

HB 2515 -- Redline

HOUSE - 2515WAYS MEANS.PDF to Engrossed -- truth in taxation; bonds; notices

Deletions ~~struck~~ · Insertions underlined

~~Fifty-seventh~~House Legislature~~Engrossed First~~truth Regular~~in Session~~taxation; ~~COMMITTEE ON WAYS & MEANS~~
~~HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B.~~

~~2515~~bonds; (Reference to printed bill) Amendment instruction key:

~~[GREEN~~notices UNDERLINING~~State IN~~of ~~BRACKETS]~~Arizona indicates~~House text of added~~Representatives to~~Fifty-seventh statute~~Legislature or~~First previously Regular enacted Session session~~HOUSE law.~~BILL 2515 AN ACT AMENDING SECTIONS 15-481, 15-491, 15-905.01, 15-1461.01, 35-454, 41-1276, 42-17107 AND 48-254, ARIZONA REVISED STATUTES;~~

~~[Green~~RELATING ~~underlining~~TO ~~in~~TAXATION. ~~brackets]~~ indicates text added to new session law or text restoring existing law.

~~[GREEN~~(TEXT STRIKEOUT~~OF IN~~BILL ~~BRACKETS]~~BEGINS ~~indicates~~ON new~~NEXT text~~(PAGE) ~~removed from statute or H.B. previously enacted session law.~~

~~[Green~~2515 ~~strikeout~~Be ~~in~~it ~~brackets]~~enacted ~~indicates by text the removed~~Legislature from~~of existing~~the ~~statute, State previously of enacted~~Arizona: session law or new session law.

~~<<Green carets>> indicate a section added to the bill.~~

~~<<Green strikeout in carets>> indicates a section removed from the bill.~~

~~The bill as proposed to be amended is reprinted as follows:~~

~~House~~B. ~~Amendments to H.B.~~

~~2515 B.~~

~~5-~~1 - H.B.

2515 5.

If submitted, additional arguments in favor of the proposed increase in the budget shall be provided in writing with a ~~-2-~~signed, House~~sworn~~ Amendments~~statement to by H.B. those in favor.~~

~~2515 signed, sworn statement by those in favor.~~

Any argument that is submitted and that ~~does not~~2 ~~comply with~~H.B. ~~this paragraph may not be included in the pamphlet.~~

2515 does not comply with this paragraph may not be included in the pamphlet.

~~-3-~~12. ~~House Amendments to H.B.~~

~~2515 12.~~

(c) The tax rate associated with each of the proposed capital improvements and the estimated cost of each capital improvement for the owner of a single family home that is valued at \$80,000

~~[\$100,000~~\$100,000 ~~AND]~~AND ~~\$400,000.~~

~~C-~~3 - H.B.

2515 C.

The ballot shall also contain the amount of the proposed increase of the proposed budget over the alternate budget, a statement that the amount of the proposed increase will be based on a percentage of the school district's revenue control ~~-4-~~limit ~~House in Amendments~~future ~~to years, H.B. if applicable, as provided in subsection P of this section and the following statement:~~

~~2515 limit in future years, if applicable, as provided in subsection P of this section and the following statement:~~

Based on the current net assessed valuation used for secondary property tax purposes, to fund the proposed increase in the school district's budget would require an estimated tax rate of \$_____ per \$100 of ~~net assessed~~4 ~~valuation used~~H.B. ~~for secondary property tax purposes and is in addition to the school district's tax rate that will be levied to fund the school district's revenue control limit allowed by law.~~

2515 net assessed valuation used for secondary property tax purposes and is in addition to the school district's tax rate that will be levied to fund the school district's revenue control limit allowed by law.

~~-5-~~H. ~~House Amendments to H.B.~~

~~2515 H.~~

~~(a) For~~5 ~~common or H.B. unified districts with a student count of less than one hundred fifty-four in kindergarten programs and grades one through eight, the limit computed as prescribed in item (i) or (ii) of this subdivision, whichever is appropriate.~~

2515 (a) For common or unified districts with a student count of less than one hundred fifty-four in kindergarten programs and grades one through eight, the limit computed as prescribed in item (i) or (ii)

of this subdivision, whichever is appropriate:

(i) Small School Support Level Weight Phase Down Student Student for Small Isolated Reduction Count Count Limit School Districts Base Level Factor -- $100 \times 1.468 + (0.0005 \times x \times \$ = \$ \text{---} (500 \text{ -- Student Count}))$ Small Isolated Phase Down Phase Down District Base Reduction Factor Secondary Limit \$350,000 -- $\$ = \$$ (ii) ~~-6-Small HouseSchool AmendmentsSupport to~~ Level Weight Phase Down Student Student for Small Reduction Count Count Limit School Districts Base Level Factor -- $100 \times 1.398 + (0.0004 \times x \times \$ = \$ (500 \text{ -- Student Count}))$ - 6 - H.B.

~~2515 Small School Support Level Weight Phase Down Student Student for Small Reduction Count Count Limit School Districts Base Level Factor -- $100 \times 1.398 + (0.0004 \times x \times \$ = \$ (500 \text{ -- Student Count}))$ Small Phase Down Phase Down School District Base Reduction Factor Secondary Limit \$350,000 -- $\$ = \$$ (c) If both subdivisions (a) and (b) of this paragraph apply to a unified school district, its limit for the purposes of this paragraph is the combination of its elementary limit and its secondary limit.~~

Any budget increase authorized by this election shall be entirely funded by a levy of taxes on the taxable property ~~-7-within Housethis Amendments~~ school district for the year for which adopted and for subsequent years, shall not be realized from monies furnished by the state and shall not be subject to the - 7 - H.B.

~~2515 within this school district for the year for which adopted and for --- subsequent years, shall not be realized from monies furnished by the state and shall not be subject to the limitation on taxes specified in article IX, section 18, Constitution of Arizona.~~

For a union high school district, five percent of the revenue control limit means five percent of the revenue ~~-8-control Houselimit Amendmentsattributable to H.B.the weighted student count in grades nine through twelve.~~

~~2515- control8 limit- attributableH.B.-to the weighted student count in grades nine through twelve.~~
2515 L.

~~-9- House9 Amendments- to H.B.~~

~~Q- 10 - H.B.~~

~~If2515 theQ.-voters in a school district vote to adopt a budget in excess of the revenue control limit as provided in subsection I or J of -10- House Amendments to H.B.~~

2515If the voters in a school district vote to adopt a budget in excess of the revenue control limit as provided in subsection I or J of this section, any additional increase shall be included in the aggregate budget limit for each of the years authorized.

For overrides approved by a vote of the qualified ~~electors- of11 the- schoolH.B.-district at an election held from and after October 31, 1998, the period of the additional increase prescribed in this subsection shall not exceed seven years for any capital override election.~~

~~-11-2515 Houseelectors Amendmentsof tothe H.B.school district at an election held from and after October 31, 1998, the period of the additional increase prescribed in this subsection shall not exceed seven years for any capital override election.~~

~~2515-S.~~

Under the students first capital funding system, _____ school district is entitled ~~to- state12 monies- forH.B.-new construction and renovation of school buildings in accordance with state law.~~
2515 to state monies for new construction and renovation of school buildings in accordance with state law.

~~-12-3- House Amendments to H.B.~~

~~2515-3-~~

If a budget in excess of district additional assistance was previously adopted by the voters in a school district and will be in effect for the budget year or budget year and subsequent years, as provided in subsection L or M of this section, the governing board may ~~request- an13 additional- budgetH.B.-in excess of district additional assistance.~~

2515 request an additional budget in excess of district additional assistance.

~~-13-BB- House Amendments to H.B.~~

~~2515-BB-~~

Any- budget14 increase- continuationH.B.-authorized by this election shall be entirely funded by a levy of taxes on the taxable property in this school district for the year for which adopted and for --- subsequent years, shall not be realized from monies furnished by the state and shall not be subject to the limitation on taxes specified in article IX, section 18, Constitution of Arizona.

~~Based2515 onAny thebudget currentincrease notcontinuation assessedauthorized valuationby usedthis for election secondaryshall propertybe taxentirely purposes,funded toby funda thelevy proposedof continuationtaxes ofon the increasetaxable property in thethis school district'sdistrict budgetfor wouldthe requireyear anfor estimatedwhich continuationadopted ofand afor tax --- rate subsequent of years, -14-shall Housenot Amendmentsbe realized from monies furnished by the state and shall not be subject to H.B.the limitation on taxes specified in article IX, section 18, Constitution of Arizona.~~

~~2515~~Based on the current net assessed valuation used for secondary property tax purposes, to fund the proposed continuation of the increase in the school district's budget would require an estimated continuation of a tax rate of \$_____ per \$100 of net assessed valuation used for secondary property tax purposes and is in addition to the school district's tax rate that will be levied to fund the school district's revenue control limit allowed by law.

If the governing board does not ~~enter into~~^{15 a-} ~~lease~~^{H.B. of twenty or more years of the school buildings or grounds listed on the ballot within twenty years after the date of the election and the board continues to seek such a lease, the governing board shall call a special election to reauthorize the board to negotiate for and to enter into a lease of twenty or more years.}

2515 enter into a lease of twenty or more years of the school buildings or grounds listed on the ballot within twenty years after the date of the election and the board continues to seek such a lease, the governing board shall call a special election to reauthorize the board to negotiate for and to enter into a lease of twenty or more years.

~~-15-B. House Amendments to H.B.~~

~~2515-B.~~

Bond counsel fees, financial advisory fees, printing costs and paying agent and registrar fees for bonds issued pursuant to an election ~~under this~~¹⁶ ~~section shall~~^{H.B. be paid from either the amount authorized by the qualified electors of the school district or current operating funds.}

2515 under this section shall be paid from either the amount authorized by the qualified electors of the school district or current operating funds.

Under ~~-16-the House~~^{students} ~~Amendments~~^{first capital funding system,} _____ school district is entitled to ~~H.B. state monies for new construction and renovation of school buildings in accordance with state law.~~

~~2515 the students first capital funding system, _____ school district is entitled to state monies for new construction and renovation of school buildings in accordance with state law.~~

~~(b)- A~~¹⁷ ~~complete list~~^{H.B. of each proposed capital improvement that will be funded with the proceeds of the bonds and a description of the proposed cost of each improvement, including a separate aggregation of capital improvements for administrative purposes as defined by the school facilities oversight board.}

(c)2515 The(b) taxA ratecomplete associatedlist withof each ofproposed capital improvement that will be funded with the proposedproceeds capitalof improvements the bonds and a description of the estimatedproposed cost of each capitalimprovement, improvementincluding fora theseparate owneraggregation of acapital singleimprovements familyfor homeadministrative thatpurposes isas valueddefined atby [\$100,000]the [AND]school \$400,000.facilities oversight board.

(c) The tax rate associated with each of the proposed capital improvements and the estimated cost of each capital improvement for the owner of a single family home that is valued at \$100,000 AND \$400,000.

~~-17- _____ House~~^{school} ~~Amendments~~^{district is proposing to H.B. issue impact aid revenue bonds totaling \$_____ to fund capital improvements over and above those funded by the state.}

~~2515 _____ school district is proposing to issue impact aid revenue bonds totaling \$_____ to fund capital improvements over and above those funded by the state.~~

~~(d) A complete list of each proposed capital improvement that will be funded with the proceeds of the bonds and a description of the proposed cost_ of~~¹⁸ ~~each_ improvement,H.B. including a separate aggregation of capital improvements for administrative purposes as defined by the school facilities oversight board.~~

2515 cost of each improvement, including a separate aggregation of capital improvements for administrative purposes as defined by the school facilities oversight board.

If the voters approve the issuance of school district class B bonds or impact aid revenue bonds, the school district shall not use the ~~-18-bond House~~^{proceeds} ~~Amendments~~^{for any purposes other than the proposed capital improvements listed in the informational pamphlet, except that up to H.B. ten percent of the bond proceeds may be used for general capital expenses, including cost overruns of proposed capital improvements.}

~~2515 bond proceeds for any purposes other than the proposed capital improvements listed in the informational pamphlet, except that up to ten percent of the bond proceeds may be used for general capital expenses, including cost overruns of proposed capital improvements.~~

~~(a)- The~~¹⁹ ~~date_ of~~^{H.B. the election-}

2515 (a) The date of the election.

The ballot arguments for the proposed change shall be signed as the governing board ~~-19-of House~~^{the} ~~Amendments~~^{school to} ~~district H.B. without listing any member's individual name for the arguments for the proposed change.~~

~~2515 of the school district without listing any member's individual name for the arguments for the proposed change.~~

~~3-~~ 20 - H.B.

2515 3.

For any year after fiscal year 1999-2000, a school district whose aggregate budgeted expenditures for the expenditures prescribed in paragraph 1 of this subsection exceed the truth in taxation base limit shall publish a truth in taxation hearing notice that meets the ~~20-requirements House of~~ Amendments subsection to B H.B. of this section.

~~2515 requirements of subsection B of this section.~~

~~(b)- The 21 notice- shall H.B.- be published in a location other than the classified or legal advertising section of the newspaper in which it is published.~~

2515 (b) The notice shall be published in a location other than the classified or legal advertising section of the newspaper in which it is published.

The amount proposed above will cause _____ school district's primary property taxes on a ~~[\$100,000]\$100,000 [AND]AND -21-\$400,000 House~~ home Amendments to be \$ _____ AND \$ _____, RESPECTIVELY (the amount used to H.B.-pay for the budget year's proposed truth in taxation base limit and adjacent ways levy, including adjacent ways and liabilities in excess of the school district budget [the amount divided by the current net assessed value available February 10 pursuant to section 42-17052] applied to \$100,000 AND \$400,000).

~~2515 Without \$400,000 the home tax to increase, the total taxes that would be owed would have been \$ _____ [AND \$ _____, RESPECTIVELY] (the amount used to pay for the budget current year's proposed truth in taxation base limit and adjacent ways levy, including adjacent ways and liabilities in excess of the school district budget [the amount divided by the current net assessed value available February 10 pursuant to section 42-17052] applied to [\$100,000]\$100,000 [AND]AND \$400,000).~~

~~Without the tax increase, the total taxes that would be owed would have been \$ _____ [AND \$ _____, RESPECTIVELY] (the amount used to pay for the current year's truth in taxation base limit [the amount divided by the current net assessed value available February 10 pursuant to section 42-17052] applied to [\$100,000] [AND] \$400,000).~~

~~2-~~ 22 - H.B.

2515 2.

A school district ~~22-governing House~~ board Amendments shall to notify H.B.-the department of education of any change in the district's truth in taxation base limit.

~~2515 governing board shall notify the department of education of any change in the district's truth in taxation base limit.~~

If the proposed primary property tax levy, excluding amounts that are ~~attributable- to 23 new-~~ construction, H.B.- is greater than the amount levied in the preceding tax year by the district:

2515 attributable to new construction, is greater than the amount levied in the preceding tax year by the district:

For example, the proposed tax increase will cause (name of community college district's) primary property taxes on a ~~[\$100,000]\$100,000 [AND]AND \$400,000 home to be \$(total proposed taxes including the tax increase) [AND]AND \$(TOTAL PROPOSED TAXES -23-INCLUDING House~~ THE Amendments TAX to INCREASE), H.B.-RESPECTIVELY.

~~2515 Without INCLUDING the THE proposed TAX tax INCREASE), increase, RESPECTIVELY]-the total taxes that would be owed on a \$100,000 AND \$400,000 home would have been \$ _____ AND \$ _____, RESPECTIVELY.~~

~~Without the proposed tax increase, the total taxes that would be owed on a [\$100,000] [AND] \$400,000 home would have been \$ _____ [AND \$ _____, RESPECTIVELY].~~

In lieu of publishing the truth in taxation notice, the district board may mail the truth in taxation notice prescribed by paragraph 1, subdivision (d) of this subsection to all registered voters in the ~~district- at 24 least- ten H.B.- but not more than twenty days before the date of the hearing.~~

2515 district at least ten but not more than twenty days before the date of the hearing.

~~24-C.-House Amendments to H.B.-~~

~~2515 C.-~~

At least thirty-five days before the bond election, mail a copy of an informational pamphlet to every household within the political ~~subdivision- that 25 contains- a H.B.-registered voter.~~

2515 subdivision that contains a registered voter.

(g) Estimated tax impact of debt service for the bonds on an owner-occupied residence classified as class three pursuant to section 42-12003, on commercial property classified as class one pursuant to section 42-12001, paragraph 12 and on agricultural or other vacant property classified as class two pursuant to section 42-12002, assuming ~~25-the House net Amendments assessed valuation of the property increases annually at the lesser of five percent or fifty percent of the projected total annual increase in net assessed valuation as determined pursuant to H.B.-subdivision (d) of this paragraph over the term of the bonds using the same average annual tax rate as under subdivision (d) of this paragraph, as~~

follows:

~~2515 The tax impact assessed over valuation of the property term increases of annually at the lesser bonds of on five an percent owner-occupied or residence fifty valued percent by of the projected county total assessor annual at increase \$250,000 in AND not \$400,000 assessed is valuation estimated as determined pursuant to subdivision be (d) \$_____ of per this year paragraph for over _____ the years, term of \$_____ the total bonds cost using AND the \$_____ same PER average YEAR annual FOR tax _____ rate YEARS, as OR under \$_____ subdivision TOTAL (d) COST, of RESPECTIVELY. this paragraph, as follows:~~

The tax impact over the term of the bonds on ~~an commercial~~ owner-occupied ~~property residence~~ valued by the county assessor at ~~[\$250,000] \$1,000,000 [AND] AND \$400,000 \$2,000,000~~ is estimated to be \$_____ per year for _____ years, or \$_____ total ~~26 cost~~ ~~[AND H.B. \$_____ PER YEAR FOR _____ YEARS, OR \$_____ TOTAL COST, RESPECTIVELY].~~

~~The 2515 tax impact over the term of the bonds on commercial property valued by the county assessor at [\$1,000,000] [\$1,500,000] [AND \$2,000,000] is estimated to be \$_____ per year for _____ years, or \$_____ total cost [AND AND \$_____ PER YEAR FOR _____ YEARS, OR \$_____ TOTAL COST, RESPECTIVELY]. RESPECTIVELY.~~

Persons signing the argument shall identify themselves by giving their residence address and telephone number, which may not appear in the informational pamphlet, except that the person's city or town and state of residence shall appear ~~-26 in House the Amendments pamphlet. to H.B.~~

~~2515 in the pamphlet.~~

The return of the election held in a county shall be made to the board of ~~supervisors and, 27 in any H.B. other case, to the governing body or board of the municipal corporation or district within twelve days after the election.~~

2515 supervisors and, in any other case, to the governing body or board of the municipal corporation or district within twelve days after the election.

The governing board or body shall file and record in the office of the county recorder a certificate disclosing the purpose of the election, the total number of votes cast and the total number of votes for and against creating the indebtedness, and stating whether or not the ~~-27 indebtedness House is Amendments ordered. to H.B.~~

~~2515 indebtedness is ordered.~~

Sec. - 28 - H.B.

2515 Sec.

Except as provided in subsections E and G of this section, the qualifying tax rate for a high school district or a common school district within a high school district that does not offer instruction in high school subjects and the qualifying tax rate for a unified school district, a common school district not within a high school district or a common school district within a high school district that offers instruction in high school subjects for the following fiscal year shall be the rate determined by the joint legislative budget committee pursuant to ~~-28 subsection House C Amendments of to this H.B. section.~~

~~2515 subsection C of this section.~~

E. - 29 - H.B.

2515 E.

The proposed tax increase will cause the taxes on a ~~[\$100,000] \$100,000 [AND] AND \$400,000~~ home to be \$(total proposed taxes including the tax increase) ~~[\$(TOTAL \$(TOTAL PROPOSED TAXES INCLUDING THE TAX INCREASE), RESPECTIVELY]. RESPECTIVELY.~~

Without the proposed tax increase, the total taxes that would be owed on a ~~[\$100,000] \$100,000 [AND] AND \$400,000~~ home would have been \$_____ ~~[AND AND \$_____, RESPECTIVELY]. RESPECTIVELY.~~

(e) For the purposes of computing the tax increase on a ~~[\$100,000] \$100,000 [AND] AND \$400,000~~ home as required by the notice, the joint meeting of the house of representatives ways and means committee and the senate finance committee, or their successor committees, shall consider the difference between the truth in taxation rate and the proposed increased rate.

~~-29 F. House Amendments to H.B.~~

2515 In F, addition to publishing the truth in taxation notice under subsection E, paragraph 1 of this section, the joint meeting of the house - 30 - H.B.

~~In 2515 addition to publishing the truth in taxation notice under subsection E, paragraph 1 of this section, the joint meeting of the house of representatives ways and means committee and the senate finance committee, or their successor committees, shall issue a press release containing the truth in taxation notice.~~

The second ~~-30- House 31 Amendments- to H.B.~~

For example, the proposed tax increase will cause (name of county, city or town)'s primary property taxes on a ~~[\$100,000] \$100,000 [AND] AND \$400,000~~ home to be \$(total proposed taxes including the tax increase) ~~[AND AND \$(TOTAL PROPOSED TAXES INCLUDING THE TAX INCREASE), RESPECTIVELY]. RESPECTIVELY.~~

Without the proposed tax increase, the total taxes that would be owed on a ~~[\$100,000] \$100,000 [AND] AND \$400,000~~ home would have been \$_____ ~~[AND AND \$_____, RESPECTIVELY]. RESPECTIVELY.~~

~~31-~~ House 32 Amendments to H.B.

~~(a) Is 33 published twice H.B. in a newspaper of general circulation in the county.~~

2515 (a) Is published twice in a newspaper of general circulation in the county.

The second publication shall be at least seven but not more than ten days before the date of the hearing.

~~2515 shall be at least seven but not more than ten days before the date of the hearing.~~

For example, the proposed tax increase will cause (name of special taxing district)'s secondary property taxes on a ~~[\$100,000]~~ \$100,000 ~~[AND] AND~~ \$400,000 home to be \$(total proposed taxes including the tax increase) ~~[AND AND \$(TOTAL PROPOSED TAXES INCLUDING THE TAX INCREASE), RESPECTIVELY].~~ RESPECTIVELY.

Without the proposed tax increase, the total taxes that would be owed on a ~~[\$100,000]~~ \$100,000 ~~[AND] AND~~ \$400,000 home would have been \$_____ ~~[AND AND \$_____, RESPECTIVELY].~~ RESPECTIVELY.

In addition to publishing the truth in taxation notice under paragraph 1 of this subsection or mailing the notice under paragraph 2 of ~~this subsection,~~ 34 the governing H.B. body shall issue a press release containing the truth in taxation notice.

2515 this subsection, the governing body shall issue a press release containing the truth in taxation notice.

~~33-(b) House Be Amendments posted to on H.B. the official website of the special taxing district.~~

~~2515 (b) Be posted on the official website of the special taxing district.~~

~~Enroll and 35 engross to conform Amend title to conform And, as so amended, it do pass JUSTIN OLSON CHAIRMAN 2515WAYS MEANS.docx 01/20/2025 010:46 AM C:~~

~~ED 34~~