

PROPOSITION ____
[SCR 1032 - 2026]

instructional expenses; operational spending; enforcement

ANALYSIS BY LEGISLATIVE COUNCIL

Proposition ____ would require each school district that has a student count of at least 7,500 or that operates a school in a county with a population of at least 500,000 persons to spend at least 60 percent of the school district's operational spending on direct instructional expenses. The proposition would require the auditor general to define "direct instructional expenses" and "operational spending" for the purposes of this requirement.

Beginning in fiscal year 2027-2028, Proposition ____ would require any school district that spends less than 60 percent of the school district's operational spending on direct instructional expenses to increase the portion of the school district's operational spending that is spent on direct instructional expenses each year by at least one-half of one percent per year until the school district is in compliance.

If a school district does not comply with these requirements, this proposition would require the Arizona Department of Education to reduce the school district's allocation from the classroom site fund for the budget year by 25 percent of the amount that would otherwise be allocated to the school district from the classroom site fund for each year the school district did not comply, up to a maximum of 100 percent of the amount if the school district did not comply for four or more years, unless a waiver is granted. Monies that are not distributed because of reductions would be allocated to compliant school districts for the following school year.