



AGGREGATE EXPENDITURE LIMIT FACT SHEET

What is the Aggregate Expenditure Limit (AEL)?

In 1980, Arizona voters passed a measure that limits how much all of Arizona's K-12 school districts combined can spend in a school year, known as the aggregate expenditure limit (AEL).

Why have we exceeded the AEL?

- Proposition 301, the voter-approved sales tax initiative that provided funds to our schools was originally exempt from the AEL. But when the legislature reapproved these funds in 2018, they did not include it in the exemption. These once-excluded funds are now included in the AEL, roughly \$600M.
- The decrease in student enrollment last year due to the COVID-19 pandemic caused a lower spending limit this year even though most of those students returned to the classroom for the 21/22 school year.
- The legislature has restored and surpassed the Great Recession cuts to district schools, which means we are spending more than ever educating our children and adding funds that count as part of the AEL. (Of course, this only remains true if we override the AEL.)

What happens if funding goes above the AEL?

The Arizona State Legislature can allow schools to exceed the AEL and spend the dollars that were appropriated to them through the state general fund by a 2/3 vote. Exceeding the AEL is not new money.

What happens if the Arizona Legislature does not override the AEL?

If the legislature does not override the AEL by March 1, 2022, then district schools in Arizona will need to cut \$1.2B statewide from their budgets in the last three months of the school year, money that has already been appropriated and budgeted. Laveen School District would be required to cut its budget by 17%, or \$8.8 million. This represents approximately \$1,400 per student.

Who are Laveen's legislators?

The Laveen area is located in Legislative District 27 and is represented by the following officials.

Senator
Rebecca Rios
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Representative
Reginald Bolding
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Representative
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