



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
First Regular Session

Senate: ED DPA 8-0-0-0 | 3rd Read 29-0-1-0

House: ED DP 9-1-0-0

SB 1139: classroom site fund; distribution

Sponsor: Senator Boyer, LD 20

Caucus & COW

Overview

Modifies how Classroom Site Fund (CSF) monies are to be allocated by school districts and charter schools (schools).

History

The CSF consists of monies raised pursuant to the 0.6% transaction privilege tax and use tax for education established by Proposition 301, as well as K-12 state land trust revenues that are not designated for basic state aid (A.R.S. §§ [37-521](#), [42-5029](#), [42-5029.02](#)). The FY 2021 general appropriations act included \$602,511,600 for the CSF ([Laws 2020, Chapter 58](#)).

Currently, statute requires schools to allocate CSF monies as follows: 1) 40% for teacher compensation increases based on performance and employment-related expenses; 2) 20% for teacher base salary increases and employment-related expenses; and 3) 40% for maintenance and operation purposes. Maintenance and operation purposes include class size reduction, teacher compensation increases, assessment intervention programs, teacher development, dropout prevention programs and teacher liability insurance premiums ([A.R.S. § 15-977](#)).

The Office of the Auditor General, in conjunction with the Arizona Department of Education, is required to prescribe the Uniform System of Financial Records, or the accounting and financial reporting manual for all school districts ([A.R.S. § 15-271](#)).

Provisions

1. Eliminates the requirement that schools allocate CSF monies as follows:
 - a) 40% for teacher compensation increases based on performance and employment-related expenses;
 - b) 20% of monies for teacher base salary increases and employment-related expenses; and
 - c) 40% of the monies for maintenance and operation purposes. (Sec. 1)
2. Adds that CSF monies are to be spent on:
 - a) Teacher compensation, including a base pay and performance pay component; and
 - b) Student support services. (Sec. 1)
3. Defines *student support services* to mean any expenditure in the student support services function defined in the USFR. (Sec. 1)
4. Makes technical changes. (Sec. 1, 2)
5. Makes conforming changes. (Sec. 2)

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