

LAWS OF ARIZONA

CHAPTER 172

Senate Bill 1278

AN ACT

RELATING TO STATE GOVERNMENT; PRESCRIBING ADDITIONAL POWERS AND DUTIES OF ECONOMIC ESTIMATES COMMISSION; PRESCRIBING CERTAIN ADJUSTMENTS OF EXPENDITURE BASE FOR POLITICAL SUBDIVISIONS; AND PROVIDING FOR A CONDITIONAL ENACTMENT, AMENDING TITLE 41, CHAPTER 3, ARTICLE 9, AS AMENDED BY LAWS 1974, CHAPTER 3, SECTION 77, FIRST SPECIAL SESSION, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-643, AND AMENDING TITLE 42, CHAPTER 2, ARTICLE 4, BY ADDING SECTION 42-303.04, ARIZONA REVISED STATUTES, AND PROVIDING FOR A CONDITIONAL ENACTMENT.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 41, chapter 3, article 9, Arizona Revised Statutes, as amended by Laws 1974, chapter 3, section 77, first special session, is amended by adding section 41-643 to read:

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41-643. Additional powers and duties of the commission

A. THE ECONOMIC ESTIMATES COMMISSION SHALL DETERMINE AND PUBLISH PRIOR TO OCTOBER 1 OF EACH YEAR THE MAXIMUM DOLLAR AMOUNT WHICH IS AVAILABLE FOR LEGISLATIVE APPROPRIATION FROM STATE TAX REVENUES PURSUANT TO SECTION 17 OF ARTICLE 9 OF THE CONSTITUTION FOR THE SUCCEEDING FISCAL YEAR. THE DOLLAR AMOUNT AVAILABLE FOR APPROPRIATION FROM STATE TAX REVENUES SHALL BE COMPUTED BY MULTIPLYING TOGETHER THE APPROPRIATION PERCENTAGE LIMITATION FOR THE SUCCEEDING FISCAL YEAR AND THE ESTIMATED TOTAL PERSONAL INCOME OF THE STATE OF ARIZONA FOR THE SUCCEEDING FISCAL YEAR.

B. STATE TAX REVENUE AS USED IN THIS SECTION MEANS THE REVENUE OF THE STATE FOR ITS OWN USE FROM LICENSES, FEES AND PERMITS, AND FROM STATE TAXES ON PROPERTY, INCOME, TRANSACTION PRIVILEGE AND USE, EXCISE, FUEL, LUXURY PRIVILEGE, INSURANCE PREMIUMS, ESTATES, GIFTS, MOTOR CARRIERS, PARI-MUTUEL, COMPENSATION INSURANCE, WATER-CRAFT LICENSES, BINGO RECEIPTS, BOXING AND WRESTLING RECEIPTS, AND ALL OTHER STATE TAXES LEVIED AND COLLECTED FOR ITS USE. STATE TAX REVENUE AS USED IN THIS SECTION DOES NOT INCLUDE FEDERAL, PRIVATE OR OTHER GRANTS, GIFTS, AIDS AND CONTRIBUTIONS, NOR REVENUES FROM SALES AND SERVICES, NOR TRUST AND AGENCY FUNDS, INTRA-STATE SERVICE FUNDS, BOND FUNDS, ENDOWMENT EARNINGS, NOR REVENUES FROM SALES AND SERVICES, DIVIDENDS, INTEREST, NOR TAXES COLLECTED BY THE STATE FOR DISTRIBUTION TO COUNTIES AND INCORPORATED CITIES AND TOWNS.

Sec. 2. Title 42, chapter 2, article 4, Arizona Revised Statutes, is amended by adding section 42-303.04 to read:

42-303.04. Adjustment of expenditure base caused by transfer of cost of program

IF, BY ORDER OF ANY COURT, OR BY LEGISLATIVE ENACTMENT, THE COSTS OF A PROGRAM ARE TRANSFERRED FROM A CITY,

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TOWN OR COUNTY TO THE STATE, THE GOVERNING BODY OF THE CITY, TOWN OR COUNTY SHALL REDUCE THE EXPENDITURE BASE FOR ITS NEXT SUCCEEDING BUDGET BY THE FULL COST OF THE PROGRAM WHICH IS TRANSFERRED. SUCH REDUCTION SHALL BE MADE FOR PURPOSES OF ESTABLISHING A NEW AND CORRECTED BUDGET, LEVY AND ASSESSMENT LIMIT AS PROVIDED IN SECTIONS 42-302, 42-303, AND 42-304. THE REDUCED EXPENDITURE BASE ADOPTED PURSUANT TO THIS SECTION SHALL BE THE BASIS FOR FUTURE BUDGETS OF SUCH COUNTY, CITY OR TOWN.

Sec. 3. Conditional enactment

The provisions of this act shall not become effective until such time as the constitution of Arizona is amended to provide for an economic estimates commission.

Approved by the Governor—May 16, 1974

Filed in the Office of the Secretary of State—May 16, 1974