

# AGGREGATE EXPENDITURE LIMIT

## \$1.3 BILLION ARE AT RISK FOR ARIZONA'S MORE THAN 1,500 DISTRICT-BASED PUBLIC SCHOOLS

*SUSD builds its budget each year based on funding promised by the state. The current situation can only be addressed by the Arizona Legislature and the Governor. It is not the result of the district mismanaging or exceeding its budget. Rather, this is the direct result of an outdated constitutional provision and not lack of state funds.*

**FACT:** Without immediate bipartisan legislative action, school districts across Arizona will have to cut \$1.3 billion of their already-approved budgets for the fourth quarter of this fiscal year, April to June 2022. For Scottsdale Unified School District, **these cuts translate to a \$28.4 million budget cut.** To compensate for the loss and keep schools open, SUSD would be forced to make drastic cuts to programs and staffing.

### HISTORY:

In 1980, Arizona voters passed a measure that limits how much K-12 public schools can spend during a school year. This limit, known as the Aggregate Expenditure Limit (AEL), is the total dollar amount that K-12 schools can spend each fiscal year.

- Charter schools do NOT have to comply with the state spending limit since they did not exist in 1980 when the AEL was created.
- The limit fluctuates year-to-year, depending on school enrollment and inflation.
- The limit does not provide for the evolution of teaching and learning for such things as classroom technology, school nurses and school psychologists.
- The limit does not account for unexpected situations, such as a global pandemic.

### PERFECT STORM:

- The State increased the budget without increasing the spending limit. In the 2022 legislative session the legislature invested a historic amount of money in k-12 education, including increasing special education funding and establishing a poverty weight. The expenditure limit doesn't account for any of these changes.
- Proposition 301 was passed by voters in 2000 to levy a six-tenths of a cent sales tax to support education. Voters exempted Prop 301 dollars from the expenditure limit when they approved Proposition 104 in 2002; however, when Prop 301 was extended by the Legislature in 2018, a similar provision to exempt the funds from the limit was not included. This means that the funding generated by Prop 301 (more than \$600M) is not counted towards the AEL.
- The recently restored state District and Special Assistance funding, taken to help balance the state budget during the Great Recession of 2008-2009, also counts towards the limit.

### WHAT NOW?

With a two-thirds vote in each chamber, the Arizona Legislature has the authority to allow schools to exceed the Aggregate Expenditure Limit for one year at a time.

#### If the legislature and Governor act by March 1:

- Schools would have the authority to spend the money that the legislature and the Governor have already provided and school districts have already collected. **This is not new money.**

#### If the legislature and Governor do not act by March 1:

- SUSD and other Arizona school districts will be forced to make drastic budget cuts that will result in the loss of programs, teachers and the ability to keep its 29 schools open for learning.

**YOUR VOICE  
MATTERS!**



**LINK TO STATE  
LEGISLATORS**

Engaging all students in world-class, future-focused learning.

# 2022 State Legislators Representing SCOTTSDALE UNIFIED SCHOOL DISTRICT



**Rep. Joseph Chaplik**  
R-Scottsdale  
email: jchaplik@azleg.gov



**Rep. John Kavanagh**  
R-Fountain Hills  
email: jkavanagh@azleg.gov

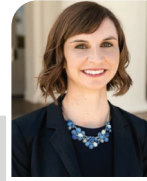


**Sen. Michelle Ugenti-Rita**  
R-Scottsdale  
email: mugenti-rita@azleg.gov

**LEGISLATIVE  
DISTRICT  
23**



**Gov. Doug Ducey**



**Kathy Hoffman**  
Superintendent of  
Public Instruction



**Rep. Jennifer Longdon**  
D-Phoenix  
email: jlongdon@azleg.gov



**Rep. Amish Shah**  
D-Phoenix  
email: ashah@azleg.gov



**Sen. Lela Alston**  
D-Phoenix  
email: lalston@azleg.gov

**LEGISLATIVE  
DISTRICT  
24**



**Rep. Kelli Butler**  
D-Scottsdale  
email: kbutler@azleg.gov



**Rep. Sarah Liguori**  
D-Phoenix  
email: sliguori@azleg.gov



**Sen. Christine Marsh**  
D-Phoenix  
email: cmarsh@azleg.gov

**LEGISLATIVE  
DISTRICT  
28**

