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School Finance Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

House Sponsor: Matt MacPherson

LONG TITLE

General Description:

This bill changes the flexible allocation to teacher and classroom salary support.

Highlighted Provisions:

This bill:

- changes the flexible allocation to teacher and classroom salary support; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

53F-2-208, as last amended by Laws of Utah 2025, Chapters 6, 165

53F-2-421, as last amended by Laws of Utah 2025, Chapter 165

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **53F-2-208** is amended to read:

53F-2-208 . Cost of adjustments for growth and inflation.

(1) In accordance with Subsection (5), the Legislature shall annually determine:

- (a) the estimated state cost of adjusting for inflation in the next fiscal year, based on a rolling five-year average ending in the current fiscal year, ongoing state tax fund appropriations to the following programs:

- (i) education for youth in care, described in Section 53E-3-503;
- (ii) concurrent enrollment courses for accelerated foreign language students described in Section 53E-10-307;

- 29 (iii) the Basic Program, described in Part 3, Basic Program (Weighted Pupil Units);
30 (iv) the Adult Education Program, described in Section 53F-2-401;
31 (v) state support of pupil transportation, described in Section 53F-2-402;
32 (vi) the Enhancement for Accelerated Students Program, described in Section
33 53F-2-408;
34 (vii) the Concurrent Enrollment Program, described in Section 53F-2-409;
35 (viii) the juvenile gang and other violent crime prevention and intervention program,
36 described in Section 53F-2-410;
37 (ix) the ~~[flexible allocation]~~ teacher and classroom salary support, described in
38 Section 53F-2-421; and
39 (x) dual language immersion, described in Section 53F-2-502; and
40 (b) the estimated state cost of adjusting for enrollment growth, in the next fiscal year, the
41 current fiscal year's ongoing state tax fund appropriations to the following programs:
42 (i) a program described in Subsection (1)(a);
43 (ii) educator salary adjustments, described in Section 53F-2-405;
44 (iii) the Salary Supplement for Highly Needed Educators Program, described in
45 Section 53F-2-504;
46 (iv) the Voted and Board Local Levy Guarantee programs, described in Section
47 53F-2-601; and
48 (v) charter school local replacement funding, described in Section 53F-2-702.
- 49 (2) The state board shall provide all information necessary to calculate adjustments
50 described in Subsection (1) to the Office of the Legislative Fiscal Analyst no later than
51 October 15 of each year.
- 52 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
53 state board shall make rules to ensure compliance with Subsection (2), including:
54 (a) establishing the necessary information from the LEA, including:
55 (i) fall student enrollment counts;
56 (ii) the number of educators the LEA employs; and
57 (iii) other information as the Utah Code identifies for each program described in
58 Subsection (1); and
59 (b) requiring a deadline for an LEA to provide the information necessary for the state
60 board to comply with Subsection (2).
- 61 (4) If an LEA does not meet the deadline or provide the required information described in
62 Subsection (3), the state board may not use the LEA's information to calculate growth as

- 63 described in Subsection (1)(b).
64 (5)(a) In or before December each year, the Executive Appropriations Committee shall
65 determine:
66 (i) the cost of the inflation adjustment described in Subsection (1)(a); and
67 (ii) the cost of the enrollment growth adjustment described in Subsection (1)(b).
68 (b) The Executive Appropriations Committee shall make the determinations described in
69 Subsection (5)(a) based on recommendations developed by the Office of the
70 Legislative Fiscal Analyst, in consultation with the state board and the Governor's
71 Office of Planning and Budget.
72 (6) Beginning in the 2026 fiscal year, if the Executive Appropriations Committee includes
73 in the public education base budget or the final public education budget an increase in
74 the value of the WPU in excess of the amounts described in Subsection (1)(a), the
75 Executive Appropriations Committee shall also include an appropriation to the Local
76 Levy Growth Account established in Section 53F-9-305 in an amount equivalent to at
77 least 0.5% of the total amount appropriated for WPUs in the relevant budget.

78 Section 2. Section **53F-2-421** is amended to read:

79 **53F-2-421 . Teacher and classroom salary support.**

80 Subject to appropriations in accordance with Section 53F-2-208, the state board shall
81 distribute funds in the MSP [~~flexible allocation~~] teacher and classroom salary support on a
82 WPU basis resulting in LEAs receiving funding proportional to the number of WPUs the LEA
83 generates under the Basic School Program[-] to support compensation for classroom teachers
84 and other aides and paraprofessionals who support classroom instruction.

85 Section 3. **Effective Date.**

86 This bill takes effect on July 1, 2026.