



ARIZONA STATE SENATE
Fifty-Second Legislature, Second Regular Session

FINAL AMENDED
FACT SHEET FOR S.B. 1537/H.B. 2706

higher education; budget reconciliation; 2016-2017

Purpose

Makes necessary statutory and session law changes relating to higher education to reconcile the FY 2017 state budget.

Background

The Arizona Constitution prohibits substantive law from being included in the general appropriations, capital outlay appropriations and supplemental appropriations bills. However, it is often necessary to make statutory and session law changes to effectuate the budget. Thus, separate bills called budget reconciliation bills (BRBs) are introduced to enact these provisions. Because BRBs contain substantive law changes, the Arizona Constitution provides that they become effective on the general effective date, unless an emergency clause is enacted.

Provisions

1. Stipulates, effective July 1, 2018, appropriated tuition and fees included in a university's operating budget adopted by the Arizona Board of Regents (ABOR) are:
 - a) subject to legislative appropriation; and
 - b) deposited in a separate tuition and fees subaccount for each university, instead of with the State Treasurer.
2. Requires, effective July 1, 2018, all other tuition and fee revenue to be retained in a separate local tuition and fees subaccount for each university, which will consist of only tuition and fees.
3. Removes, effective July 1, 2018, the remittance requirement to the State Treasurer for appropriated registration and other revenues included in a university's operating budget adopted by ABOR.
4. Modifies state General Fund appropriations to each university for lease-purchase capital financing for research infrastructure projects as follows:

Arizona State University

Fiscal Year	Appropriated Amount	Fiscal Year	Appropriated Amount
FY 2018	\$ 13,481,000	FY 2025	\$ 13,459,300
FY 2019	\$ 13,478,700	FY 2026	\$ 13,453,900
FY 2020	\$ 13,456,300	FY 2027	\$ 13,450,100
FY 2021	\$ 13,458,700	FY 2028	\$ 13,436,200
FY 2022	\$ 13,451,900	FY 2029	\$ 13,430,800
FY 2023	\$ 13,462,100	FY 2030	\$ 13,423,500
FY 2024	\$ 13,468,200	FY 2031	\$ 13,428,800

The University of Arizona

Fiscal Year	Appropriated Amount	Fiscal Year	Appropriated Amount
FY 2018	\$ 14,249,300	FY 2025	\$ 14,247,300
FY 2019	\$ 14,251,000	FY 2026	\$ 14,248,400
FY 2020	\$ 14,250,200	FY 2027	\$ 14,251,300
FY 2021	\$ 14,251,500	FY 2028	\$ 14,254,100
FY 2022	\$ 14,248,900	FY 2029	\$ 14,251,500
FY 2023	\$ 14,252,500	FY 2030	\$ 14,252,500
FY 2024	\$ 14,255,300	FY 2031	\$ 14,255,800

Northern Arizona University

Fiscal Year	Appropriated Amount	Fiscal Year	Appropriated Amount
FY 2018	\$ 5,896,500	FY 2025	\$ 4,885,500
FY 2019	\$ 5,896,200	FY 2026	\$ 4,884,500
FY 2020	\$ 5,899,500	FY 2027	\$ 4,884,300
FY 2021	\$ 4,879,500	FY 2028	\$ 4,894,000
FY 2022	\$ 5,039,800	FY 2029	\$ 4,888,400
FY 2023	\$ 5,301,500	FY 2030	\$ 4,892,000
FY 2024	\$ 5,302,900	FY 2031	\$ 4,889,300

5. Increases state General Fund reductions, retroactive to July 1, 2016, to Arizona State University for FY 2017 from \$2,329,800 to \$3,281,700 for lease-purchase capital financing.
6. Continues, for FY 2017, to allow the Legislature to appropriate less than a 2:1 match to student registration surcharges deposited in the Financial Aid Trust Fund.
7. Funds community college districts' science, technology, engineering and mathematics, and workforce programs for FY 2017 as specified in the General Appropriation Act.
8. Makes technical and conforming changes.
9. Becomes effective on the general effective date, with a delayed effective date and a retroactive provision as noted.

Amendments Adopted by Committee of the Whole

1. Reinserts FY 2017 appropriations from the state General Fund to state universities for lease-purchase capital financing for research infrastructure projects.

2. Modifies appropriated amounts in FY 2018 through 2031 for lease-purchase capital financing for research infrastructure projects for Arizona State University and Northern Arizona University.
3. Increases state General Fund reductions to Arizona State University for lease-purchase capital financing for FY 2017.
4. Makes technical and conforming changes.

Senate Action

APPROP 4/27/16 DP 5-3-0
3rd Read 5/3/16 18-12-0

House Action

APPROP 4/29/16 DPA 8-6-0
3rd Read 5/4/16 36-24-0
(S.B. 1537 was substituted for H.B. 2706 on
3rd Read.)

Signed by the Governor 5/10/16
Chapter 130

Prepared by Senate Research
May 19, 2016
CB/JO/lis