

House Engrossed
qualifying tax rate; tax bill

State of Arizona
House of Representatives
Fifty-seventh Legislature
First Regular Session
2025

HOUSE BILL 2920

AN ACT

AMENDING SECTION 15-996, ARIZONA REVISED STATUTES; RELATING TO THE COUNTY
TREASURER.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-996, Arizona Revised Statutes, is amended to
3 read:

4 15-996. Duties of county treasurer relating to school
5 district's monies

6 The county treasurer shall:

7 1. Receive and hold all school district monies and keep a separate
8 account for each school district and for the special county school reserve
9 fund. The county treasurer may maintain separate accounts for each fund
10 of a school district or the county treasurer may maintain only two
11 accounts for each school district's monies in addition to the funds
12 provided for in sections 15-1024, 15-1025 and 41-5741. If only two
13 accounts are maintained, the first account shall consist of maintenance
14 and operation, unrestricted capital outlay and adjacent ways monies and
15 the classroom site fund prescribed in section 15-977 and the second
16 account shall consist of federal and state grant monies and all other
17 monies.

18 2. Pool school district monies for investment except as provided in
19 sections 15-1024 and 15-1025. Interest earned on the monies pooled for
20 investment shall be apportioned at least quarterly to the appropriate
21 school district based on an average monthly balance as prescribed in the
22 uniform system of accounting for county treasurers as provided in section
23 41-1279.21.

24 3. Notwithstanding section 11-605, register warrants only as
25 follows:

26 (a) If separate accounts are maintained for each fund, warrants may
27 only be registered on the maintenance and operation, unrestricted capital
28 outlay and adjacent ways accounts and the classroom site fund prescribed
29 in section 15-977 and only if the total cash balance of all three accounts
30 is insufficient to pay the warrants, except that, during the period of
31 time when a school district is under receivership pursuant to section
32 15-103, a warrant may be registered on the debt service account for which
33 the cash balance in the debt service account is insufficient to cover the
34 debt service payment if there are not sufficient monies in the debt
35 service account to cover the debt.

36 (b) If the county treasurer maintains only two accounts as provided
37 in paragraph 1 of this section:

38 (i) The county treasurer may register warrants only on the first
39 account and only if the balance of that account is insufficient to pay the
40 warrants.

41 (ii) The county treasurer may honor warrants for any federal or
42 state grant fund with a negative balance as long as the total balance in
43 the second account is positive. If the second account total balance is
44 negative, the warrant for a federal or state grant fund shall be charged
45 to the maintenance and operation fund. Any interest charged to the

1 federal or state grant fund as a result of a negative balance that is in
2 excess of interest earned on the fund shall be transferred to the
3 maintenance and operation fund at the end of the fiscal year or the end of
4 the grant year. If a federal or state grant fund has a negative balance
5 at the end of the fiscal year or grant year, sufficient expenditures shall
6 be transferred to the maintenance and operation fund to eliminate the
7 negative balance.

8 4. Notify the county school superintendent by the fifteenth day of
9 each calendar month of the month end balances of each school district
10 account.

11 5. Pay warrants issued by the county school superintendent and duly
12 endorsed by the person entitled to receive the monies.

13 6. On each property tax bill and each property tax statement
14 prepared, separately state and identify by name each school district's
15 primary property tax rate, the secondary property tax rate that is
16 associated with overrides, the secondary property tax rate that is
17 associated with class A bonds and the secondary property tax rate that is
18 associated with class B bonds. For the purposes of this paragraph, "class
19 A bonds" and "class B bonds" have the same meanings prescribed in section
20 15-101.

21 7. ON EACH PROPERTY TAX BILL AND EACH PROPERTY TAX STATEMENT
22 PREPARED FOR ANY PROPERTY LOCATED WITHIN A SCHOOL DISTRICT, SEPARATELY
23 STATE, AT A MINIMUM, THE QUALIFYING TAX RATE DETERMINED PURSUANT TO
24 SECTION 15-992, SUBSECTIONS E AND F AND THE CORRESPONDING TAX RATE LEVIED
25 BY THE SCHOOL DISTRICT IN THE FOLLOWING FORM:

26 THE STATE-DETERMINED PROPERTY TAX RATE TO SUPPORT
27 (NAME OF SCHOOL DISTRICT) IS (QUALIFYING TAX RATE).

28 THE (NAME OF SCHOOL DISTRICT) SET TAX PROPERTY TAX RATE
29 IS (CORRESPONDING TAX RATE LEVIED BY THE SCHOOL DISTRICT
30 PURSUANT TO SECTION 15-992, SUBSECTION G, ARIZONA REVISED
31 STATUTES).