



ARIZONA HOUSE OF REPRESENTATIVES

HB 2187: appropriation; K-12 rollover

PRIME SPONSOR: Representative Udall, LD 25

BILL STATUS: [Education](#)

Appropriations

Overview

Reduces the K-12 rollover from \$930,727,700 to \$630,727,700 for fiscal year 2020.

History

Statute establishes a formula for equalizing per-pupil spending among school districts that is funded through a combination of local property taxes and state equalization support. This state equalization support primarily comes from Basic State Aid (BSA) that is funded through the state General Fund and based on pupil counts ([A.R.S. § 15-971 et seq.](#)).

Beginning in 2008, the Legislature began rolling over part of school districts' annual BSA to the next fiscal year to address shortfalls in state revenues. Because of this rollover, approximately 75% of school districts' state aid payments each year represent current year payments and 25% represent prior year payments made in arrears. As of January 2019, the current rollover is \$930,727,700 which consists of:

- a. \$272,627,000 from the original FY 2008 rollover;
- b. \$330,000,000 from an additional FY 2009 rollover;
- c. \$350,000,000 from an additional FY 2010 rollover; and,
- d. (\$21,900,000) to exempt school districts with less than 600 students pursuant to [Laws 2013, 1st Special Session, Chapter 1, §2.](#)

Provisions

1. Requires the Arizona Department of Education (ADE) to defer until after June 30, 2020, but not later than July 12, 2020, \$630,727,700 in BSA and additional state aid payments that otherwise would be apportioned to school districts in fiscal year 2020. (Sec. 1)
 - a. Requires ADE to make the deferral by reducing the appointment of state aid for each month in the fiscal year by the same amount. (Sec. 1)
 - b. Stipulates that this funding deferral does not apply to charter schools or to school districts with a student count of less than 600 pupils. (Sec. 1)
2. Appropriates \$630,727,700 from the state General Fund to ADE and the Superintendent of Public Instruction (SPI) in fiscal year 2021 for BSA and additional state aid entitlement to several counties for the school districts in each county in amounts equal to the reductions in apportioning BSA and additional state aid required for fiscal year 2021. (Sec. 1)
 - a. Requires this appropriation to be disbursed after June 30, 2020 but not later than July 12, 2020. (Sec. 1)
3. Requires each school district to include the monies it will receive in the revenue estimate it uses to compute its tax rate for fiscal year 2020. (Sec. 1)

Prop 105 (45 votes) Prop 108 (40 votes) Emergency (40 votes) Fiscal Note

4. States that the Legislature intends that monies for remaining amounts for existing reductions in apportioning BSA and additional state aid will be appropriated and disbursed not later than July 12, 2022. (Sec. 1)