one percent of
35 the ~~taxable property used for secondary tax purposes, as determined pursuant~~
36 ~~to title 42, chapter 15, article 1,~~ NET ASSESSED VALUE OF THE FULL CASH VALUE
37 OF THE PROPERTY within the joint technical education district ~~as ascertained~~
38 ~~by the last property tax assessment previous to issuing the bonds.~~ FOR THE
39 PURPOSES OF THIS PARAGRAPH, "FULL CASH VALUE" AND "NET ASSESSED VALUE" HAVE
40 THE SAME MEANINGS PRESCRIBED IN SECTION 42-11001.

41 2. The number of governing board members for a joint district shall be
42 as prescribed in subsection A of this section.

43 3. The student count for the first year of operation of a joint
44 technical education district as provided in this article shall be determined
45 as follows:

1 (a) Determine the estimated student count for joint district classes
 2 that will operate in the first year of operation. This estimate shall be
 3 based on actual registration of pupils as of March 30 scheduled to attend
 4 classes that will be operated by the joint district. The student count for
 5 the district of residence of the pupils registered at the joint district
 6 shall be adjusted. The adjustment shall cause the district of residence to
 7 reduce the student count for the pupil to reflect the courses to be taken at
 8 the joint district. The district of residence shall review and approve the
 9 adjustment of its own student count as provided in this subdivision before
 10 the pupils from the school district can be added to the student count of the
 11 joint district.

12 (b) The student count for the new joint district shall be the student
 13 count as determined in subdivision (a) of this paragraph.

14 (c) For the first year of operation, the joint district shall revise
 15 the student count to the actual average daily membership as prescribed in
 16 section 15-901, subsection A, paragraph 1 for students attending classes in
 17 the joint district. A joint district shall revise its student count, the
 18 base support level as provided in section 15-943.02, the revenue control
 19 limit as provided in section 15-944.01 and the district additional assistance
 20 as provided in section 15-962.01 prior to May 15. A joint district that
 21 overestimated its student count shall revise its budget prior to May 15. A
 22 joint district that underestimated its student count may revise its budget
 23 prior to May 15.

24 (d) After March 15 of the first year of operation, the district of
 25 residence shall adjust its student count by reducing it to reflect the
 26 courses actually taken at the joint district. The district of residence
 27 shall revise its student count, the base support level as provided in section
 28 15-943, the revenue control limit as provided in section 15-944 and the
 29 district additional assistance as provided in section 15-962.01 prior to
 30 May 15. A district that underestimated the student count for students
 31 attending the joint district shall revise its budget prior to May 15. A
 32 district that overestimated the student count for students attending the
 33 joint district may revise its budget prior to May 15.

34 (e) A joint district for the first year of operation shall not be
 35 eligible for adjustment pursuant to section 15-948.

36 (f) The procedures for implementing this paragraph shall be as
 37 prescribed in the uniform system of financial records.

38 (g) Pupils in an approved joint technical education district
 39 centralized program may generate an average daily membership of 1.0 during
 40 any day of the week and at any time between July 1 and June 30 of each fiscal
 41 year.

42 For the purposes of this paragraph, "district of residence" means the
 43 district that included the pupil in its average daily membership for the year
 44 before the first year of operation of the joint district and that would have
 45 included the pupil in its student count for the purposes of computing its

1 base support level for the fiscal year of the first year of operation of the
2 joint district if the pupil had not enrolled in the joint district.

3 4. A student includes any person enrolled in the joint district
4 without regard to the person's age or high school graduation status, except
5 that:

6 (a) A student in a kindergarten program or in grades one through nine
7 who enrolls in courses offered by the joint technical education district
8 shall not be included in the joint district's student count or average daily
9 membership.

10 (b) A student in a kindergarten program or in grades one through nine
11 who is enrolled in career and technical education courses shall not be funded
12 in whole or in part with monies provided by a joint technical education
13 district, except that a pupil in grade eight or nine may be funded with
14 monies generated by the five cent qualifying tax rate authorized in
15 subsection F of this section.

16 (c) A student who is over twenty-one years of age shall not be
17 included in the student count of the joint district for the purposes of
18 chapter 9, articles 3, 4 and 5 of this title.

19 5. A joint district may operate for more than one hundred eighty days
20 per year, with expanded hours of service.

21 6. A joint district may use the carryforward provisions of section
22 15-943.01.

23 7. A school district that is part of a joint district shall use any
24 monies received pursuant to this article to supplement and not supplant base
25 year career and technical education courses, and directly related equipment
26 and facilities, except that a school district that is part of a joint
27 technical education district and that has used monies received pursuant to
28 this article to supplant career and technical education courses that were
29 offered before the first year that the school district participated in the
30 joint district or the first year that the school district used monies
31 received pursuant to this article or that used the monies for purposes other
32 than for career and technical education courses shall use one hundred percent
33 of the monies received pursuant to this article to supplement and not
34 supplant base year career and technical education courses.

35 8. A joint technical education district shall use any monies received
36 pursuant to this article to enhance and not supplant career and technical
37 education courses and directly related equipment and facilities.

38 9. A joint technical education district or a school district that is
39 part of a joint district or a charter school shall only include pupils in
40 grades ten through twelve in the calculation of student count or average
41 daily membership if the pupils are enrolled in courses that are approved
42 jointly by the governing board of the joint technical education district and
43 each participating school district or charter school for satellite courses
44 taught within the participating school district or charter school, or
45 approved solely by the joint technical education district for centrally

1 located courses. Student count and average daily membership from courses
2 that are not part of an approved program for career and technical education
3 shall not be included in student count and average daily membership of a
4 joint technical education district.

5 E. The joint board shall appoint a superintendent as the executive
6 officer of the joint district.

7 F. Taxes may be levied for the support of the joint district as
8 prescribed in chapter 9, article 6 of this title, except that a joint
9 technical education district shall not levy a property tax pursuant to law
10 that exceeds five cents per one hundred dollars assessed valuation except for
11 bond monies pursuant to subsection D, paragraph 1 of this section. Except
12 for the taxes levied pursuant to section 15-994, such taxes shall be obtained
13 from a levy of taxes on the taxable property used for secondary tax purposes.

14 G. The schools in the joint district are available to all persons who
15 reside in the joint district and to pupils whose district of residence within
16 this state is paying tuition on behalf of the pupils to a district of
17 attendance that is a member of the joint technical education district,
18 subject to the rules for admission prescribed by the joint board.

19 H. The joint board may collect tuition for adult students and the
20 attendance of pupils who are residents of school districts that are not
21 participating in the joint district pursuant to arrangements made between the
22 governing board of the district and the joint board.

23 I. The joint board may accept gifts, grants, federal monies, tuition
24 and other allocations of monies to erect, repair and equip buildings and for
25 the cost of operation of the schools of the joint district.

26 J. One member of the joint board shall be selected chairman. The
27 chairman shall be selected annually on a rotation basis from among the
28 participating school districts. The chairman of the joint board shall be a
29 voting member.

30 K. A joint board and a community college district may enter into
31 agreements for the provision of administrative, operational and educational
32 services and facilities.

33 L. Any agreement between the governing board of a joint technical
34 education district and another joint technical education district, a school
35 district, a charter school or a community college district shall be in the
36 form of an intergovernmental agreement or other written contract. The
37 auditor general shall modify the uniform system of financial records and
38 budget forms in accordance with this subsection. The intergovernmental
39 agreement or other written contract shall completely and accurately specify
40 each of the following:

41 1. The financial provisions of the intergovernmental agreement or
42 other written contract and the format for the billing of all services.

43 2. The accountability provisions of the intergovernmental agreement or
44 other written contract.

1 3. The responsibilities of each joint technical education district,
2 each school district, each charter school and each community college district
3 that is a party to the intergovernmental agreement or other written contract.

4 4. The type of instruction that will be provided under the
5 intergovernmental agreement or other written contract, including
6 individualized education programs pursuant to section 15-763.

7 5. The quality of the instruction that will be provided under the
8 intergovernmental agreement or other written contract.

9 6. The transportation services that will be provided under the
10 intergovernmental agreement or other written contract and the manner in which
11 transportation costs will be paid.

12 7. The amount that the joint technical education district will
13 contribute to a course and the amount of support required by the school
14 district or the community college.

15 8. That the services provided by the joint technical education
16 district, the school district, the charter school or the community college
17 district be proportionally calculated in the cost of delivering the service.

18 9. That the payment for services shall not exceed the cost of the
19 services provided.

20 M. On or before December 31 of each year, each joint technical
21 education district shall submit a detailed report to the career and technical
22 education division of the department of education. The career and technical
23 education division of the department of education shall collect, summarize
24 and analyze the data submitted by the joint districts, shall submit an annual
25 report that summarizes the data submitted by the joint districts to the
26 governor, the speaker of the house of representatives, the president of the
27 senate and the state board of education and shall submit a copy of this
28 report to the secretary of state. The data submitted by each joint technical
29 education district shall include the following:

30 1. The average daily membership of the joint district.

31 2. The program listings and program descriptions of programs offered
32 by the joint district, including the course sequences for each program.

33 3. The costs associated with each program offered by the joint
34 district.

35 4. The completion rate for each program offered by the joint district.
36 For the purposes of this paragraph, "completion rate" means the completion
37 rate for students who are designated as concentrators in that program by the
38 department of education under the career and technology approved plan.

39 5. The graduation rate from the school district of residence of
40 students who have completed a program in the joint district.

41 6. A detailed description of the career opportunities available to
42 students after completion of the program offered by the joint district.

43 7. A detailed description of the career placement of students who have
44 completed the program offered by the joint district.

1 8. Any other data deemed necessary by the department of education to
2 carry out its duties under this subsection.

3 N. If the career and technical education division of the department of
4 education determines that a course does not meet the criteria for approval as
5 a joint technical education course, the governing board of the joint
6 technical education district may appeal this decision to the state board of
7 education acting as the state board of vocational education.

8 O. Notwithstanding any other law, the average daily membership for a
9 pupil who is enrolled in a joint technical education course defined in
10 section 15-391 and who does not meet the criteria specified in subsection Q
11 or R of this section shall be 0.25 for each course, except the sum of the
12 average daily membership shall not exceed the limits prescribed by subsection
13 D, Q or R of this section, as applicable.

14 P. If a career and technical education course or program is provided
15 on a satellite campus, the sum of the average daily membership, as provided
16 in section 15-901, subsection A, paragraph 1, for that pupil in the school
17 district or charter school and joint technical education district shall not
18 exceed 1.25. The school district or charter school and the joint district
19 shall determine the apportionment of the average daily membership for that
20 pupil between the school district or charter school and the joint district.
21 A pupil who attends a course or program at a satellite campus and who is not
22 enrolled in the school district or charter school where the satellite campus
23 is located may generate the average daily membership pursuant to this
24 subsection if the pupil is enrolled in a school district that is a member
25 district in the same joint technical education district.

26 Q. The sum of the average daily membership of a pupil who is enrolled
27 in both the school district and joint technical education district course or
28 program provided at a community college pursuant to subsection K of this
29 section or at a centralized campus shall not exceed 1.75. The member school
30 district and the joint district shall determine the apportionment of the
31 average daily membership and student enrollment for that pupil between the
32 member school district and the joint district, except that the amount
33 apportioned shall not exceed 1.0 for either entity. Notwithstanding any
34 other law, the average daily membership for a pupil in grade ten, eleven or
35 twelve who is enrolled in a course that meets for at least one hundred fifty
36 minutes per class period at a centralized campus shall be 0.75. To qualify
37 for funding pursuant to this subsection, a centralized campus shall offer
38 programs and courses to all eligible students in each member district of the
39 joint technical education district.

40 R. The average daily membership for a pupil in grade ten, eleven or
41 twelve who is enrolled in a course that meets for at least one hundred fifty
42 minutes per class period at a leased centralized campus shall not exceed
43 0.75. The sum of the average daily membership, as provided in section
44 15-901, subsection A, paragraph 1, of a pupil who is enrolled in both the
45 school district and in joint technical education district courses provided at

1 a leased centralized campus shall not exceed 1.75 if all of the following
2 conditions are met:

3 1. The course qualifies as a joint technical education course as
4 defined in section 15-391.

5 2. The course is offered to all eligible students in each member
6 district of the joint technical education district and enrolls students from
7 multiple high schools.

8 3. The joint technical education district program in which the course
9 is included addresses a specific industry need and has been developed in
10 cooperation with that industry, or the leased facility is a state or federal
11 asset that would otherwise be unused or underutilized.

12 4. The lease is established at fair market value if the lease is
13 executed for a facility located on the site of a member district and was
14 approved by the joint committee on capital review, except that a lease that
15 was executed or renewed before December 31, 2012 is not subject to approval
16 by the joint committee on capital review. The requirement prescribed in this
17 paragraph does not apply from and after December 31, 2016.

18 S. A student who is enrolled in an accommodation school as defined in
19 section 15-101 may be treated as a student of the school district in which
20 the student physically resides for the purposes of enrollment in a joint
21 technical education district and shall be included in the calculation of
22 average daily membership for either the joint technical education district or
23 the accommodation school, or both.

24 T. Notwithstanding any other law, the student count for a joint
25 technical education district shall be equivalent to the joint technical
26 education district's average daily membership.

27 U. Beginning in fiscal year 2016-2017, base support level funding that
28 a school district or charter school receives for a pupil who is enrolled in
29 both a school district or charter school and a joint technical education
30 district satellite campus program shall be funded at ninety-two and one-half
31 percent of the base support level funding that the school district or charter
32 school would otherwise receive for that pupil.

33 V. Beginning in fiscal year 2016-2017, base support level funding that
34 a joint technical education district receives for a pupil who is enrolled in
35 both a school district or charter school and a joint technical education
36 district shall be funded at ninety-two and one-half percent of the base
37 support level funding that the joint technical education district would
38 otherwise receive for that pupil.

39 W. A school district may not prohibit or discourage students who are
40 enrolled in that school district from attending courses offered by a joint
41 technical education district.

42 X. Notwithstanding subsection D, paragraph 7 of this section, a school
43 district or charter school that experiences a reduction in its base support
44 level funding pursuant to subsection U of this section may use a portion of
45 joint technical education district monies that it receives pursuant to this

1 section in order to offset the loss of regular education funding that it
2 experiences pursuant to subsection U of this section. The amount of joint
3 technical education monies that the school district or charter school may use
4 to offset the loss of funding that it experiences pursuant to subsection U of
5 this section may not exceed the reduction in base support level funding that
6 it experiences pursuant to subsection U of this section.

7 Y. The governing board of the joint technical education district may
8 contract with any charter school that is located within the boundaries of the
9 joint technical education district to allow that charter school to offer
10 career and technical education courses or programs as a satellite campus.

11 Z. For the purposes of this section:

12 1. "Base year" means the complete school year in which voters of a
13 school district elected to join a joint technical education district.

14 2. "Centralized campus" means a facility that is owned and operated by
15 a joint technical education district for the purpose of offering joint
16 technical education programs or joint technical education courses as defined
17 in section 15-391.

18 3. "Lease" means a written agreement in which the right of occupancy
19 or use of real property is conveyed from one person or entity to another
20 person or entity for a specified period of time.

21 4. "Leased centralized campus" means a facility that is leased and
22 operated by a joint technical education district for the purpose of offering
23 joint technical education programs or joint technical education courses as
24 defined in section 15-391.

25 5. "Satellite campus" means a facility that is owned or operated by a
26 school district or charter school for the purpose of offering joint technical
27 education programs or joint technical education courses as defined in section
28 15-391.

29 Sec. 2. Section 15-1021, Arizona Revised Statutes, is amended to read:
30 15-1021. Limitation on bonded indebtedness; limitation on
31 authorization and issuance of bonds; definitions

32 A. Until December 31, 1999, a school district may issue class A bonds
33 for the purposes specified in this section and chapter 4, article 5 of this
34 title to an amount in the aggregate, including the existing indebtedness, not
35 exceeding fifteen percent of the taxable property used for secondary property
36 tax purposes, as determined pursuant to title 42, chapter 15, article 1,
37 within a school district as ascertained by the last property tax assessment
38 previous to issuing the bonds.

39 B. From and after December 31, 1998, a school district may issue class
40 B bonds for the purposes specified in this section and chapter 4, article 5
41 of this title to an amount in the aggregate, including the existing class B
42 indebtedness, not exceeding ten percent of the NET ASSESSED value of the
43 ~~taxable property~~ FULL CASH VALUE OF THE PROPERTY in that school district, or
44 one thousand five hundred dollars per student count pursuant to section
45 15-901, subsection A, paragraph 13, whichever amount is greater. ~~The value~~

1 ~~of the taxable property shall be ascertained as provided by article IX,~~
2 ~~section 8, Constitution of Arizona.~~ A school district shall not issue class
3 B bonds until the proceeds of any class A bonds issued by the school district
4 have been obligated in contract. The total amount of class A and class B
5 bonds issued by a school district shall not exceed the debt limitations
6 prescribed in article IX, section 8, Constitution of Arizona.

7 C. Until December 31, 1999, a unified school district, as defined
8 under article IX, section 8.1, Constitution of Arizona, may issue class A
9 bonds for the purposes specified in this section and chapter 4, article 5 of
10 this title to an amount in the aggregate, including the existing
11 indebtedness, not exceeding thirty percent of the taxable property used for
12 secondary property tax purposes, as determined pursuant to title 42, chapter
13 15, article 1, within a unified school district as ascertained by the last
14 property tax assessment previous to issuing the bonds.

15 D. From and after December 31, 1998, a unified school district, as
16 defined under article IX, section 8.1, Constitution of Arizona, may issue
17 class B bonds for the purposes specified in this section and chapter 4,
18 article 5 of this title to an amount in the aggregate, including the existing
19 class B indebtedness, not exceeding twenty percent of the **NET ASSESSED** value
20 of the ~~taxable property~~ **FULL CASH VALUE OF THE PROPERTY** in that school
21 district, or one thousand five hundred dollars per student count pursuant to
22 section 15-901, subsection A, paragraph 13, whichever amount is greater. ~~The~~
23 ~~value of the taxable property shall be ascertained as provided by article IX,~~
24 ~~section 8, Constitution of Arizona.~~ A unified school district shall not
25 issue class B bonds until the proceeds of any class A bonds issued by the
26 unified school district have been obligated in contract. The total amount of
27 class A and class B bonds issued by a unified school district shall not
28 exceed the debt limitations prescribed in article IX, section 8.1,
29 Constitution of Arizona.

30 E. No bonds authorized to be issued by an election held after July 1,
31 1980 and before November 24, 2009 may be issued more than six years after the
32 date of the election, except that the time period may be extended to ten
33 years pursuant to an election conducted pursuant to section 15-491,
34 subsection A, paragraph 6 and except that class A bonds shall not be issued
35 after December 31, 1999. No bonds authorized to be issued by an election
36 held after November 24, 2009 may be issued more than ten years after the date
37 of the election.

38 F. Except as provided in section 15-491, subsection A, paragraph 3,
39 bond proceeds shall not be expended for items whose useful life is less than
40 the average life of the bonds issued, except that bond proceeds shall not be
41 expended for items whose useful life is less than five years.

42 G. A joint technical education district shall not spend class B bond
43 proceeds to construct or renovate a facility located on the campus of a
44 school in a school district that participates in the joint district unless
45 the facility is only used to provide career and technical education and is

1 available to all pupils who live within the joint technical education
2 district. If the facility is not owned by the joint technical education
3 district, an intergovernmental agreement or a written contract shall be
4 executed for ten years or the duration of the bonded indebtedness, whichever
5 is greater. The intergovernmental agreement or written contract shall
6 include provisions:

7 1. That preserve the usage of the facility renovated or constructed,
8 or both, only for career and technology programs operated by the joint
9 technical education district.

10 2. That include the process to be used by the participating district
11 to compensate the joint technical education district in the event that the
12 facility is no longer used only for career and technical education programs
13 offered by the joint technical education district during the life of the
14 bond.

15 H. A school district shall not authorize, issue or sell bonds pursuant
16 to this section if the school district has any existing indebtedness from
17 impact aid revenue bonds pursuant to chapter 16, article 8 of this title,
18 except for bonds issued to refund any bonds issued by the governing board.

19 I. FOR THE PURPOSES OF THIS SECTION, "FULL CASH VALUE" AND "NET
20 ASSESSED VALUE" HAVE THE SAME MEANINGS PRESCRIBED IN SECTION 42-11001.

21 Sec. 3. Section 35-451, Arizona Revised Statutes, is amended to read:

22 35-451. Local debt limit; increase in limitation; authority to
23 issue bonds; definitions

24 ~~A. The total assessed valuation of taxable property used as a base~~
25 ~~figure in determining the limitation on the amount of bonds that may be~~
26 ~~issued under article IX, section 8, Constitution of Arizona, shall not~~
27 ~~include the determination of valuation of tax exempt property.~~

28 ~~B. A.~~ A. The aggregate indebtedness of a county, city, town or similar
29 municipal corporation may be increased above six ~~per cent~~ PERCENT of the NET
30 ASSESSED value of the ~~taxable property~~ FULL CASH VALUE OF THE PROPERTY in
31 such A political subdivision only as provided in this article. ~~The value of~~
32 ~~such taxable property shall be ascertained as provided by article IX, section~~
33 ~~8, Constitution of Arizona.~~

34 ~~C. B.~~ B. A multi-county water conservation district may become indebted
35 and issue bonds in the manner provided in this article.

36 ~~D. C.~~ C. Bonds may be issued under ~~the provisions of~~ this article for
37 any lawful or necessary purpose.

38 D. FOR THE PURPOSES OF THIS SECTION, "FULL CASH VALUE" AND "NET
39 ASSESSED VALUE" HAVE THE SAME MEANINGS PRESCRIBED IN SECTION 42-11001.

40 Sec. 4. Section 35-503, Arizona Revised Statutes, is amended to read:

41 35-503. Calculation of debt limits

42 A. For purposes of calculating all debt limits pursuant to article IX,
43 section 8 or 8.1, Constitution of Arizona, the outstanding indebtedness of a
44 jurisdiction shall equal the total principal amount of all bonds outstanding
45 at the time of calculation. Bonds outstanding shall include the principal

1 amount of all bonds issued by the jurisdiction except principal that has been
2 paid or for which monies have been deposited into a dedicated fund for the
3 payment of the principal. The principal amount of a bond shall equal the par
4 amount of the bond exclusive of any premium or discount.

5 ~~B. The value of taxable property for the purposes of this section and~~
6 ~~article IX, section 8 or 8.1, Constitution of Arizona shall be the aggregate~~
7 ~~net assessed value of property within the jurisdiction used for the levy of~~
8 ~~secondary property taxes, as determined pursuant to title 42.~~

9 B. THE NET ASSESSED VALUE OF THE FULL CASH VALUE IS THE BASIS FOR
10 CALCULATING THE DEBT LIMITATIONS PRESCRIBED IN ARTICLE IX, SECTION 8 OR 8.1,
11 CONSTITUTION OF ARIZONA.