

Senate Engrossed House Bill
school districts; bonds; financial advisors

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HOUSE BILL 2320

AN ACT

AMENDING TITLE 15, CHAPTER 4, ARTICLE 5, ARIZONA REVISED STATUTES, BY
ADDING SECTION 15-492; RELATING TO SCHOOL BOND ELECTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 15, chapter 4, article 5, Arizona Revised
3 Statutes, is amended by adding section 15-492, to read:

4 15-492. Independent municipal advisors; duties; prohibition;
5 exemption

6 A. BEFORE CALLING AN ELECTION FOR THE PURPOSE OF DECIDING WHETHER
7 BONDS OF THE SCHOOL DISTRICT SHALL BE ISSUED AND SOLD PURSUANT TO THIS
8 ARTICLE, THE GOVERNING BOARD OF A SCHOOL DISTRICT SHALL HIRE, ON A
9 CONTINGENCY FEE BASIS, AN INDEPENDENT MUNICIPAL ADVISOR WHO IS REGISTERED
10 AND IN GOOD STANDING WITH THE SECURITIES AND EXCHANGE COMMISSION, OR ITS
11 SUCCESSOR, TO ADVISE AND ASSIST THE SCHOOL DISTRICT GOVERNING BOARD AND
12 THE SCHOOL DISTRICT WITH BOTH:

13 1. THE ELECTION.

14 2. IF A MAJORITY OF VOTES CAST AT THE BOND ELECTION FAVORS ISSUING
15 THE BONDS, EACH BOND ISSUE AUTHORIZED BY THE ELECTION.

16 B. AN INDEPENDENT MUNICIPAL ADVISOR WHO IS HIRED PURSUANT TO
17 SUBSECTION A OF THIS SECTION SHALL:

18 1. ADVISE THE SCHOOL DISTRICT GOVERNING BOARD AND THE SCHOOL
19 DISTRICT ON ALL ASPECTS OF ISSUING THE BONDS TO ASSIST THE SCHOOL DISTRICT
20 IN ACHIEVING THE MOST EFFECTIVE COST OF BORROWING, INCLUDING:

21 (a) DETERMINING THE REPAYMENT STRUCTURE OF THE BONDS.

22 (b) OBTAINING RATINGS, IF NECESSARY, ON THE BONDS.

23 (c) HIRING OTHER PROFESSIONALS NECESSARY TO SELL AND ISSUE THE
24 BONDS.

25 (d) ASSISTING IN ANY OTHER MATTER THAT IS RELATED TO THE ISSUANCE
26 OF THE BONDS.

27 2. ASSIST THE SCHOOL DISTRICT GOVERNING BOARD AND THE SCHOOL
28 DISTRICT IN PREPARING THE INFORMATIONAL PAMPHLET REQUIRED PURSUANT TO
29 TITLE 35.

30 3. ACT IN THE BEST INTERESTS OF THE SCHOOL DISTRICT.

31 4. RECEIVE COMPENSATION FROM THE SCHOOL DISTRICT ONLY IF VOTERS
32 AUTHORIZE THE SCHOOL DISTRICT TO ISSUE BONDS IN THE ELECTION FOR WHICH THE
33 INDEPENDENT MUNICIPAL ADVISOR PROVIDES ADVICE AND ASSISTANCE.

34 C. AN INDEPENDENT MUNICIPAL ADVISOR WHO IS HIRED PURSUANT TO
35 SUBSECTION A OF THIS SECTION MAY NOT:

36 1. COLLUDE IN ADVISING ON THE SELECTION OF OTHER PROFESSIONALS TO
37 ASSIST THE SCHOOL DISTRICT.

38 2. PURCHASE OR UNDERWRITE ANY ISSUE OF SCHOOL DISTRICT BONDS, IF
39 THE PERSON SERVED AS THE INDEPENDENT MUNICIPAL ADVISOR FOR THAT ISSUE OF
40 BONDS.

41 D. A SCHOOL DISTRICT IS NOT REQUIRED TO HIRE AN INDEPENDENT
42 MUNICIPAL ADVISOR PURSUANT TO THIS SECTION IF THE SCHOOL DISTRICT IS
43 UNABLE AFTER REASONABLE EFFORT TO HIRE A QUALIFIED INDEPENDENT MUNICIPAL
44 ADVISOR ON A CONTINGENCY FEE BASIS.