

State of Arizona  
House of Representatives  
Fifty-fourth Legislature  
Second Regular Session  
2020

# HB 2023

Introduced by  
Representative Fillmore

AN ACT

AMENDING SECTION 15-903, ARIZONA REVISED STATUTES; RELATING TO SCHOOL DISTRICT BUDGETS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-903, Arizona Revised Statutes, is amended to  
3 read:

4 15-903. Budget format; prohibited expenditures; annual report

5 A. The superintendent of public instruction in conjunction with the  
6 auditor general shall prepare and prescribe a budget format to be ~~utilized~~  
7 **USED** by all school districts.

8 B. The budget format shall be designed to allow all school  
9 districts to plan and provide in detail for ~~the use of~~ **USING** available  
10 ~~funds~~ **MONIES**. The budget format shall contain distinct sections for, but  
11 need not be limited to, maintenance and operation, debt service, special  
12 projects, capital outlay, adjacent ways and classroom site fund. The  
13 maintenance and operation section shall include, but need not be limited  
14 to, separate subsections for regular education programs, special education  
15 programs and operational expenditures for pupil transportation. Each  
16 subsection shall clearly distinguish classroom instruction expenditures.  
17 The special education program subsection shall include a subtotal for the  
18 disability classifications as defined in section 15-761 and programs for  
19 gifted, vocational and technical education, remedial education and  
20 bilingual students. The total expenditures for each of these programs  
21 shall be included on the budget form. The pupil transportation subsection  
22 shall include all operational expenditures relating to ~~the transportation~~  
23 **of TRANSPORTING** pupils, including all operational expenditures within a  
24 contract if the school district contracts for pupil transportation.

25 C. The capital outlay section of the budget shall include a  
26 subsection for unrestricted capital outlay. The unrestricted capital  
27 outlay subsection shall include budgeted expenditures for acquisitions by  
28 purchase, lease-purchase or lease of capital items as defined in the  
29 uniform system of financial records and shall include:

30 1. Land, buildings and improvements to land and buildings,  
31 including labor and related employee benefits costs and material costs if  
32 work is performed by school district employees.

33 2. Furniture, furnishings, athletic equipment and other equipment,  
34 including computer software.

35 3. Pupil and nonpupil transportation vehicles and equipment,  
36 including all capital expenditures within a contract if the school  
37 district contracts for pupil transportation.

38 4. Textbooks and related printed subject matter materials adopted  
39 by the governing board.

40 5. Instructional aids.

41 6. Library books.

42 7. Payment of principal and interest on bonds.

43 8. School district administration emergency needs that are directly  
44 related to pupils.

- 1 D. The budget format shall contain distinct subsections for the  
2 following:
- 3 1. Special programs to improve academic achievement of pupils in  
4 kindergarten programs and grades one through three as provided in section  
5 15-482.
- 6 2. School plant funds.
- 7 3. Capital outlay budget increases as provided in section 15-481.
- 8 4. Property taxation, including the following:
- 9 (a) The primary tax rates for the school district for the current  
10 year and the budget year.
- 11 (b) The secondary tax rates for maintenance and operation, K-3 and  
12 capital overrides for the school district for the current year and the  
13 budget year.
- 14 (c) The secondary tax rates for class A bonds for the school  
15 district for the current year and the budget year.
- 16 (d) The secondary tax rates for class B bonds for the school  
17 district for the current year and the budget year.
- 18 5. A description of any corrections or adjustments made to the  
19 budget pursuant to section 15-915.
- 20 E. The budget format shall also contain:
- 21 1. A statement identifying proposed pupil-teacher ratios and  
22 pupil-staff ratios relating to the provision of special education services  
23 for the budget year.
- 24 2. A statement identifying the number of full-time equivalent  
25 certified employees.
- 26 3. The prominent display of the average salary of all teachers  
27 employed by the school district for the current year. The school district  
28 shall also prominently post this information on its website home page  
29 separately from its budget.
- 30 4. The prominent display of the average salary of all **FULL-TIME**  
31 teachers employed by the school district for the previous year. The  
32 school district shall also prominently post this information on its  
33 website home page separately from its budget. **FOR THE PURPOSES OF THIS**  
34 **PARAGRAPH, "FULL-TIME" HAS THE SAME MEANING PRESCRIBED IN SECTION 15-501.**
- 35 5. The prominent display of the dollar increase in the average  
36 salary of all teachers employed by the school district for the current  
37 year. The school district shall also prominently post this information on  
38 its website home page separately from its budget.
- 39 6. The prominent display of the percentage increase in the average  
40 salary of all teachers employed by the school district for the current  
41 year. The school district shall also prominently post this information on  
42 its website home page separately from its budget.
- 43 **7. THE PROMINENT DISPLAY OF THE AVERAGE REGULAR CLASS SIZE IN THE**  
44 **SCHOOL DISTRICT FOR THE PREVIOUS YEAR, EXCLUDING:**

1 (a) ANY CLASSES THAT ARE OUTSIDE OF THE CURRICULA REQUIRED PURSUANT  
2 TO SECTIONS 15-701 AND 15-701.01 AND THAT HAVE FEWER THAN EIGHTEEN PUPILS.

3 (b) SPECIAL EDUCATION CLASSES THAT HAVE FEWER THAN EIGHTEEN PUPILS.

4 F. The special projects section shall include budgeted expenditures  
5 for state special projects, including special adult projects, career  
6 education, deficiencies correction fund projects and new school facilities  
7 fund projects, such federal special projects as ESEA title programs,  
8 vocational education and title IV Indian education, and other special  
9 projects.

10 G. A school district shall not make expenditures for campaign  
11 literature associated with school district or charter school officials.  
12 If the superintendent of public instruction determines that a school  
13 district has violated this subsection, the superintendent of public  
14 instruction may withhold any portion of the school district's  
15 apportionment of state aid.

16 H. The budget format shall include an electronic format that shall  
17 be submitted for each proposed, adopted and revised budget.

18 I. On or before November 30 of each year, the department of  
19 education shall electronically submit to the joint legislative budget  
20 committee and the governor's office of strategic planning and budgeting a  
21 report that compiles the information required by subsection E, paragraphs  
22 3 through ~~6~~ 7 of this section for all school districts statewide.