

Senate Engrossed

type 03 districts; student count

State of Arizona  
Senate  
Fifty-sixth Legislature  
Second Regular Session  
2024

# SENATE BILL 1602

AN ACT

AMENDING SECTION 15-992, ARIZONA REVISED STATUTES; RELATING TO COUNTY  
FINANCE RESPONSIBILITIES FOR SCHOOL DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-992, Arizona Revised Statutes, is amended to  
3 read:

4 15-992. School district tax levy; additional tax in districts  
5 ineligible for equalization assistance; definition

6 A. The board of supervisors of each county, at the time of levying  
7 other taxes, shall annually levy school district taxes on the property in  
8 any school district in which additional amounts are required, which shall  
9 be at rates prescribed in this section. A delinquency factor for  
10 estimated uncollected taxes may not be included in the computation of the  
11 primary tax rate for school district taxes. Local property taxes may not  
12 be levied for any deficit in the classroom site fund. The taxes shall be  
13 added to and collected in the same manner as other county taxes on the  
14 property within the school district. The amount of the school district  
15 taxes levied on the property in a particular school district shall be paid  
16 into the school fund of that school district.

17 B. At the same time of levying taxes as provided in subsection A of  
18 this section, the county board of supervisors shall annually levy an  
19 additional tax in each school district that is not eligible for  
20 equalization assistance as provided in section 15-971 in an amount  
21 determined as follows:

22 1. Determine the levy that would be produced by fifty percent of  
23 the applicable qualifying tax rate, prescribed in section 15-971,  
24 subsection B, per \$100 assessed valuation.

25 2. Subtract the amount determined in section 15-971, subsection A  
26 from the levy determined in paragraph 1 of this subsection. This  
27 difference is the additional amount levied or collected as voluntary  
28 contributions pursuant to title 48, chapter 1, article 8, except that if  
29 the difference is zero or is a negative number, there shall be no levy.

30 C. Monies collected pursuant to subsection B of this section shall  
31 be transmitted to the state treasurer for deposit in the state general  
32 fund to aid in school financial assistance.

33 D. The additional tax prescribed in subsection B of this section is  
34 considered to be primary property tax for purposes of section 15-972,  
35 subsection B, except that this state is not required to make the payments  
36 prescribed in section 15-972, subsection H for these reductions in taxes.

37 E. The tax levy prescribed in subsection A of this section shall be  
38 a rate equal to the applicable qualifying tax rate or rates as prescribed  
39 in section 15-971, subsection B or a rate that would result in a levy that  
40 equals the school district equalization assistance base prescribed in  
41 section 15-971 subtracted by any amount received pursuant to section  
42 15-905, subsections K, O and P per \$100 of assessed valuation used for  
43 primary property taxes, whichever is less.

44 F. At the same time of levying taxes as provided in subsection A of  
45 this section, the county board of supervisors shall annually levy an

1 additional tax in each common school district not within a high school  
2 district that is equal to the countywide average per pupil equalization  
3 base for high school pupils multiplied by the ~~number~~ STUDENT COUNT AS  
4 DEFINED IN SECTION 15-901 of resident high school pupils in the common  
5 school district not within a high school district during the prior school  
6 year. The monies collected pursuant to this subsection shall be added to  
7 county aid for equalization assistance for education pursuant to section  
8 15-971, subsection C. On or before July 1 of each year, the department of  
9 education shall provide each county board of supervisors with the  
10 countywide average per pupil equalization base for high school pupils, the  
11 ~~number~~ STUDENT COUNT AS DEFINED IN SECTION 15-901 of resident high school  
12 pupils in the common school district not within a high school district  
13 during the prior school year and any other information requested by the  
14 county board of supervisors for the purposes of levying the tax prescribed  
15 in this subsection.

16 G. At the time of levying taxes as provided in subsection E of this  
17 section, the county school superintendent shall annually validate any  
18 additional primary school district tax levy amount requests from each  
19 school district and levy the sum of the following amounts:

20 1. A rate that would result in a levy that equals the difference  
21 between the transportation revenue control limit as determined in section  
22 15-946 and the transportation support level as determined in section  
23 15-945 or a lesser amount.

24 2. A rate that would result in a levy that equals any amount  
25 pursuant to section 15-910.

26 3. A rate that would result in a levy that equals any amount for  
27 tuition loss as determined in section 15-954.

28 4. A rate that would result in a levy that equals any amount for  
29 the small school adjustment as determined in section 15-949.

30 5. A rate that would result in a levy that equals any amount for  
31 liabilities in excess of the school district budget pursuant to section  
32 15-907.

33 6. A rate that would result in a levy that equals any amount for  
34 adjacent ways pursuant to section 15-995.

35 7. A rate that would result in a levy that equals the amount not  
36 captured by the qualifying tax rate as a result of property subject to the  
37 government property lease excise tax pursuant to title 42, chapter 6,  
38 article 5 as calculated in section 15-971, subsection B, paragraph 2.

39 8. Following the recommendation of the county school superintendent  
40 and on approval by the county board of supervisors, for a school district  
41 that is not eligible for state aid, a rate that would result in a levy  
42 that equals any legal amount not levied in the current year as a result of  
43 underestimated average daily membership in the current year or as a result  
44 of a judgment in accordance with section 42-16213.

1           9. A rate that would result in a levy that equals any amount  
2 pursuant to a qualifying dropout prevention program that was originally  
3 established by law in 1987.

4           10. On the recommendation of the county school superintendent and  
5 on approval by the county board of supervisors before adoption of tax  
6 rates pursuant to section 42-17151, a rate that would result in a levy  
7 that equals any separately stated cash deficit from the prior fiscal year  
8 resulting from an anticipated or actual deviation in the property tax  
9 roll, including resolutions or judgments pursuant to title 42, chapter 16,  
10 articles 5 and 6.

11           H. For the purposes of this section, "assessed valuation" includes  
12 the values used to determine voluntary contributions collected pursuant to  
13 title 9, chapter 4, article 3 and title 48, chapter 1, article 8.