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**H.B. 391 2nd Sub. (Gray) - Public School Funding**

**Fiscal Note**

2008 General Session

State of Utah

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**State Impact**

Enactment of this bill would increase sales tax revenue to be allocated to schools by \$633,000,000 in FY 2010. This revenue would be distributed to the schools based on WPU. Due to the provision related to local replacement for charter schools, Uniform School Fund appropriations could decrease by \$21,000,000 to maintain current program funding levels.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
Uniform School Fund	\$0	\$0	(\$21,000,000)	\$0	\$0	\$0
Uniform School Fund	\$0	\$0	\$0	\$0	\$0	\$633,000,000
Property Tax	\$0	\$0	\$0	\$0	\$0	(\$612,000,000)
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$21,000,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,000,000</b>

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**Individual, Business and/or Local Impact**

Enactment of this bill repeals certain property taxes imposed by school districts. Property tax is likely to decrease by \$612,000,000 in FY 2010. Individuals and businesses will experience a property tax decrease and a sales tax increase. The effect on locals and school districts depends on the structure of the respective revenue sources and on the weighted pupil unit. In addition, the repeal of bonding authority may cause a decrease in capital outlay expenditures.