

Senate Engrossed House Bill

**FILED**  
**KEN BENNETT**  
**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fifty-first Legislature  
First Regular Session  
2013

CHAPTER 155

# **HOUSE BILL 2543**

AN ACT

AMENDING SECTION 15-1409, ARIZONA REVISED STATUTES; RELATING TO COMMUNITY COLLEGES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 15-1409, Arizona Revised Statutes, is amended to  
3 read:

4 15-1409. Provisional community college districts; formation;  
5 governing board; powers and duties; issuance and  
6 sale of bonds for capital outlay

7 A. A provisional community college district shall contract with an  
8 existing community college district to provide instructional and student  
9 services within the provisional community college district.

10 B. The minimum assessed valuation and population requirements  
11 prescribed in section 15-1402 do not apply to provisional community college  
12 districts.

13 C. A provisional community college district shall be formed and a  
14 provisional community college district governing board shall be elected in  
15 the same manner prescribed in sections 15-1403, 15-1404 and 15-1441, except  
16 that the county board of supervisors by majority vote may adopt a resolution  
17 to submit the question of the formation of a provisional community college  
18 district and the approval of a proposed tax rate to fund the provisional  
19 community college district directly to the qualified electors of the county  
20 at a special or general election called for that purpose as prescribed in  
21 section 16-204 and title 35, chapter 3, article 3. The resolution adopted by  
22 the county board of supervisors shall include a statement that the primary  
23 property tax levy limit for the provisional community college district shall  
24 be no less than the levy limit of the most recently formed community college  
25 district in this state.

26 D. Except as provided in this section, a provisional community college  
27 district governing board has the same powers and duties specified in section  
28 15-1444 for community college districts.

29 E. A provisional community college district shall not award degrees,  
30 certificates or diplomas.

31 F. A provisional community college district is not eligible to receive  
32 equalization aid pursuant to section 15-1468 or state contribution for  
33 capital outlay for initial or additional campuses pursuant to section  
34 15-1463.

35 G. The state aid eligibility requirements prescribed in section  
36 15-1466, subsection E, paragraphs 1 and 2 do not apply to provisional  
37 community college districts.

38 H. Notwithstanding any other law, the same student shall not be  
39 counted twice as a full-time equivalent student in both a provisional  
40 community college district and a community college district. Notwithstanding  
41 any other law, beginning with the fiscal year after the year in which the  
42 provisional community college district is formed and has established its  
43 primary tax rate, a district that provides services in a provisional district  
44 pursuant to section 15-1470 shall no longer count these students in the  
45 district's full-time equivalent student count.

1 I. If a provisional community college district is converted into a  
2 community college district by the formation of a community college district  
3 pursuant to section 15-1402 or 15-1402.01, the provisional community college  
4 district is dissolved and any equipment, property, personnel, liabilities and  
5 assets are transferred to the community college district.

6 J. If a provisional community college district is formed in a county  
7 that provides reimbursement for the attendance of nonresident state students  
8 pursuant to section 15-1469, that county shall continue to provide  
9 reimbursement payments to community college districts ~~for the remainder of~~  
10 ~~the fiscal year in which the provisional community college district is~~  
11 ~~formed, provided that the county board of supervisors adopts AS SET FORTH IN~~  
12 SECTION 15-1469 UNTIL THE FISCAL YEAR IN WHICH A QUALIFYING LEVY IS ADOPTED  
13 AND BUDGETED IN SUPPORT OF THE PROVISIONAL COMMUNITY COLLEGE DISTRICT BY THE  
14 GOVERNING BOARD OF THE PROVISIONAL COMMUNITY COLLEGE DISTRICT. THE TOTAL  
15 REIMBURSEMENT PAYMENTS DUE TO OTHER COMMUNITY COLLEGE DISTRICTS IN ANY FISCAL  
16 YEAR PURSUANT TO SECTION 15-1469 SHALL BE REDUCED BY THE AMOUNT OF ANY  
17 NONQUALIFYING LEVY EXPENDED IN THE PRIOR FISCAL YEAR. THIS REDUCTION SHALL  
18 BE SHARED BY EACH COMMUNITY COLLEGE DISTRICT THAT RECEIVES A REIMBURSEMENT  
19 PAYMENT FROM THE COUNTY BASED ON THAT COMMUNITY COLLEGE DISTRICT'S  
20 PROPORTIONATE NUMBER OF FULL-TIME EQUIVALENT STUDENTS FROM THE COUNTY WHERE  
21 THE PROVISIONAL COMMUNITY COLLEGE DISTRICT IS LOCATED. FOR THE PURPOSES OF  
22 THIS SUBSECTION:

23 1. "NONQUALIFYING LEVY" MEANS A LEVY THAT IS ADOPTED TO SUPPORT THE  
24 PROVISIONAL COMMUNITY COLLEGE DISTRICT AND THAT IS LESS THAN THE AMOUNT OF A  
25 QUALIFYING LEVY.

26 2. "QUALIFYING LEVY" MEANS a levy that is at least equal to the sum of  
27 the reimbursement payments and the amount of the community college services  
28 provided in the fiscal year immediately before the ~~formation of~~ YEAR THAT A  
29 LEVY WAS FIRST ADOPTED TO SUPPORT THE OPERATIONS OF the provisional community  
30 college district.

31 K. The board of supervisors of a county that has formed a provisional  
32 community college district by majority vote may enter into an  
33 intergovernmental agreement to loan monies to the governing board of the  
34 provisional community college district in an amount that does not exceed two  
35 hundred thousand dollars. Any loan pursuant to this subsection shall be  
36 repaid from the next scheduled collection of property taxes to fund the  
37 provisional community college district. The annual interest charges on any  
38 loan pursuant to this subsection shall not exceed five per cent.

39 L. A provisional community college district may issue bonds for  
40 capital outlay purposes in the same manner prescribed in section 15-1465 for  
41 community college districts. The governing board of the provisional  
42 community college district is solely responsible for determining the  
43 encumbrance and approval of the expenditure of the proceeds of the bonds  
44 issued pursuant to this subsection and shall not delegate or transfer this  
45 authority to any other entity.



1 D. The committee shall:

2 1. Meet at places and times as the cochairpersons deem necessary or  
3 convenient and all meetings shall be open to the public.

4 2. Submit a report regarding the committee's findings and  
5 recommendations on or before December 31, 2013 to the governor, the president  
6 of the senate and the speaker of the house of representatives and provide a  
7 copy of this report to the secretary of state.

8 E. This section is repealed from and after September 30, 2014.

APPROVED BY THE GOVERNOR APRIL 29, 2013.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 30, 2013.

Passed the House March 7, 20 13

Passed the Senate April 17, 20 13

by the following vote: 58 Ayes,

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting

0 Nays, 2 Not Voting

  
Speaker of the House

  
President of the Senate

  
Chief Clerk of the House

  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

~~This Bill received by the Governor this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

~~This Bill received by the Secretary of State  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

\_\_\_\_\_  
Secretary of State

H.B. 2543

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

April 22, 2013,

by the following vote: 54 Ayes,

2 Nays, 4 Not Voting

[Signature]  
Speaker of the House

[Signature]  
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

25 day of April, 2013,

at 3:30 o'clock P M.

[Signature]  
Secretary to the Governor

Approved this 29th day of

April, 2013

at 5:30 o'clock P. M.

[Signature]  
Governor of Arizona

H.B. 2543

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 30th day of April, 2013,

at 9:35 o'clock AM M.

[Signature]  
Secretary of State