

Conference Engrossed

~~STEM funding, appropriation~~  
(now: community colleges; expenditure limitation)

State of Arizona  
House of Representatives  
Fifty-fifth Legislature  
Second Regular Session  
2022

**CHAPTER 367**  
**HOUSE BILL 2017**

AN ACT

PROVIDING FOR THE WITHHOLDING OF STATE AID FOR COMMUNITY COLLEGES  
EXCEEDING EXPENDITURE LIMITATION IN 2022-2023.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Community college districts; expenditure  
3 limitations; withholding

4 Notwithstanding section 41-1279.07, Arizona Revised Statutes, for  
5 fiscal year 2022-2023, if a community college district exceeds its  
6 expenditure limitation prescribed in article IX, section 21, Constitution  
7 of Arizona, and pursuant to section 41-563, Arizona Revised Statutes, the  
8 community college district shall have its state aid pursuant to section  
9 15-1466, Arizona Revised Statutes, withheld as follows:

10 1. If the excess expenditures are less than five percent of the  
11 limitation, an amount equal to \$5,000.

12 2. If the excess expenditures are equal to or greater than five  
13 percent but less than ten percent of the limitation, an amount equal to  
14 \$15,000.

15 3. If the excess expenditures are equal to or greater than ten  
16 percent but less than twelve percent of the limitation, an amount equal to  
17 \$20,000.

18 4. If the excess expenditures are equal to or greater than twelve  
19 percent of the limitation, an amount calculated pursuant to section  
20 41-1279.07, Arizona Revised Statutes, except that for any provisional  
21 community college district established pursuant to section 15-1402.01,  
22 Arizona Revised Statutes, before December 31, 2015 that is in a county  
23 with a population that does not exceed three hundred thousand persons, the  
24 maximum amount of state aid withheld may not exceed one percent of the  
25 provisional community college district budget.

26 Sec. 2. Retroactivity

27 Section 1 of this act applies retroactively to from and after June  
28 30, 2021.

APPROVED BY THE GOVERNOR JULY 6, 2022.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 6, 2022.