



Attorney General

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Robert R. Corbin

October 16, 1987

The Honorable Bill De Long
Arizona State Senator
State Capitol - Senate Wing
Phoenix, Arizona 85007

Re: I87-130 (R87-043)

Dear Senator De Long:

You have asked whether the legislature must appropriate an additional \$15 million in state aid for school districts to fund an increase in teachers' salaries, as indirectly authorized by Laws 1986 (2nd Reg. Sess.) Ch. 399, relating to raising school district revenue control and budget limits. See A.R.S. § 15-952. The answer is no.

Before dealing with the substance of your question, we shall discuss briefly the method by which a school district's entitlement to state aid is determined. A.R.S. § 15-973(A) requires:

The state board of education shall apportion state aid from appropriations made for such purpose to the several counties on the basis of state aid entitlement for the school districts in each county.

(Emphasis added.)

The "state aid entitlement" for which a school district is allowed to budget is set forth in a formula established by A.R.S. § 15-971. Under that formula a school district adds various items, including capital outlay revenues, capital levy revenues and revenue control limits, and subtracts the tax levy which would be produced by the authorized qualifying tax rate, to calculate the "state aid entitlement."

The 1986 act about which you inquired (A.R.S. § 15-592) allows school districts to recalculate the revenue control and

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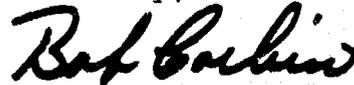
budget limits by adding 1.25% for teachers' salaries. This will have the effect of increasing "state aid entitlement." If the legislature fails to appropriate this additional 1.25% then some school districts will run out of money before the end of the school year, because of the distribution formula set forth in A.R.S. § 15-973(B). In other words, if the legislature fails to appropriate sufficient money to fully fund "state aid entitlements," some school districts will run out of state aid monies before the end of the school year.^{1/}

The only way to alter this circumstance is for the legislature to change the "state aid entitlement" formulas when appropriations will not be made at a level sufficient to fund those entitlements. With this background in mind, we now move to your basic question, whether the legislature must appropriate \$15 million to fund the increase in "state aid entitlement" authorized for teachers' salaries by Laws 1986 (2nd Reg. Sess.) Ch. 399, which resulted in A.R.S. § 15-592.

In Ariz.Atty.Gen.Op. I87-013 issued January 19, 1987 we concluded that the legislature is not bound to appropriate any particular level of funding for education because (a) the statutes establishing fund levels of state aid to education do not evidence a clear legislative intent that they constitute appropriations, and (b) the legislature may not be compelled to enact appropriations measures that fund the assistance levels established by statute. We enclose a copy of Ariz.Atty.Gen.Op. I87-013 for your information.

For the reasons stated in Ariz.Atty.Gen.Op. I87-013 we conclude that the legislature is not required to appropriate the \$15 million indirectly mandated by Laws 1986 (2nd Reg. Sess.) Ch. 399, enacting A.R.S. § 15-952.

Sincerely,



BOB CORBIN
Attorney General

BC:FWS:lp

^{1/}Not all school districts receive state aid. Several school districts have a sufficiently high tax base that their qualifying rate need not be set at the highest limit in order to generate the revenues necessary for school district operations.