

ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-fourth Legislature - Second Regular Session

## CAUCUS AGENDA #1

January 23, 2020

Bill Number	Short Title	Committee	Date	Action
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### Committee on Education

**Chairman:** Michelle Udall, LD25

**Analyst:** Chase Houser

**Vice Chairman:** John Fillmore, LD16

**Intern:** Sara Leinenveber

[HCR 2023<sub>\(BS\)</sub>](#) school districts; expenditure limit; authorization

SPONSOR: KERN, LD

HOUSE

ED

1/22/2020

DP

(12-0-0-1)

(Abs: TOWNSEND)



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Fifty-fourth Legislature  
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House: ED DP 12-0-0-1

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**HCR2023: school districts; expenditure limit; authorization**  
**Sponsor: Representative Kern, LD 20**  
**Caucus & COW**

## **Overview**

Authorizes the expenditure of local revenues by school districts in excess of the aggregate expenditure limitation in FY 2021.

## **History**

The Arizona Constitution requires the Economic Estimates Commission to determine before May 1st of each year the aggregate expenditure limitation for all school districts for the following fiscal year ([Ariz. Const. art. IX, sec. 21](#)). The aggregate expenditure limit is calculated by annually adjusting the expenditures of local revenues for all school districts in FY 1980 to reflect the changes in student population and the cost of living and multiplying the result by 1.10.

By November 1st of each year, the State Board of Education (SBE) is required to report the aggregate expenditures of local revenues for all school districts for the current year to the President of the Senate, Speaker of the House of Representatives and Chairman of the Joint Legislative Budget Committee ([A.R.S. § 15-911](#)). If the aggregate expenditures of local revenues for all school districts exceed the aggregate expenditure limitation, two options may occur: 1) SBE must notify each school district of the amount by which it may have to reduce its expenditures of local revenues; or 2) the Legislature may authorize by March 1st expenditures in excess of the limitation for the current fiscal year upon two-thirds vote in both the House of Representatives and the Senate.

The state Constitution defines *local revenues* to include all monies, revenues, funds, property and receipts of any kind received by or for the account of a school district. However, certain revenues are exempted, such as federal grants and aid except school assistance in federally affected areas, voter-approved bonds and overrides, monies received from the School Facilities Board and Proposition 301 monies.

## **Provisions**

1. Authorizes the expenditure of local revenues by school districts in excess of the aggregate expenditure limitation in FY 2021.
2. Requires two-thirds vote in both the House of Representatives and Senate to become effective.

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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