



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
First Regular Session

Senate: FIN DP 9-1-0-0 | 3rd Read 28-1-1-0
House: WM DP 9-1-0-0 | 3rd Read 46-14-0-0

SB 1012: community colleges; lease-purchase agreements; indebtedness.

(Substituted for HB 2432)

Sponsor: Representative Bolick, LD 20

Transmitted to Governor

Overview

Increases the maximum number of years school district boards may lease or lease-purchase land. Establishes new outstanding indebtedness thresholds due to acquiring real property by lease-purchases based on county population.

History

Under current law, a district board may not enter a lease or lease-purchase agreement for land for a duration exceeding 15 years unless the agreement:

- 1) Is with an Indian tribe;
- 2) Is with land owned or controlled by the federal government;
- 3) Is with land owned or controlled by a joint powers airport authority; or
- 4) Involves real property owned by a nongovernmental nonprofit corporation — that will lease to a community college for less than \$1,000 per year — for the purpose of expanding healthcare education programs ([A.R.S § 15-1446](#)).

Provisions

1. Increases the maximum length that district boards may lease or lease-purchase land from 15 to 20 years. (Sec. 1)
2. Caps the outstanding indebtedness limits for acquiring real property by lease-purchase for districts. In a county with a population:
 - a) Less than 750,000, the district board may not spend more than \$2,500,000 in one year and \$15,000,000 in the aggregate; or
 - b) Of 750,000 or more, the district board may not spend more than \$25,000,000 in one year and \$50,000,000 in the aggregate. (Sec. 1)
3. Makes technical and conforming changes. (Sec. 1)

Prop 105 (45 votes) Prop 108 (40 votes) Emergency (40 votes) Fiscal Note