

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

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HB 2089

Introduced by
Representatives Hendrix: Parker B

AN ACT

PROVIDING FOR THE WITHHOLDING OF STATE AID FOR COMMUNITY COLLEGES THAT EXCEED THE EXPENDITURE LIMITATION IN FISCAL YEARS 2024-2025 THROUGH 2026-2027.

(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; exceptions

4 A. Notwithstanding section 41-1279.07, Arizona Revised Statutes,
5 for fiscal years 2024-2025, 2025-2026 and 2026-2027, if a community
6 college district exceeds its expenditure limitation prescribed in article
7 IX, 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 ten percent of the excess expenditures.

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 twenty percent of the excess expenditures.

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 fifty percent of the excess expenditures.

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.

22 B. Notwithstanding subsection A of this section, for any
23 provisional community college district established pursuant to section
24 15-1402.01, Arizona Revised Statutes, before December 31, 2015 that is in
25 a county with a population that does not exceed three hundred thousand
26 persons, the maximum amount of state aid withheld may not exceed one
27 percent of the provisional community college district budget.

28 C. Notwithstanding subsection A of this section, for any community
29 college district that is in a county with a population that does not
30 exceed one million persons, the maximum amount of state aid withheld may
31 not exceed one-half of one percent of the community college district
32 budget.

33 Sec. 2. Retroactivity

34 Section 1 of this act applies retroactively to from and after June
35 30, 2023.