

ATRA SUPPORTS HB 2037

school facilities; liabilities in excess

Despite the creation of Students FIRST and the School Facilities Board, there are still basic capital needs being funded entirely through local property taxes. Under the legal designation “liabilities in excess” school districts can levy for capital needs that result from those rare instances of unplanned damage to facilities or health and safety hazards that occur after the budget has been adopted.

The problem — just as it was prior to Students FIRST — is that because of disparities in property wealth, projects to repair unexpected damage may cost one district a few cents on their primary tax rate, while in another district the very same project could add \$10.00, \$15.00 or even more to the rate.

The original Students FIRST law overlooked the problems inherent in the liabilities in excess law. However, the School Facilities Board has been funding numerous legitimate repair projects, many on an emergency basis. HB 2037 will ensure that districts have the ability to repair unanticipated damage regardless of their property wealth.

The School Facilities Board has voted unanimously to support HB 2037 as passed in the House.

Arizona School Administrators, the Arizona School Boards Association, the Arizona Education Association and the Maricopa County School Superintendent are also in support.

ATRA asks for your support on HB 2037 to:

- clarify funding for truly urgent capital needs,
- put an end to abuses, and
- equalize the burden on taxpayers.



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