

REFERENCE TITLE: declining enrollment; small school districts

State of Arizona  
Senate  
Fifty-third Legislature  
Second Regular Session  
2018

# **SB 1408**

Introduced by  
Senator Fann

AN ACT

AMENDING SECTION 15-902.03, ARIZONA REVISED STATUTES; RELATING TO SCHOOL FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-902.03, Arizona Revised Statutes, is amended  
3 to read:

4 15-902.03. Procedures for determining average daily  
5 membership

6 A. The department of education shall recompute and aggregate  
7 average daily membership for the previous fiscal year no later than August  
8 30. The department shall inform school districts and charter schools of  
9 their final average daily membership no later than September 15. No later  
10 than November 1 of each year, state aid calculations for all school  
11 districts and charter schools for the previous fiscal year must be  
12 finalized and the budget limits for school districts must be adjusted.  
13 Any future adjustments in student counts, if discovered by the school  
14 district or charter school, shall be made pursuant to section 15-915.

15 B. Notwithstanding subsection A of this section, school districts  
16 may continue to make budget adjustments pursuant to section 15-905 and  
17 make corrections pursuant to section 15-915.

18 C. FOR FISCAL YEARS 2017-2018, NOTWITHSTANDING SECTION 15-901 AND  
19 SUBSECTIONS A AND B OF THIS SECTION, IF A UNIFIED SCHOOL DISTRICT HAS A  
20 STUDENT COUNT OF MORE THAN FIVE HUNDRED BUT LESS THAN FIVE HUNDRED SIXTY  
21 AND THE SCHOOL DISTRICT'S AVERAGE DAILY MEMBERSHIP DECLINES IN THE CURRENT  
22 FISCAL YEAR BY AT LEAST FIVE PERCENT COMPARED TO THE PREVIOUS FISCAL YEAR,  
23 THE FINAL AVERAGE DAILY MEMBERSHIP DETERMINED FOR THAT SCHOOL DISTRICT IN  
24 THE PREVIOUS FISCAL YEAR SHALL BE USED FOR THAT SCHOOL DISTRICT IN THE  
25 CURRENT FISCAL YEAR FOR THE PURPOSES OF ANY FUNDING CALCULATION PURSUANT  
26 TO THIS CHAPTER.

27 Sec. 2. Retroactivity

28 This act applies retroactively to from and after June 30, 2017.