

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

HOUSE BILL 2480

AN ACT

AMENDING SECTIONS 15-943 AND 15-972, ARIZONA REVISED STATUTES; RELATING TO
EDUCATION FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
 2 Section 1. Section 15-943, Arizona Revised Statutes, is amended to
 3 read:

4 15-943. Base support level

5 The base support level for each school district shall be computed as
 6 follows:

7 1. The following support level weights shall be used in paragraph 2,
 8 subdivision (a) of this section for the following school districts:

9 (a) For school districts whose student count in kindergarten programs
 10 and grades one through eight is classified in column 1 of this subdivision,
 11 the support level weight for kindergarten programs and grades one through
 12 eight is the corresponding support level weight prescribed in column 2 or 3
 13 of this subdivision, whichever is appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	Support Level Weight For Small Isolated	Support Level Weight For Small
<u>Student Count</u>	<u>School Districts</u>	<u>School Districts</u>
1-99	1.559	1.399
100-499	1.358 + [0.0005 x (500 - student count)]	1.278 + [0.0003 x (500 - student count)]
500-599	1.158 + [0.002 x (600 - student count)]	1.158 + [0.0012 x (600 - student count)]

23 (b) For school districts whose student count in grades nine through
 24 twelve is classified in column 1 of this subdivision, the support level
 25 weight for grades nine through twelve is the corresponding support level
 26 weight prescribed in column 2 or 3 of this subdivision, whichever is
 27 appropriate:

<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>
	Support Level Weight For Small Isolated	Support Level Weight For Small
<u>Student Count</u>	<u>School Districts</u>	<u>School Districts</u>
1-99	1.669	1.559
100-499	1.468 + [0.0005 x (500 - student count)]	1.398 + [0.0004 x (500 - student count)]
500-599	1.268 + [0.002 x (600 - student count)]	1.268 + [0.0013 x (600 - student count)]

37 2. Subject to paragraph 1 of this section, determine the weighted
 38 student count as follows:

39 (a)

			Support Level		Student Count	
<u>Grade Base</u>	<u>Group A</u>	=	<u>Weight</u>	x	<u>Count</u>	=
PSD 1.000	+ 0.450	=	1.450	x	_____	=

1	K-8	1.000	+	0.158	=	1.158	x	_____	=	_____
2	9-12	1.163	+	0.105	=	1.268	x	_____	=	_____
3								Subtotal	A	_____

(b)

	Funding	Support Level	Weight	Student Count	Weighted Student Count
8	HI	4.771	x	_____	_____
9	K-3	0.060	x	_____	_____
10	K-3 reading	0.040	x	_____	_____
11	ELL	0.115	x	_____	_____
12	MD-R, A-R and				
13	SID-R	6.024	x	_____	_____
14	MD-SC, A-SC and				
15	SID-SC	5.833	x	_____	_____
16	MD-SSI	7.947	x	_____	_____
17	OI-R	3.158	x	_____	_____
18	OI-SC	6.773	x	_____	_____
19	P-SD	3.595	x	_____	_____
20	DD, ED, MIID, SLD,				
21	SLI and OHI	0.003	x	_____	_____
22	ED-P	4.822	x	_____	_____
23	MOID	4.421	x	_____	_____
24	VI	4.806	x	_____	_____
25				Subtotal	B

(c) Total of subtotals A and B: _____

3. Multiply the total determined in paragraph 2 of this section by the base level.

4. Multiply the teacher experience index of the district or 1.00, whichever is greater, by the product obtained in paragraph 3 of this section.

5. BEGINNING IN FISCAL YEAR 2016-2017, FROM THE PRODUCT DETERMINED IN PARAGRAPH 4 OF THIS SECTION, SUBTRACT AN AMOUNT EQUAL TO THE AMOUNT OF ADDITIONAL STATE AID FOR EDUCATION THAT THE SCHOOL DISTRICT IS EXPECTED TO FOREGO, IF ANY, FOR THE FISCAL YEAR PURSUANT TO SECTION 15-972, SUBSECTION K.

Sec. 2. Section 15-972, Arizona Revised Statutes, is amended to read:

15-972. State limitation on homeowner property taxes; additional state aid to school districts; definitions

A. Notwithstanding section 15-971, there shall be additional state aid for education computed for school districts as provided in subsection B of this section.

B. The clerk of the board of supervisors shall compute such additional state aid for education as follows:

1. For a high school district or for a common school district within a high school district that does not offer instruction in high school subjects as provided in section 15-447:

- 1 (a) Determine the qualifying tax rate pursuant to section 41-1276 for
2 the school district.
- 3 (b) Determine the following percentage of the qualifying tax rate
4 determined in subdivision (a) of this paragraph:
- 5 (i) Thirty-five percent through December 31, 2005.
6 (ii) Thirty-six percent beginning from and after December 31, 2005
7 through December 31, 2006.
8 (iii) Thirty-seven percent beginning from and after December 31, 2006
9 through December 31, 2007.
10 (iv) Thirty-eight percent beginning from and after December 31, 2007
11 through December 31, 2008.
12 (v) Thirty-nine percent beginning from and after December 31, 2008
13 through December 31, 2009.
14 (vi) Forty percent beginning from and after December 31, 2009.
15 (vii) Such further adjustments of the percentage beginning from and
16 after December 31, 2012 as provided by law.
- 17 (c) Select the lesser of the amount determined in subdivision (b) of
18 this paragraph or forty percent of the primary property tax rate that would
19 be levied in lieu of the provisions of this section for the district.
- 20 (d) Multiply the rate selected in subdivision (c) of this paragraph as
21 a rate per one hundred dollars assessed valuation by the assessed valuation
22 used for primary property taxes of the residential property in the school
23 district.
- 24 2. For a unified school district, for a common school district not
25 within a high school district or for a common school district that offers
26 instruction in high school subjects as provided in section 15-447:
- 27 (a) Determine the qualifying tax rate pursuant to section 41-1276 for
28 the school district.
- 29 (b) Determine the following percentage of the tax rate determined in
30 subdivision (a) of this paragraph:
- 31 (i) Thirty-five percent through December 31, 2005.
32 (ii) Thirty-six percent beginning from and after December 31, 2005
33 through December 31, 2006.
34 (iii) Thirty-seven percent beginning from and after December 31, 2006
35 through December 31, 2007.
36 (iv) Thirty-eight percent beginning from and after December 31, 2007
37 through December 31, 2008.
38 (v) Thirty-nine percent beginning from and after December 31, 2008
39 through December 31, 2009.
40 (vi) Forty percent beginning from and after December 31, 2009.
41 (vii) Such further adjustments of the percentage beginning from and
42 after December 31, 2012 as provided by law.
- 43 (c) Select the lesser of the amount determined in subdivision (b) of
44 this paragraph or forty percent of the primary property tax rate that would
45 be levied in lieu of the provisions of this section for the district.

1 (d) Multiply the rate selected in subdivision (c) of this paragraph as
2 a rate per one hundred dollars assessed valuation by the assessed valuation
3 used for primary property taxes of the residential property in the district.

4 C. The clerk of the board of supervisors shall report to the
5 department of revenue not later than the Friday following the third Monday in
6 August of each year the amount by school district of additional state aid for
7 education and the data used for computing the amount as provided in
8 subsection B of this section. The department of revenue shall verify all of
9 the amounts and report to the county board of supervisors not later than
10 August 30 of each year the property tax rate or rates that shall be used for
11 property tax reduction as provided in subsection E of this section.

12 D. The board of supervisors shall reduce the property tax rate or
13 rates that would be levied in lieu of the provisions of this section by the
14 school district or districts on the assessed valuation used for primary
15 property taxes of the residential property in the school district or
16 districts by the rate or rates selected in subsection B, paragraph 1,
17 subdivision (c) and paragraph 2, subdivision (c) of this section. The excess
18 of the reduction in property taxes for a parcel of property resulting from
19 the reduction in the property tax rate pursuant to this subsection over the
20 amounts listed in this subsection shall be deducted from the amount of
21 additional state aid for education. The reduction in property taxes on a
22 parcel of property resulting from the reduction in the property tax rate
23 pursuant to this subsection shall not exceed the following amounts except as
24 provided in subsection I of this section:

25 1. Five hundred dollars through December 31, 2005.

26 2. Five hundred twenty dollars beginning from and after December 31,
27 2005 through December 31, 2006.

28 3. Five hundred forty dollars beginning from and after December 31,
29 2006 through December 31, 2007.

30 4. Five hundred sixty dollars beginning from and after December 31,
31 2007 through December 31, 2008.

32 5. Five hundred eighty dollars beginning from and after December 31,
33 2008 through December 31, 2009.

34 6. Six hundred dollars beginning from and after December 31, 2009.

35 E. Prior to the levying of taxes for school purposes the board of
36 supervisors shall determine whether the total primary property taxes to be
37 levied for all taxing jurisdictions on each parcel of residential property,
38 in lieu of the provisions of this subsection, violate article IX, section 18,
39 Constitution of Arizona. For those properties that qualify for property tax
40 exemptions pursuant to article IX, sections 2, 2.1 and 2.2, Constitution of
41 Arizona, eligibility for the credit is determined on the basis of the limited
42 property value that corresponds to the taxable assessed value after reduction
43 for the applicable exemption. If the board of supervisors determines that
44 such a situation exists, the board shall apply a credit against the primary
45 property taxes due from each such parcel in the amount in excess of article

1 IX, section 18, Constitution of Arizona. Such excess amounts shall also be
2 additional state aid for education for the school district or districts in
3 which such parcel of property is located.

4 F. The clerk of the board of supervisors shall report to the
5 department of revenue not later than September 5 of each year the amount by
6 school district of additional state aid for education and the data used for
7 computing the amount as provided in subsection B of this section. The
8 department of revenue shall verify all of the amounts and report to the board
9 of supervisors not later than September 10 of each year the property tax rate
10 that shall be used for property tax reduction as provided in subsection E of
11 this section.

12 G. The clerk of the board of supervisors shall report to the
13 department of revenue not later than September 30 of each year in writing the
14 following:

15 1. The data processing specifications used in the calculations
16 provided for in subsections B and E of this section.

17 2. At a minimum, copies of two actual tax bills for residential
18 property for each distinct tax area.

19 H. The department of revenue shall report to the state board of
20 education not later than October 12 of each year the amount by school
21 district of additional state aid for education as provided in this section.
22 The additional state aid for education provided in this section shall be
23 apportioned as provided in section 15-973.

24 I. If a parcel of property is owned by a cooperative apartment
25 corporation or is owned by the tenants of a cooperative apartment corporation
26 as tenants in common, the reduction in the property taxes prescribed in
27 subsection D of this section shall not exceed the amounts listed in
28 subsection D of this section for each owner-occupied housing unit on the
29 property. The assessed value used for determining the reduction in taxes for
30 the property is equal to the total assessed value of the property times the
31 ratio of the number of owner-occupied housing units to the total number of
32 housing units on the property. For the purposes of this subsection,
33 "cooperative apartment corporation" means a corporation:

34 1. Having only one class of outstanding stock.

35 2. **OF WHICH** all of the stockholders ~~of which~~ are entitled, solely by
36 reason of their ownership of stock in the corporation, to occupy for dwelling
37 purposes apartments in a building owned or leased by such corporation and ~~who~~
38 are not entitled, either conditionally or unconditionally, except ~~upon~~ **ON** a
39 complete or partial liquidation of the corporation, to receive any
40 distribution not out of earnings and profits of the corporation.

41 3. **OF WHICH** eighty percent or more of the gross income ~~of which~~ is
42 derived from tenant-stockholders. For the purposes of this paragraph, "gross
43 income" means gross income as defined by the United States internal revenue
44 code, as defined in section 43-105.

1 J. The total amount of state monies that may be spent in any fiscal
2 year for state aid for education in this section shall not exceed the amount
3 appropriated or authorized by section 35-173 for that purpose. This section
4 shall not be construed to impose a duty on an officer, agent or employee of
5 this state to discharge a responsibility or to create any right in a person
6 or group if the discharge or right would require an expenditure of state
7 monies in excess of the expenditure authorized by legislative appropriation
8 for that specific purpose.

9 ~~K. Notwithstanding subsection E of this section, beginning in fiscal
10 year 2015-2016, the maximum amount of additional state aid for education that
11 will be funded by this state pursuant to subsection E of this section shall
12 be one million dollars per county. For any county with a school district or
13 districts that collectively would otherwise receive more than one million in
14 additional state aid for education pursuant to subsection E of this section,
15 the property tax oversight commission established by section 42-17002 shall
16 determine the proportion of the violation of article IX, section 18,
17 Constitution of Arizona, that is attributable to each taxing jurisdiction
18 within the affected school district or districts. Based on those
19 proportions, the property tax oversight commission shall determine an amount
20 that each taxing jurisdiction within the affected school district or
21 districts shall transfer to the affected school district or districts during
22 the fiscal year in order to compensate the affected school district or
23 districts for its pro rata share of the reduction in additional state aid for
24 education funding required by this subsection. In determining the proportion
25 of the violation of article IX, section 18, Constitution of Arizona, that is
26 attributable to each taxing jurisdiction within the affected school district
27 or districts, the property tax oversight commission shall assume a proportion
28 of zero for any taxing jurisdiction that has a tax rate for the fiscal year
29 that is equal to or less than the tax rate of peer jurisdictions, as
30 determined by the property tax oversight commission.~~

31 K. NOTWITHSTANDING SUBSECTION E OF THIS SECTION, BEGINNING IN FISCAL
32 YEAR 2016-2017, THE MAXIMUM AMOUNT OF ADDITIONAL STATE AID FOR EDUCATION THAT
33 MAY BE FUNDED BY THIS STATE FOR A FISCAL YEAR PURSUANT TO SUBSECTION E OF
34 THIS SECTION IS ONE MILLION FIVE HUNDRED THOUSAND DOLLARS PER COUNTY. FOR
35 ANY COUNTY WITH A SCHOOL DISTRICT OR SCHOOL DISTRICTS THAT COLLECTIVELY WOULD
36 OTHERWISE RECEIVE MORE THAN ONE MILLION FIVE HUNDRED THOUSAND DOLLARS IN
37 ADDITIONAL STATE AID FOR EDUCATION FOR A FISCAL YEAR PURSUANT TO SUBSECTION E
38 OF THIS SECTION, THE JOINT LEGISLATIVE BUDGET COMMITTEE SHALL CALCULATE THE
39 PROPORTION OF THE VIOLATION OF ARTICLE IX, SECTION 18, CONSTITUTION OF
40 ARIZONA, FOR A FISCAL YEAR THAT IS ATTRIBUTABLE TO EACH TAXING JURISDICTION,
41 OTHER THAN THIS STATE, WITHIN THE AFFECTED SCHOOL DISTRICT OR SCHOOL
42 DISTRICTS, INCLUDING THE AFFECTED SCHOOL DISTRICTS. BASED ON THOSE
43 PROPORTIONS AND AFTER DEDUCTING THE AMOUNT OF ADDITIONAL STATE AID THAT THIS
44 STATE WOULD CONTINUE TO PAY UNDER THIS SUBSECTION PURSUANT TO SUBSECTION O OF
45 THIS SECTION, THE JOINT LEGISLATIVE BUDGET COMMITTEE SHALL COMPUTE AN AMOUNT

1 THAT EACH TAXING JURISDICTION, OTHER THAN THIS STATE, WITHIN THE AFFECTED
2 SCHOOL DISTRICT OR SCHOOL DISTRICTS SHALL TRANSFER TO THE AFFECTED SCHOOL
3 DISTRICT OR SCHOOL DISTRICTS DURING THE FISCAL YEAR IN ORDER TO COMPENSATE
4 THE AFFECTED SCHOOL DISTRICT OR SCHOOL DISTRICTS FOR THE TAXING
5 JURISDICTION'S PRO RATA SHARE OF THE REDUCTION IN ADDITIONAL STATE AID FOR
6 EDUCATION FUNDING REQUIRED BY THIS SECTION AND SHALL NOTIFY THE AFFECTED
7 TAXING JURISDICTIONS, OTHER THAN THIS STATE, OF THIS AMOUNT ON OR BEFORE
8 DECEMBER 31 OF THE FISCAL YEAR. THE JOINT LEGISLATIVE BUDGET COMMITTEE ALSO
9 SHALL COMPUTE THE AMOUNT OF ADDITIONAL STATE AID FOR EDUCATION THAT THE
10 AFFECTED SCHOOL DISTRICT OR SCHOOL DISTRICTS WILL FORGO FOR THE FISCAL YEAR
11 UNDER THIS SUBSECTION AS THE SCHOOL DISTRICT'S OR SCHOOL DISTRICTS' PRO RATA
12 SHARE OF THE OVERALL ADDITIONAL STATE AID REDUCTION REQUIRED BY THIS
13 SUBSECTION. IN COMPUTING THE PROPORTION OF THE VIOLATION OF ARTICLE IX,
14 SECTION 18, CONSTITUTION OF ARIZONA, THAT IS ATTRIBUTABLE TO EACH TAXING
15 JURISDICTION, OTHER THAN THIS STATE, WITHIN THE AFFECTED SCHOOL DISTRICT OR
16 SCHOOL DISTRICTS AND FOR THE AFFECTED SCHOOL DISTRICT OR SCHOOL DISTRICTS,
17 THE JOINT LEGISLATIVE BUDGET COMMITTEE SHALL ASSUME A PROPORTION OF ZERO FOR
18 ANY TAXING JURISDICTION, OTHER THAN THIS STATE, THAT HAS A PRIMARY PROPERTY
19 TAX RATE FOR THE FISCAL YEAR THAT IS LESS THAN OR EQUAL TO THE THRESHOLD
20 PRIMARY PROPERTY TAX RATE FOR THE FISCAL YEAR FOR PEER JURISDICTIONS. FOR
21 THE PURPOSES OF THIS SUBSECTION:

22 1. THE THRESHOLD PRIMARY PROPERTY TAX RATE PER ONE HUNDRED DOLLARS OF
23 ASSESSED VALUATION IS:

- 24 (a) FOR A COUNTY, 2.2568.
- 25 (b) FOR A COMMUNITY COLLEGE DISTRICT, 1.7552.
- 26 (c) FOR A CITY OR TOWN, 1.5720.
- 27 (d) FOR A COMMON OR HIGH SCHOOL DISTRICT, 2.8203.
- 28 (e) FOR A UNIFIED SCHOOL DISTRICT OR A COMMON SCHOOL DISTRICT THAT IS
29 NOT WITHIN A HIGH SCHOOL DISTRICT, 4.8171.

30 2. EACH TAXING JURISDICTION IS RESPONSIBLE FOR ITS PRO RATA SHARE OF
31 AMOUNTS LEVIED IN EXCESS OF THE THRESHOLD RATES BY ALL JURISDICTIONS.

32 L. BEGINNING IN FISCAL YEAR 2016-2017, A TAXING JURISDICTION FOR WHICH
33 THE JOINT LEGISLATIVE BUDGET COMMITTEE HAS COMPUTED AN AMOUNT THAT MUST BE
34 TRANSFERRED FOR A FISCAL YEAR TO A SCHOOL DISTRICT OR SCHOOL DISTRICTS
35 PURSUANT TO SUBSECTION K OF THIS SECTION SHALL TRANSFER THAT AMOUNT TO THE
36 SCHOOL DISTRICT OR SCHOOL DISTRICTS ON OR BEFORE JANUARY 31 OF THE FISCAL
37 YEAR. IF A COUNTY, CITY OR TOWN DOES NOT MAKE THE TRANSFER ON OR BEFORE
38 JANUARY 31 OF THE FISCAL YEAR, THE SCHOOL DISTRICT OR SCHOOL DISTRICTS SHALL
39 NOTIFY THE STATE TREASURER OF THE AMOUNT OWED AND THE STATE TREASURER, AFTER
40 CONFIRMING THE NONTRANSFER, SHALL WITHHOLD THE AMOUNT, INCLUDING ANY
41 ADDITIONAL INTEREST AS PROVIDED IN SECTION 42-1123, FROM ANY TRANSACTION
42 PRIVILEGE TAX REVENUES THAT WOULD OTHERWISE BE DISTRIBUTED TO THE COUNTY,
43 CITY OR TOWN. THE STATE TREASURER SHALL TRANSFER IN A TIMELY MANNER TO A
44 SCHOOL DISTRICT AFFECTED BY THIS SUBSECTION THE AMOUNT OF REVENUES WITHHELD
45 FROM A COUNTY, CITY OR TOWN ON THE SCHOOL DISTRICT'S BEHALF UNDER THIS

1 SUBSECTION. A TAXING JURISDICTION, INCLUDING A SCHOOL DISTRICT, THAT IS
2 REQUIRED TO MAKE A TRANSFER PURSUANT TO THIS SUBSECTION MAY MAKE THE TRANSFER
3 IN THE NEXT FISCAL YEAR.

4 M. COUNTY, CITY, TOWN AND COMMUNITY COLLEGE DISTRICT TRANSFERS MADE
5 PURSUANT TO SUBSECTION L OF THIS SECTION ARE EXCLUDED FROM THE COUNTY, CITY,
6 TOWN AND COMMUNITY COLLEGE DISTRICT EXPENDITURE LIMITATIONS.

7 N. NOTWITHSTANDING ANY OTHER LAW, BEGINNING IN FISCAL YEAR 2016-2017,
8 A TAXING JURISDICTION FOR WHICH THE JOINT LEGISLATIVE BUDGET COMMITTEE
9 COMPUTED A PROPORTION OF THE VIOLATION OF ARTICLE IX, SECTION 18,
10 CONSTITUTION OF ARIZONA, OF GREATER THAN ZERO FOR THE PRIOR FISCAL YEAR AND
11 THAT HAD A PRIMARY PROPERTY TAX RATE IN THE PRIOR FISCAL YEAR THAT EXCEEDED
12 ONE HUNDRED FIFTY PERCENT OF THE THRESHOLD PRIMARY PROPERTY TAX RATE
13 PRESCRIBED IN SUBSECTION K OF THIS SECTION MAY NOT LEVY IN THE FISCAL YEAR A
14 PRIMARY PROPERTY TAX RATE THAT EXCEEDS THE PRIMARY PROPERTY TAX RATE THE
15 TAXING JURISDICTION LEVIED IN THE PRIOR FISCAL YEAR. FOR FISCAL YEAR
16 2016-2017, THE JOINT LEGISLATIVE BUDGET COMMITTEE SHALL DETERMINE, ON OR
17 BEFORE JULY 15, 2016, WHETHER EACH SCHOOL DISTRICT, COUNTY, CITY, TOWN OR
18 COMMUNITY COLLEGE DISTRICT IN THIS STATE WOULD HAVE HAD A PROPORTION OF THE
19 VIOLATION OF ARTICLE IX, SECTION 18, CONSTITUTION OF ARIZONA, OF GREATER THAN
20 ZERO FOR FISCAL YEAR 2015-2016 IF SUBSECTION K OF THIS SECTION HAD BEEN IN
21 EFFECT FOR FISCAL YEAR 2015-2016 AND SHALL NOTIFY THE SCHOOL DISTRICT,
22 COUNTY, CITY, TOWN OR COMMUNITY COLLEGE DISTRICT OF THAT DETERMINATION ON OR
23 BEFORE JULY 15, 2016.

24 O. THE MAXIMUM ONE MILLION FIVE HUNDRED THOUSAND DOLLARS OF ADDITIONAL
25 STATE AID FOR EDUCATION THAT IS DISTRIBUTED IN A COUNTY PURSUANT TO
26 SUBSECTION K OF THIS SECTION EACH FISCAL YEAR SHALL BE DISTRIBUTED FIRST TO
27 SCHOOL DISTRICTS IN THE COUNTY THAT HAVE THE SMALLEST ADDITIONAL STATE AID
28 FOR EDUCATION COSTS FOR THE FISCAL YEAR IN ORDER TO FULLY FUND ADDITIONAL
29 STATE AID FOR EDUCATION COSTS FOR AS MANY OF THOSE SCHOOL DISTRICTS AS
30 POSSIBLE. AFTER THOSE DISTRIBUTIONS ARE MADE, ANY REMAINING AMOUNT OF THE
31 ONE MILLION FIVE HUNDRED THOUSAND DOLLARS OF ADDITIONAL STATE AID FOR
32 EDUCATION PER COUNTY, IF ANY, SHALL BE ALLOCATED TO THE REMAINING AFFECTED
33 SCHOOL DISTRICTS ON A PRO RATA BASIS BASED ON THE AMOUNT OF ADDITIONAL STATE
34 AID FOR EDUCATION THAT THE SCHOOL DISTRICTS WILL FORGO FOR THE FISCAL YEAR
35 PURSUANT TO SUBSECTION K OF THIS SECTION.

36 ~~L.~~ P. For the purposes of this section:

37 1. "Owner" includes any purchaser under a contract of sale or under a
38 deed of trust.

39 2. "Residential property" includes owner-occupied real property and
40 improvements to the property and owner-occupied mobile homes that are used as
41 the owner's primary residence and classified as class three property pursuant
42 to section 42-12003.

43 Sec. 3. Retroactivity

44 This act applies retroactively to from and after June 30, 2016.