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

Section 1. Community college districts; expenditure limitations; withholding

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

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

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

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

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

Sec. 2. Retroactivity

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

APPROVED BY THE GOVERNOR JULY 6, 2022.