

REFERENCE TITLE: **community colleges; expenditure limitation**

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HB 2025

Introduced by
Representative Dunn

AN ACT

PROVIDING FOR THE WITHHOLDING OF STATE AID FOR COMMUNITY COLLEGES EXCEEDING EXPENDITURE LIMITATION IN FISCAL YEARS 2023-2024 THROUGH 2025-2026.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Community college districts; expenditure
3 limitations; withholding

4 Notwithstanding section 41-1279.07, Arizona Revised Statutes, for
5 fiscal years 2023-2024, 2024-2025 and 2025-2026, if a community college
6 district exceeds its expenditure limitation prescribed in article IX,
7 section 21, Constitution of Arizona, and pursuant to section 41-563,
8 Arizona Revised Statutes, the community college district shall have its
9 state aid pursuant to section 15-1466, Arizona Revised Statutes, withheld
10 as follows:

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

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

16 3. If the excess expenditures are equal to or greater than ten
17 percent but less than twelve percent of the limitation, an amount equal to
18 \$20,000.

19 4. If the excess expenditures are equal to or greater than twelve
20 percent of the limitation, an amount calculated pursuant to section
21 41-1279.07, Arizona Revised Statutes, except that for any provisional
22 community college district established pursuant to section 15-1402.01,
23 Arizona Revised Statutes, before December 31, 2015 that is in a county
24 with a population that does not exceed three hundred thousand persons, the
25 maximum amount of state aid withheld may not exceed one percent of the
26 provisional community college district budget.

27 Sec. 2. Retroactivity

28 Section 1 of this act applies retroactively to from and after June
29 30, 2022.