

REFERENCE TITLE: **postsecondary education; residents; financial aid**

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SB 1316

Introduced by
Senators Diaz: Alston, Burch, Epstein, Fernandez, Gabaldón, Gonzales,
Hatathlie, Hernandez, Mendez, Miranda, Sundareshan, Terán

AN ACT

AMENDING TITLE 11, CHAPTER 3, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 11-506; AMENDING TITLE 15, CHAPTER 13, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1705; AMENDING TITLE 41, CHAPTER 1, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-181; RELATING TO POSTSECONDARY EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 11, chapter 3, article 4, Arizona Revised
3 Statutes, is amended by adding section 11-506, to read:

4 11-506. Property tax collections; fifteen-day retention;
5 interest; transfer

6 A. NOTWITHSTANDING ANY OTHER LAW, BEGINNING JULY 1, 2024, EACH
7 COUNTY TREASURER SHALL HOLD ALL PROPERTY TAXES COLLECTED IN AN
8 INTEREST-BEARING ACCOUNT FOR FIFTEEN CALENDAR DAYS.

9 B. ON OR BEFORE JUNE 30 OF EACH YEAR, EACH COUNTY TREASURER SHALL
10 TRANSFER THE TOTAL AMOUNT OF INTEREST EARNED ON PROPERTY TAXES COLLECTED
11 DURING THE FIFTEEN DAYS PRESCRIBED IN SUBSECTION A OF THIS SECTION TO THE
12 STATE TREASURER FOR DEPOSIT IN THE ARIZONA HIGHER EDUCATION FINANCIAL AID
13 PROGRAM FUND ESTABLISHED BY SECTION 41-181.

14 Sec. 2. Title 15, chapter 13, article 6, Arizona Revised Statutes,
15 is amended by adding section 15-1705, to read:

16 15-1705. Arizona higher education financial aid program;
17 requirements; distribution fund; rules

18 A. THE ARIZONA BOARD OF REGENTS SHALL ESTABLISH THE ARIZONA HIGHER
19 EDUCATION FINANCIAL AID PROGRAM.

20 B. THE ARIZONA BOARD OF REGENTS SHALL ESTABLISH APPLICATION,
21 EVALUATION AND APPROVAL PROCEDURES AND CRITERIA FOR INDIVIDUALS TO APPLY
22 TO PARTICIPATE IN THE ARIZONA HIGHER EDUCATION FINANCIAL AID PROGRAM.

23 C. THE ARIZONA HIGHER EDUCATION FINANCIAL AID PROGRAM DISTRIBUTION
24 FUND IS ESTABLISHED CONSISTING OF MONIES DEPOSITED PURSUANT TO SECTION
25 41-181. THE ARIZONA BOARD OF REGENTS SHALL ADMINISTER THE FUND. MONIES
26 IN THE FUND ARE CONTINUOUSLY APPROPRIATED. THE ARIZONA BOARD OF REGENTS
27 MAY ANNUALLY RETAIN UP TO FIVE PERCENT OF THE MONIES IN THE FUND FOR
28 ADMINISTRATIVE PURPOSES. THE ARIZONA BOARD OF REGENTS SHALL DISTRIBUTE
29 MONIES IN THE FUND TO QUALIFYING STUDENTS AS PROVIDED IN THIS SECTION.

30 D. IN ORDER TO QUALIFY FOR DISTRIBUTIONS FROM THE ARIZONA HIGHER
31 EDUCATION FINANCIAL AID PROGRAM DISTRIBUTION FUND, AN INDIVIDUAL MUST MEET
32 AT LEAST ALL OF THE FOLLOWING CRITERIA:

- 33 1. BE A RESIDENT OF THIS STATE.
34 2. BE CURRENTLY ENROLLED IN OR CURRENTLY ACCEPTED FOR ENROLLMENT IN
35 EITHER:

36 (a) A UNIVERSITY UNDER THE JURISDICTION OF THE ARIZONA BOARD OF
37 REGENTS.

38 (b) A COMMUNITY COLLEGE UNDER THE JURISDICTION OF A COMMUNITY
39 COLLEGE DISTRICT GOVERNING BOARD.

40 3. MAINTAIN A GRADE POINT AVERAGE OF AT LEAST 2.5 ON A 4.0 SCALE,
41 OR THE EQUIVALENT, AT THE UNIVERSITY OR COMMUNITY COLLEGE WHERE THE
42 INDIVIDUAL IS ENROLLED. IF THE GRADE POINT AVERAGE OF AN OTHERWISE
43 QUALIFYING STUDENT FALLS BELOW 2.5 ON A 4.0 SCALE, THE STUDENT IS NO
44 LONGER ELIGIBLE FOR A DISTRIBUTION FROM THE FUND UNTIL THAT STUDENT MEETS
45 THE GRADE POINT REQUIREMENT PRESCRIBED IN THIS PARAGRAPH.

1 E. BEGINNING IN 2028, THE ARIZONA BOARD OF REGENTS SHALL DISTRIBUTE
2 MONIES FROM THE ARIZONA HIGHER EDUCATION FINANCIAL AID PROGRAM
3 DISTRIBUTION FUND ON OR BEFORE AUGUST 1 OF EACH YEAR TO QUALIFYING
4 STUDENTS TO COVER THE FULL AMOUNT OF EACH STUDENT'S TUITION AND FEES AT
5 THE UNIVERSITY OR COMMUNITY COLLEGE WHERE THE STUDENT IS ENROLLED. IF
6 THERE ARE INSUFFICIENT MONIES AVAILABLE IN THE ARIZONA HIGHER EDUCATION
7 FINANCIAL AID PROGRAM DISTRIBUTION FUND DURING ANY FISCAL YEAR TO COVER
8 THE TUITION AND FEES OF EACH QUALIFYING STUDENT, THE ARIZONA BOARD OF
9 REGENTS SHALL DISTRIBUTE THE MONIES IN THE FUND TO QUALIFYING STUDENTS ON
10 A FIRST-COME, FIRST-SERVED BASIS.

11 F. THE ARIZONA BOARD OF REGENTS SHALL ADOPT RULES TO CARRY OUT THE
12 PURPOSES OF THIS SECTION.

13 Sec. 3. Title 41, chapter 1, article 4, Arizona Revised Statutes,
14 is amended by adding section 41-181, to read:

15 41-181. Arizona higher education financial aid program fund

16 A. THE ARIZONA HIGHER EDUCATION FINANCIAL AID PROGRAM FUND IS
17 ESTABLISHED CONSISTING OF MONIES TRANSFERRED PURSUANT TO SECTION 11-506.
18 THE STATE TREASURER SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE
19 CONTINUOUSLY APPROPRIATED. THE STATE TREASURER SHALL INVEST AND DIVEST
20 MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM
21 INVESTMENT SHALL BE CREDITED TO THE FUND.

22 B. BEGINNING IN 2028, THE STATE TREASURER SHALL TRANSFER ON OR
23 BEFORE AUGUST 1 OF EACH YEAR MONIES IN THE ARIZONA HIGHER EDUCATION
24 FINANCIAL AID PROGRAM FUND TO THE ARIZONA BOARD OF REGENTS FOR DEPOSIT IN
25 THE ARIZONA HIGHER EDUCATION FINANCIAL AID PROGRAM DISTRIBUTION FUND
26 ESTABLISHED BY SECTION 15-1705.

27 Sec. 4. Requirements for enactment: two-thirds vote

28 Pursuant to article IX, section 22, Constitution of Arizona, this
29 act is effective only on the affirmative vote of at least two-thirds of
30 the members of each house of the legislature and is effective immediately
31 on the signature of the governor or, if the governor vetoes this act, on
32 the subsequent affirmative vote of at least three-fourths of the members
33 of each house of the legislature.