STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

March 23, 2020

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 2nd Regular Session, which I signed on March 23rd, 2020:

H.B. 2096 security guard registration; discharged veterans (Lawrence)
H.B. 2109 unification; consolidation; notice; ballot language (Udall)
H.B. 2217 outdoor recreation coordinating commission; continuation (Griffin)
H.B. 2230 justice court; jurisdiction; crimes (Allen, J.)
H.B. 2244 AHCCCS; dental services; Native Americans (Shope)
H.B. 2249 personal representatives; funeral directors; prohibition (Bolick)
H.B. 2406 state treasurer; financial services (Cobb)
H.B. 2407 appropriations; named claimants (Cobb)
H.B. 2601 residential utility consumer office; continuation (Roberts)
H.B. 2618 department of water resources; continuation (Griffin)
H.B. 2695 TANF; financial literacy education (Nutt)

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

1700 WEST WASHINGTON STREET, PHOENIX, ARIZONA 85007
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House Engrossed

FILED
KATIE HOBBS
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-fourth Legislature
Second Regular Session
2020

CHAPTER 14

HOUSE BILL 2109

AN ACT

AMENDING SECTIONS 15-444, 15-448 AND 15-449, ARIZONA REVISED STATUTES; AMENDING SECTION 15-459, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2018, CHAPTER 335, SECTION 2; AMENDING SECTIONS 15-908 AND 15-950, ARIZONA REVISED STATUTES; RELATING TO SCHOOL ELECTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 15-444, Arizona Revised Statutes, is amended to read:

15-444. Formation of union high school district; petition for establishment; election; notice

A. Two or more adjoining school districts jointly having a student count of ~~not less than~~ AT LEAST two hundred pupils and an assessed valuation of ~~not less than two million dollars~~ AT LEAST $2,000,000 may unite and form a union high school district. ~~No~~ A union high school district may NOT be formed of territory already embodied in a union high school district unless the remaining territory of the original union high school district is contiguous and has an assessed valuation of ~~not less than five million dollars~~ AT LEAST $5,000,000.

B. If a majority of the governing boards of each of two or more adjoining school districts unites in a petition to the county school superintendent ~~for establishment of~~ TO ESTABLISH a union high school district, or if ten ~~per cent~~ PERCENT OF THE RESIDENTS of each of two or more adjoining school districts unite in a petition ~~for establishment of~~ TO ESTABLISH a union high school district, the county school superintendent shall call an election to be held at the next regular election of the governing board, if within ninety days after receipt of the petition, to determine the question, or a special election called for that purpose within sixty days.

C. Public notices of the election, not less than three in each school district comprising the proposed union high school district, shall be posted, one to be ~~upon~~ ON the door of the schoolhouse in each district, at least ten days before the election.

D. The election shall be conducted as nearly as practicable in the manner prescribed in section 15-459. The ballots shall contain the words "union high school district, yes" and "union high school district, no", and the voter shall signify his desired choice.

E. If a majority of the persons voting within each school district comprising the proposed union high school district votes in favor of ~~establishment of~~ ESTABLISHING a union high school district, the union high school district shall become effective as provided in section 15-459, subsection ~~G~~ J.

F. If a union high school district is established from a unified school district as provided in this section, a common school district is established with boundaries coterminous with the boundaries of the former unified school district.

Sec. 2. Section 15-448, Arizona Revised Statutes, is amended to read:

15-448. Formation of unified school district; board membership; budget

A. One or more common school districts and a high school district with coterminous or overlapping boundaries may establish a unified school

district pursuant to this section. Unification of a common school district and a high school district is not authorized by this section if any of the high school facilities owned by the new unified school district would not be located within its boundaries.

B. Formation of a unified school district shall be by resolutions approved by the governing boards of the unifying school districts and certification of approval by such governing boards to the county school superintendent of the county or counties in which such individual school districts are located. A common school district and high school district that unify pursuant to this section shall not exclude from the same unification a common school district that has overlapping boundaries with the high school district and that wishes to unify. Except as provided in subsection D of this section, the formation of a unified school district ~~shall become~~ BECOMES effective on July 1 of the next fiscal year following the certification of the county school superintendent. An election ~~shall~~ IS not ~~be~~ required to form a unified school district pursuant to this section. NOTICE OF THE PROPOSED VOTE OF THE GOVERNING BOARDS ON THE RESOLUTIONS PRESCRIBED IN THIS SUBSECTION SHALL BE POSTED IN AT LEAST THREE PUBLIC PLACES IN EACH OF THE SCHOOL DISTRICTS PROPOSED TO BE UNIFIED AT LEAST NINETY DAYS BEFORE THE PROPOSED VOTE. At least ninety days before the governing boards vote on the resolutions prescribed in this subsection, the governing boards shall mail a pamphlet to each household with one or more qualified electors that ~~shall list~~ LISTS the full cash value, the assessed valuation and the estimated amount of the primary property taxes and the estimated amount of the secondary property taxes under the proposed unification for each of the following:

1. An ~~owner occupied~~ OWNER-OCCUPIED residence whose assessed valuation is the average assessed valuation of property classified as class three, as prescribed by section 42-12003 for the current year in the school district.

2. An ~~owner occupied~~ OWNER-OCCUPIED residence whose assessed valuation is one-half of the assessed valuation of the residence in paragraph 1 of this subsection.

3. An ~~owner occupied~~ OWNER-OCCUPIED residence whose assessed valuation is twice the assessed valuation of the residence in paragraph 1 of this subsection.

4. A business whose assessed valuation is the average of the assessed valuation of property classified as class one, as prescribed by section 42-12001, paragraphs 12 and 13 for the current year in the school district.

C. The boundaries of the unified school district shall be the boundaries of the former common school district or districts that unify. The boundaries of the common school district or districts that are not unifying remain unchanged. The county school superintendent, immediately on receipt of the approved resolutions prescribed by subsection B of this section, shall file with the board of supervisors, the county assessor and

the superintendent of public instruction a transcript of the boundaries of the unified school district. The boundaries shown in the transcript shall become the legal boundaries of the school districts on July 1 of the next fiscal year.

D. On formation of the unified school district, the governing board consists of the members of the former school district governing boards and the members shall hold office until January 1 following the first general election after formation of the district. For the purpose of all actions that are necessary ~~for the operation of~~ TO OPERATE the unified district for the next year, the unified school district governing board is constituted and may conduct meetings after the adoption of the unification resolutions prescribed by subsection B of this section.

E. Beginning on January 1 following the first general election after formation of the unified school district, the governing board shall have five members. At the first general election after the formation of the district, members shall be elected in the following manner:

1. The three candidates receiving the highest, the second highest and the third highest number of votes shall be elected to ~~four year~~ FOUR-YEAR terms.

2. The two candidates receiving the fourth and fifth highest number of votes shall be elected to ~~two year~~ TWO-YEAR terms. Thereafter all offices shall have ~~four year~~ FOUR-YEAR terms.

F. The new unified school district may appoint a resident of the remaining common school district to serve as a nonvoting member of the governing board to represent the interests of the high school pupils who reside in the remaining common school district and who attend school in the unified school district.

G. For the first year of operation, the unified school district governing board shall prepare a consolidated budget based on the student counts from the school districts comprising the unified school district, except that for purposes of determining budget amounts and equalization assistance, the student count for the former high school district shall not include the prior year average daily membership attributable to high school pupils from a common school district that was part of the former high school district but is not part of the unified school district. The unified school district shall charge the remaining common school district tuition for these pupils as provided in subsection J of this section. The unified school district may budget for unification assistance pursuant to section 15-912.01.

H. The governing board of the unified school district shall prepare policies, curricula and budgets for the district. These policies shall require that:

1. The base compensation of each certificated teacher for the first year of operation of the new unified school district shall not be lower than the certificated teacher's base compensation for the prior year in the previously existing school districts.

2. The certificated teacher's years of employment in the previously existing school districts shall be included in determining the teacher's certificated years of employment in the new unified school district.

I. On formation of a unified school district, any existing override authorization of the former high school district and the former common school district or districts shall continue until expiration based on the revenue control limit of the school district or districts that had override authorization ~~prior to~~ BEFORE unification. The unified school district may request new override authorization for the budget year as provided in section 15-481 based on the combined revenue control limit of the new district after unification. If the unified school district's request for override authorization is approved, it will replace any existing override for the budget year.

J. The unified school district shall admit high school pupils who reside in a common school district that was located within the boundaries of the former high school district. Tuition shall be paid to the unified school district by the common school district in which such pupils reside. Such tuition amount shall be calculated in accordance with section 15-824, subject to the following modifications:

1. If the former high school district had outstanding bonded indebtedness at the time of unification, the combined tuition for the group of high school pupils who reside in each common school district shall include a debt service amount for the former high school district's outstanding bonded indebtedness that is determined as follows:

(a) Divide the total net assessed valuation of the common school district in which the group of pupils resides by the total net assessed valuation of the former high school district. For the purposes of this subdivision, "net assessed valuation" means net assessed valuation for the tax year ~~prior to~~ BEFORE the year when the unified school district governing board is constituted pursuant to subsection D of this section and includes the values used to determine voluntary contributions collected pursuant to title 9, chapter 4, article 3 and title 48, chapter 1, article 8.

(b) Multiply the quotient obtained in subdivision (a) of this paragraph by the unified school district's annual debt service expenditure.

2. The debt service portion of such tuition payments calculated pursuant to paragraph 1 of this subsection shall be used exclusively for debt service of the outstanding bonded indebtedness of the former high school district. When such indebtedness is fully extinguished, the debt service portion of a pupil's tuition shall be determined in accordance with paragraph 3 of this subsection.

3. If the former high school district had no outstanding bonded indebtedness at the time of unification, the tuition calculation shall include the actual school district expenditures for the portion of any debt service of the unified school district that pertains to any

construction or renovation of high school facilities divided by the school district's student count for the high school portion of the school district.

4. The unified school district shall not include in the tuition calculation any debt service that pertains to any construction or renovation of school facilities for preschool through grade eight.

5. Notwithstanding section 15-951, subsection F, the revenue control limit of the common school district shall include the full amount of the debt service portion of the tuition calculated pursuant to this subsection.

K. All assets and liabilities of the unifying school districts shall be transferred and assumed by the new unified school district. Any existing bonded indebtedness of a common school district or a high school district unifying pursuant to this section shall be assumed by the new unified school district and shall be regarded as an indebtedness of the new unified school district for the purpose of determining the debt incurring authority of the district. Taxes for the payment of such bonded indebtedness shall be levied on all taxable property in the new unified school district, but nothing in this subsection shall be construed to relieve from liability to taxation for the payment of all taxable property of the former high school district if necessary to prevent a default in the payment of any bonded indebtedness of the former high school district. The residents of a common school district that does not unify shall not vote in bond or override elections of the unified school district and shall not be assessed taxes as a result of a bond or override election of the unified school district.

L. If the remaining common school district had authorization for an override as provided in section 15-481 or 15-482, the override authorization continues for the remaining common school district or districts in the same manner as before the formation of the unified school district.

M. The bonding authorization and bonding limitations continue for the remaining common school district or districts in the same manner as before the formation of the unified school district.

N. ~~Nothing in~~ This section ~~shall be construed to~~ DOES NOT relieve a school district formed pursuant to section 15-457 or 15-458 of its liability for any outstanding bonded indebtedness.

O. For school districts that become unified after July 1, 2004 and where all of the common schools were eligible for the small school district weight pursuant to section 15-943, paragraph 1, subdivision (a) when computing their base support level and base revenue control limit before unification, the unified school district may continue to use the small school district weight as follows:

1. Annually determine the common school student count and the weighted student count pursuant to section 15-943, paragraph 1, subdivision (a) for each common school district before unification.

2. Calculate the sum of the common school districts' student counts and weighted student counts determined in paragraph 1 of this subsection.

3. Divide the sum of the weighted student counts by the sum of the student counts determined in paragraph 2 of this subsection.

4. The amount determined in paragraph 3 of this subsection shall be the weight for the common schools in the unified school district.

P. A unified school district may calculate its revenue control limit and district support level by using subsection O of this section as follows:

1. Determine the number of individual school districts that existed before unification into a single school district.

2. Multiply the amount determined in paragraph 1 of this subsection by six hundred.

3. Multiply the amount determined in paragraph 2 of this subsection by 0.80.

4. If the amount determined in paragraph 3 of this subsection exceeds the student count of the unified school district, the unified school district is eligible to use subsection O of this section.

Q. Subsections O and P of this section shall remain in effect until the aggregate student count of the common school districts before unification exceeds the aggregate number of students of the common school districts before unification authorized to utilize section 15-943, paragraph 1, subdivision (a).

Sec. 3. Section 15-449, Arizona Revised Statutes, is amended to read:

15-449. Formation of unified school district by common school district; petition for establishment; election; notice

A. A common school district having a student count of ~~not less than~~ AT LEAST two hundred pupils and an assessed valuation of ~~not less than two million dollars may~~ AT LEAST $2,000,000, by a majority vote of the qualified school electors of the school district, MAY establish a unified school district with boundaries coterminous with the boundaries of the common school district.

B. If a majority of the governing board of the common school district unites in a petition to the county school superintendent ~~for establishment of~~ TO ESTABLISH a unified school district, or if ten ~~per cent~~ PERCENT of the residents of the common school district unite in a petition ~~for establishment of~~ TO ESTABLISH a unified school district, the county school superintendent shall call an election to be held at the next regular election of the governing board, if THE NEXT REGULAR ELECTION IS within ninety days after receipt of the petition, to determine the question, or shall call a special election for that purpose within ~~sixty~~ ONE HUNDRED TWENTY days.

C. ~~Not less than~~ AT LEAST five public notices of the election shall be posted, one to be on the door of the schoolhouse in the district, at

least ~~ten~~ NINETY days before the election IF THE ELECTION IS AT LEAST NINETY DAYS AFTER RECEIPT OF THE PETITION OR AS SOON AS PRACTICABLE IF THE ELECTION IS FEWER THAN NINETY DAYS AFTER RECEIPT OF THE PETITION.

D. The election shall be conducted as nearly as practicable in the manner prescribed in section 15-459. The ballots shall contain the words "unified school district, yes" and "unified school district, no", and the voter shall signify his desired choice.

E. If a majority of the persons voting in the common school district votes in favor of establishment of a unified school district, the unified school district becomes effective as provided in section 15-459, subsection ~~G~~ J.

Sec. 4. Section 15-459, Arizona Revised Statutes, as amended by Laws 2018, chapter 335, section 2, is amended to read:

15-459. Consolidation of districts; petition; election; notice; report; ballots; canvass of votes; governing board

A. On the request of the governing boards of two or more school districts in the same county or in adjacent counties or on receipt of petitions bearing the signatures of ten percent or more of the number of qualified electors who voted in whichever of the last two general elections resulted in the higher number of ballots cast and who reside in each of two or more school districts in the same county or in adjacent counties to consolidate the school districts or parts of the districts, the county school superintendent of each of the counties affected, within ten days, shall call an election to determine the question on consolidation.

B. Consolidations allowed pursuant to subsection A of this section include:

1. To change the boundaries of a school district to include any part of an adjacent school district.

2. If all the common school districts within the boundaries of an existing union high school district desire to consolidate into one common school district.

3. If two or more adjacent school districts of ~~like character, either~~ THE SAME TYPE, BOTH OR ALL BEING common, UNION high or unified school districts, desire to consolidate into one common, UNION high or unified school district.

4. If a common school district that is not a part of a union high school district desires to consolidate with an adjacent unified school district.

5. If two or more common school districts desire to consolidate into one school district and unify the consolidated district with a union high school district to form one unified school district.

6. To change the boundaries of a school district that has received a letter grade of A or B pursuant to section 15-241 to include another school district within twenty miles.

~~H.~~ C. If a school district provides only financing for pupils who are instructed by another school district in the same county or in an adjacent county, the school district or any part of the school district may be consolidated with the school district providing the instructional program as follows:

1. The governing board of the financing school district approves the consolidation or ten percent of the qualified electors residing in the school district, or that part of the school district proposed for consolidation, petitions the county school superintendent to call an election to approve the proposed consolidation.

2. At an election called by the county school superintendent of each of the counties affected, a majority of the persons voting in the school district, or that part of the school district providing financing, approve the proposed consolidation and a majority of the persons voting in the district providing instruction approve the proposed consolidation.

~~I.~~ D. Elections held as provided in subsection ~~H~~ C of this section shall be conducted in the same manner as elections prescribed in subsections ~~C~~ F through ~~G~~ J of this section and shall be held concurrently as prescribed in section 15-458.

~~K.~~ E. Sections 15-457, 15-975 and 15-997 apply to school districts that are consolidated as provided in subsection ~~H~~ C of this section.

~~C.~~ F. Notice of the election to determine consolidation of school districts shall be posted in ~~not less than~~ AT LEAST three public places in each of the school districts proposed to be consolidated at least ~~twenty-five~~ NINETY days before the election.

~~D.~~ G. The county school superintendent shall prepare and the governing board shall distribute a report on the proposed boundary changes in a manner similar to that prescribed in section 15-481, subsection B. The report shall contain the following information:

1. The date of the election.

2. The polling places and times they are open.

3. The full cash value, the assessed valuation and the estimated amount of the primary property taxes and the estimated amount of the secondary property taxes under the proposed boundary changes for each of the following:

(a) An owner-occupied residence whose assessed valuation is the average assessed valuation of property classified as class three, as prescribed by section 42-12003 for the current year in the school district.

(b) An owner-occupied residence whose assessed valuation is one-half of the assessed valuation of the residence in subdivision (a) of this paragraph.

(c) An owner-occupied residence whose assessed valuation is twice the assessed valuation of the residence in subdivision (a) of this paragraph.

(d) A business whose assessed valuation is the average of the assessed valuation of property classified as class one, as prescribed by section 42-12001, paragraphs 12 and 13 for the current year in the school district.

4. A consolidation plan to include:

(a) The proposed boundary changes.

(b) The impact of the proposed boundary changes, including where pupils will attend school, changes in pupil transportation services, changes in availability of special education services, changes in pupil-teacher ratio and operational costs.

(c) If subsection P of this section applies to one or more of the existing school districts, a detailed description of desegregation funding and expenses for the resulting school district as set forth in subsection P of this section.

(d) Any other information the county school superintendent deems appropriate to include.

~~E.~~ H. Ballots shall be prepared by the county school superintendent, shall be delivered to the inspector at least forty-eight hours before the opening of the polls as prescribed in section 16-509 and shall contain the information prescribed in subsection ~~D~~ G, paragraph 3 of this section and the following statement: "~~Consolidation includes the assumption of liability by the resulting school district for all indebtedness of existing school districts or those parts of school districts proposed for consolidation.~~ Do you support consolidation under the specified provisions of the consolidation plan? Yes ( ) No ( )." If the election is to simultaneously consolidate and unify two or more common school districts, the ballot shall contain: "Do you support the consolidation of the (insert names of common school districts) and the subsequent unification of the consolidated districts with the (insert name of union high school district) to form one unified school district under the consolidation and unification plan? Yes ( ) No ( )."

~~F.~~ I. The county school superintendent shall hold the election during the fiscal year preceding the fiscal year consolidation is proposed to be effective on a date prescribed by section 16-204. The election shall be held in the manner and electors shall possess qualifications as prescribed for the election of governing board members. The results of the election shall be reported to the county school superintendent.

~~G.~~ J. The county school superintendent and the chairman of the board of supervisors, on the seventh day after the election, shall canvass the vote. If a majority of the votes cast in each district approved the consolidation, the districts are consolidated and become one district from and after June 30 next following the election. If parts of two or more school districts are proposed to be consolidated, a majority of the voters in the part of a school district or districts not ~~affected by~~ INCLUDED IN the proposed consolidation and a majority of the voters in the part of the

school district or districts proposed for consolidation must approve the consolidation.

~~J.~~ K. If the consolidated district includes territory located in two or more counties, the county of jurisdiction is the county in which the largest number of qualified electors of the consolidated school district resides, except that if all of the existing school buildings are in one county, that county is the county of jurisdiction. The county school superintendent of the jurisdictional county shall perform all duties for and with respect to the consolidated school district as required to be performed by county school superintendents. The board of supervisors of the jurisdictional county shall perform all duties for and with respect to the consolidated school district as required to be performed by boards of supervisors, except that school district taxes to be levied on property in the portion of the consolidated school district lying in another county shall be levied by the board of supervisors of the other county or counties and on receipt shall be transferred to the county of jurisdiction. All school buildings located within the consolidated school district, together with all equipment and furnishings, become the property of the consolidated school district. Any assumed indebtedness is an indebtedness of the consolidated school district for the purpose of determining the debt incurring authority of the consolidated school district.

L. Consolidation pursuant to this section is not allowed if the resulting school district would have a student count for the current year of more than ten percent of the total student count of all school districts in this state.

M. The governing board is constituted, may conduct meetings and shall prepare policies, curricula and budgets for the new school district after the canvass pursuant to subsection ~~G~~ J of this section demonstrates that a majority of the votes cast in each school district approved the consolidation. These policies shall require that:

1. The base salary and benefits of each employee for the first year of operation of the new school district shall not be lower than the employee's base salary and benefits for the prior year in the previously existing school district.

2. The employee's years of employment in the previously existing school district shall be included in determining the employee's years of employment in the new school district. An employee who was entitled to continuing employment contract status in the previously existing school district is entitled to continuing employment contract status in the new school district.

3. Notwithstanding paragraphs 1 and 2 of this subsection and pursuant to section 15-544, ~~nothing in~~ this section ~~shall be construed to~~ DOES NOT restrict the ability of the governing board to implement a reduction in force or to scale back salaries of certified teachers, administrators or noncertificated employees for reasons of economy or to

improve the efficient conduct of schools within the district following a school district consolidation.

N. If all of the districts to be consolidated have authorization for an override as provided in section 15-481 that would have continued after the consolidation, the override authorization continues for the new district and expires at the time that the earliest override would have expired.

O. If one or more, but not all, of the districts to be consolidated have authorization for an override as provided in section 15-481 that would have continued after the consolidation, the override authorization shall only apply to the schools included under the terms of the prior override authorization. Consolidation of school districts does not consolidate or pool the liability to be taxed for the override, and only property that was located within the boundaries of the district that approved the override ~~prior to~~ BEFORE consolidation is to pay taxes to support the override. This subsection also applies if all of the districts to be consolidated have authorization for overrides, but the authorizations are pursuant to different subsections of section 15-481 or the override amounts are not the same percentage of the revenue control limit.

P. Notwithstanding section 15-457, consolidation of school districts does not consolidate or pool the liability of the former school districts into the resulting school district. Outstanding indebtedness incurred by a school district before consolidation shall be repaid without interruption according to existing debt schedules as determined by the county board of supervisors. If a school district consolidates after July 1, 2004, the new school district may pay tuition to the district of attendance when a pupil is precluded by distance or lack of transportation from attending school in the district of a pupil's residence.

Q. If one or more of the previously existing school districts were authorized to budget for expenses of complying with or continuing to implement activities that were required or permitted by court order of desegregation or administrative agreement with the United States department of education office for civil rights directed toward remediating alleged or proven racial discrimination pursuant to section 15-910, this authorization does not expire on the effective date of consolidation but only applies to schools included in the court order or administrative agreement.

R. If the formation of a new consolidated and unified school district is authorized, the terms of the governing board members of the common and union high school districts do not expire on the effective date of the unification. The governing board members of the previously existing school districts shall serve as provided in section 15-430, except that the power of the governing board members of the previously existing school districts acting as the governing board of the unified school district is limited to the maintenance and operation of the

previously existing school districts and compliance with the consolidation and unification plan.

Sec. 5. Section 15-908, Arizona Revised Statutes, is amended to read:

15-908. Revenue control limit for school district after consolidation

A resulting school district after consolidation of a school district and unorganized territory or areas within another school district as provided in section 15-459, subsection ~~H~~ C or section 15-460, subsection A shall compute its allowable revenue control limit for the first budget year as follows:

1. Divide the allowable revenue control limit for the budget year of the school district ~~prior to~~ BEFORE consolidation by the student count for the school district for the budget year.

2. Multiply the quotient obtained in paragraph 1 of this section by the student count of the resulting school district for the budget year. The product is the revenue control limit of the resulting school district in the first budget year.

3. The student count used for unorganized territory is the student count of pupils who resided in the unorganized territory ~~prior to~~ BEFORE consolidation.

Sec. 6. Section 15-950, Arizona Revised Statutes, is amended to read:

15-950. Revenue control limits for new school districts

A resulting common, high or unified school district after consolidation of school districts as provided in section 15-459, subsection B, paragraph 2 or 3 or subsection ~~H~~ C shall DETERMINE, in the first budget year, ~~determine~~ its allowable revenue control limit as follows:

1. Determine the allowable revenue control limit for the budget year for each of the school districts to be consolidated as it would have been in the absence of the consolidation.

2. Add the revenue control limits determined in paragraph 1 of this section. The sum is the revenue control limit of the resulting school district in the first year for which a budget is computed.

Sec. 7. Effective date

This act is effective from and after December 31, 2022.

APPROVED BY THE GOVERNOR MARCH 23, 2020.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 23, 2020.

Passed the House February 13, 2020

by the following vote: 59 Ayes,

0 Nays, 1 Not Voting

Speaker of the House

Pro Tempore

Chief Clerk of the House

Passed the Senate March 16, 2020

by the following vote: 27 Ayes,

0 Nays, 3 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

17th day of March, 2020

at 9:10 o'clock A M.

Secretary to the Governor

Approved this 23rd day of

March 2020

at 3:28 o'clock P M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 23 day of March, 2020

at 4:38 o'clock P M.

Secretary of State

H.B. 2109