



**ARIZONA STATE SENATE**  
*Fifty-Sixth Legislature, First Regular Session*

FACT SHEET FOR S.C.R. 1009

school district expenditures; authorization..

Purpose

Authorizes school districts in FY 2023 to spend local revenues in the amount of \$1,385,809,642 in excess of the aggregate expenditure limitation (AEL).

Background

The Arizona Constitution establishes the AEL which limits the expenditure of local revenues for all school districts to the FY 1980 spending level, adjusted for the cost of living and enrollment, plus 10 percent. Before May 1 of each year, the Economic Estimates Commission must determine the AEL for the following fiscal year ([Ariz. Const. art. 9 § 21](#)).

By November 1, the State Board of Education must annually report the aggregate expenditures of local revenues for all school districts for the current year to the President of the Senate, Speaker of the House of Representatives, Chairperson of the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting. If the aggregate expenditures of local revenues for all school districts exceeds the limit, each school district must reduce local revenue expenditures by the percentage by which the aggregate local revenue expenditures exceed the AEL. The Legislature may authorize, by March 1, current fiscal year expenditures in excess of the AEL on approval of two-thirds of the members in each chamber of the Legislature ([A.R.S. § 15-911](#)).

The FY 2023 AEL is \$6,402,335,366 ([EEC](#)). The Arizona Department of Education notified the Legislature that the FY 2023 aggregate expenditures of local revenues for all school districts based on original budgets or revisions submitted by October 24, 2022, exceed the AEL by \$1,385,809,642.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Authorizes school districts in FY 2023 to spend \$1,385,809,642 in local revenues in excess of the AEL.
2. Becomes effective on the affirmative vote of at least two-thirds of the members of each house of the Legislature by March 1, 2023.