

REFERENCE TITLE: TPT; distributions; tribal college compact

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

SB 1144

Introduced by
Senator Hatathlie: Representative Jermaine

AN ACT

AMENDING SECTION 42-5031.01, ARIZONA REVISED STATUTES; RELATING TO INDIAN
TRIBAL COLLEGE COMPACTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-5031.01, Arizona Revised Statutes, is amended
3 to read:

4 42-5031.01. Distribution of revenues for Indian tribal
5 postsecondary educational institutions;
6 compact; definition

7 A. Subject to subsection C of this section, each month the state
8 treasurer shall transmit to the treasurer or other designated depository
9 of each qualifying Indian tribe the amount of transaction privilege tax
10 revenues received pursuant to this article in the preceding month from all
11 sources located on the Indian reservation established for the qualifying
12 Indian tribe as determined pursuant to section 42-5029, subsection A,
13 paragraph 3.

14 B. The monies distributed pursuant to this section are for the
15 exclusive purpose of supporting the maintenance, renewal and capital
16 expenses of one or more community college campuses in this state that are
17 owned, operated or chartered by each qualifying Indian tribe on its own
18 Indian reservation. Before receiving any monies under this section, a
19 qualifying Indian tribe shall enter into an initial compact with this
20 state on or before September 1, 2017, signed by the governor, to account
21 for the use of monies distributed pursuant to this section. The compact
22 shall:

23 1. Be for a term of at least twenty years. After a hearing and
24 review of the compact by the joint legislative budget committee held
25 during the fourth year ~~prior to the expiration of~~ BEFORE the compact's
26 term EXPIRES, ~~a~~ THE compact may be amended and renewed for an additional
27 term of at least twenty years with the consent of this state, signed by
28 the governor, and the qualifying Indian tribe, signed by the chairman,
29 president or governor of the qualifying Indian tribe.

30 2. Require the monies to be used primarily for capital needs,
31 including maintenance and renewal of existing facilities at designated
32 community college campuses on the qualifying Indian tribe's own
33 reservation in this state.

34 3. Provide for audits by the auditor general of the use of the
35 monies. The auditor general shall submit copies of each audit to the
36 joint legislative budget committee.

37 4. If necessary, provide for reimbursement to the department of
38 revenue of costs associated with implementing this section, not to exceed
39 ~~one hundred fifty thousand dollars~~ \$150,000, from revenues that would
40 otherwise be paid to the qualifying Indian tribe pursuant to this section.

41 C. Notwithstanding subsection A of this section, the state
42 treasurer shall not transmit in any fiscal year more than the sum of the
43 following amounts:

44 1. With respect to a single community college, ~~one million seven~~
45 ~~hundred fifty thousand dollars~~ \$1,750,000 or more than ten percent of

1 transaction privilege tax revenues received pursuant to this article from
2 all sources located on the reservation, whichever is less.

3 2. With respect to an additional technical ~~college~~ UNIVERSITY
4 located on the same Indian reservation: ~~;~~

5 (a) ~~eight hundred seventy five thousand dollars~~ THROUGH FISCAL YEAR
6 2021-2022, \$875,000 or more than five percent of transaction privilege tax
7 revenues received pursuant to this article from all sources located on the
8 reservation, whichever is less.

9 (b) BEGINNING IN FISCAL YEAR 2022-2023 THROUGH FISCAL YEAR
10 2028-2029, \$1,875,000 OR MORE THAN FIFTEEN AND SEVEN-TENTHS PERCENT OF
11 TRANSACTION PRIVILEGE TAX REVENUES RECEIVED PURSUANT TO THIS ARTICLE FROM
12 ALL SOURCES LOCATED ON THE RESERVATION, WHICHEVER IS LESS.

13 (c) BEGINNING IN FISCAL YEAR 2029-2030, \$875,000 OR MORE THAN FIVE
14 PERCENT OF TRANSACTION PRIVILEGE TAX REVENUES RECEIVED PURSUANT TO THIS
15 ARTICLE FROM ALL SOURCES LOCATED ON THE RESERVATION, WHICHEVER IS LESS.

16 D. For the purposes of this section, "qualifying Indian tribe"
17 means an Indian tribe that owns, operates and charters any community
18 college or postsecondary educational institution located on its own
19 reservation in this state.