
H.B. 129 - Amendments to Education Financing

Fiscal Note

2010 General Session
State of Utah

State Impact

Enacting this bill freezes the minimum basic state rate and guarantees a minimum amount of property tax revenue from the basic rate. This increases the local portion of the minimum school program by \$5,146,000 in FY 2012 and is distributed through the WPU. Due to recapture, revenue to the Uniform School Fund could increase by \$4,650,000 in FY 2012.

	FY 2010 <u>Approp.</u>	FY 2011 <u>Approp.</u>	FY 2012 <u>Approp.</u>	FY 2010 <u>Revenue</u>	FY 2011 <u>Revenue</u>	FY 2012 <u>Revenue</u>
Uniform School Fund	\$0	\$0	\$0	\$0	\$0	\$4,650,000
Property Tax	\$0	\$0	\$5,146,000	\$0	\$0	\$5,146,000
Total	\$0	\$0	\$5,146,000	\$0	\$0	\$9,796,000

Individual, Business and/or Local Impact

Enacting this bill could increase or decrease revenue to school districts depending upon property tax revenue generated within a district and the funding received by the district through the minimum school program. Because of the revenue increase from the basic rate freeze, other local property taxes decrease by \$5,146,000. If a school district that has a decrease in revenue decides to make up the lost revenue, there will be an increase in property tax on individuals and businesses. There will likely be recapture of \$4,650,000 from school districts to the Uniform School Fund in FY 2012.