

SB0324S01 compared with SB0324

~~{Omitted text}~~ shows text that was in SB0324 but was omitted in SB0324S01

inserted text shows text that was not in SB0324 but was inserted into SB0324S01

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1 Outcome-based Investment Grant Pilot {Program} Framework

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Calvin R. Musselman

House Sponsor:

2

3 LONG TITLE

4 General Description:

5 This bill establishes the Outcome-based Investment Grant Pilot {Program} Framework to provide a
6 process for administering certain grant funding for projects using measurable outcomes.

7 Highlighted Provisions:

8 This bill:

9 ▶ defines terms;

10 ▶ establishes a pilot framework for a grant administering agency to award grant funding for
11 projects using measurable outcomes;

12 ▶ requires the Office of the Legislative Auditor General to establish evaluation standards and
13 requirements;

14 ▶ requires grant applicants to submit a pre-analysis plan identifying expected outcomes and
15 metrics;

16 ▶ requires the use of independent evaluators to measure project outcomes;

17 ▶ authorizes review of evaluation findings by the Office of the Legislative Auditor General;

18 ▶

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requires certain reporting from the administering agency to a relevant appropriations subcommittee; {and}

20 ▶ includes appropriations for use under the Outcome-based Investment Grant Pilot Framework; and

20 ▶ establishes a sunset date for the {program} pilot framework.

23 Money Appropriated in this Bill:

24 ▶ **This bill appropriates \$9,000,000 in operating and capital budgets for fiscal year 2027, including:**

25 • **\$4,500,000 from Income Tax Fund; and**

26 • **\$4,500,000 from various sources as detailed in this bill.**

28 Other Special Clauses:

29 This bill provides a special effective date.

30 Utah Code Sections Affected:

31 AMENDS:

32 **63I-1-263** , as last amended by Laws of Utah 2025, Chapters 391, 512

33 ENACTS:

34 **63G-6b-402** , Utah Code Annotated 1953

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

37 Section 1. Section 1 is enacted to read:

38 **63G-6b-402. Outcome-based Investment Grant Pilot {Program} Framework.**

34 (1) As used in this section:

35 (a) "Independent evaluator" means an individual or entity that:

36 (i) is not involved in implementing a project receiving grant funding under the {program} pilot framework; and

38 (ii) meets the evaluation standards that the Office of the Legislative Auditor General establishes under this section.

45 **(b) "Evaluation framework" means the evaluation framework the Office of the Legislative Auditor General establishes in accordance with Subsection (5).**

47 **(c) "Pilot framework" means the Outcome-based Investment Grant Pilot Framework that this section establishes.**

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- 40 (b){(d)} "Pre-analysis plan" means a written plan that:
- 41 (i) a grant applicant submits during the grant application process and before beginning project implementation;
- 43 (ii) identifies the specific outcomes the applicant intends the proposed project to achieve;
- 45 (iii) specifies the metrics for measuring each intended outcome of the proposed project;
- 47 (iv) describes the evaluation methodology that will apply to the proposed project, including any comparison to control data or counterfactual approach; and
- 49 (v) complies with the standards that the Office of the Legislative Auditor General establishes under this section.
- 51 {~~(c) {"Program" means the Outcome-based Investment Grant Pilot Program that this section establishes.}~~}
- 53 (2)
- (a) This section creates a pilot framework governing the administration of certain competitive grant {program} programs using measurable outcomes known as the Outcome-based Investment Grant Pilot {Program} Framework.
- 63 (b) This section only applies to a grant that receives funding from an appropriation in which the Legislature expressly declares the intent for the administering agency to administer the grant under the pilot framework.
- 55 (b){(3)} {The} Upon an expression of legislative intent for an agency to administer a grant under the pilot framework in a legislative appropriation, the administering agency shall:
- 56 (i){(a)} administer {the program to fund projects using measurable outcomes} a grant program in accordance with the pilot framework; and
- 57 (ii){(b)} only award grants under the {program} pilot framework for projects that comply with the evaluation framework described in Subsection {(4)} (5).
- 59 (3){(4)}
- (a) An applicant for a grant under the {program} pilot framework shall submit an application:
- 60 (i) in a form that the administering agency prescribes; and
- 61 (ii) that includes a pre-analysis plan that:
- 62 (A) identifies the intended outcomes of the proposed project; and
- 63 (B) provides a significant measurement and evaluation framework to demonstrate the effect of the project on the intended outcomes.

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- 65 (b) The administering agency may not award a grant unless the administering agency determines
that the applicants pre-analysis plan satisfies the evaluation framework requirements described in
Subsection ~~{(4)}~~ (5).
- 68 (4)~~{(5)}~~ The Office of the Legislative Auditor General shall establish:
- 69 (a) an evaluation framework applicable to the ~~{program}~~ pilot framework that includes standards
governing:
- 70 (i) acceptable outcome measures;
- 71 (ii) required elements of a pre-analysis plan;
- 72 (iii) acceptable evaluation methodologies; and
- 73 (iv) minimum data collection and reporting requirements; and
- 74 (b) standards governing independent evaluators, including:
- 75 (i) independence and conflict-of-interest requirements;
- 76 (ii) minimum qualifications and expertise;
- 77 (iii) acceptable evaluation designs and levels of rigor; and
- 78 (iv) reporting and transparency requirements.
- 79 ~~(5){(6)}~~
- (a) A recipient of a grant under this section shall participate in an independent evaluation of the funded
project.
- 81 (b) An independent evaluator shall:
- 82 (i) measure and assess the extent to which the project caused the outcomes identified in the pre-analysis
plan;
- 84 (ii) compare actual outcomes to the projected outcomes in the pre-analysis plan using the metrics
described in the pre-analysis plan; and
- 86 (iii) provide a written report of the independent evaluation to the administering agency.
- 88 (c) ~~{The}~~ Unless the Legislature indicates otherwise in a specific appropriation for a grant under the
framework, the administering agency may use up to 5% of funds the Legislature appropriates to
procure the independent evaluation described in this Subsection ~~{(5)}~~ (6).
- 90 (d) The Office of the Legislative Auditor General may:
- 91 (i) review the findings of an independent evaluation described in this Subsection ~~{(5)}~~ (6); and
- 93 (ii) assess the methodological rigor, validity, and reliability of the evaluation.
- 94

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(6){(7)} The administering agency shall annually report to the agency's relevant legislative appropriations subcommittee regarding the {program} administration of the grant under the pilot framework, including:

96 (a) a summary of the number and type of grants the administering agency awards under the {program} pilot framework;

98 (b) the progress of grant projects;

99 (c) available outcome data;

100 (d) impact data; and

101 (e) the results of any independent evaluations of a grant project.

102 (7){(8)} Nothing in this section requires the administering agency to terminate funding solely based on evaluation results.

120 Section 2. Section **63I-1-263** is amended to read:

121 **63I-1-263. Repeal dates: Titles 63A to 63O.**

106 (1) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July 1, 2028.

108 (2) Title 63C, Chapter 18, Behavioral Health Crisis Response Committee, is repealed December 31, 2026.

110 (3) Title 63C, Chapter 25, State Finance Review Commission, is repealed July 1, 2027.

111 (4) Title 63C, Chapter 27, Cybersecurity Commission, is repealed July 1, 2032.

112 (5) Title 63C, Chapter 28, Ethnic Studies Commission, is repealed July 1, 2026.

113 (6) Title 63C, Chapter 31, State Employee Benefits Advisory Commission, is repealed July 1, 2028.

115 (7) Section 63G-6a-805, Purchase from community rehabilitation programs, is repealed July 1, 2026.

117 (8) Section 63G-6b-402, Outcome-based Investment Grant Pilot {Program} Framework, is repealed July 1, 2031.

119 [(8)] (9) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1, 2028.

121 [(9)] (10) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1, 2029.

123 [(10)] (11) Subsection 63J-1-602.2(16), related to the Communication Habits to reduce Adolescent Threats (CHAT) Pilot Program, is repealed July 1, 2029.

125 [(11)] (12) Subsection 63J-1-602.2(26), regarding the Utah Seismic Safety Commission, is repealed January 1, 2025.

127 [(12)] (13) Section 63L-11-204, Canyon resource management plan, is repealed July 1, 2027.

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- [~~(13)~~] (14) Title 63L, Chapter 11, Part 4, Resource Development Coordinating Committee, is repealed July 1, 2027.
- 130 [~~(14)~~] (15) Title 63M, Chapter 7, Part 7, Domestic Violence Offender Treatment Board, is repealed July 1, 2027.
- 132 [~~(15)~~] (16) Section 63M-7-902, Creation -- Membership -- Terms -- Vacancies -- Expenses, is repealed July 1, 2029.
- 134 [~~(16)~~] (17) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2026.
- 135 [~~(17)~~] (18) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2028.
- 136 [~~(18)~~] (19) Subsection 63N-2-511(1)(b), regarding the Board of Tourism Development, is repealed July 1, 2030.
- 138 [~~(19)~~] (20) Section 63N-2-512, Hotel Impact Mitigation Fund, is repealed July 1, 2028.
- 139 [~~(20)~~] (21) Title 63N, Chapter 3, Part 9, Strategic Innovation Grant Pilot Program, is repealed July 1, 2027.
- 141 [~~(21)~~] (22) Title 63N, Chapter 3, Part 11, Manufacturing Modernization Grant Program, is repealed July 1, 2028.
- 143 [~~(22)~~] (23) Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program, is repealed July 1, 2028.
- 145 [~~(23)~~] (24) Section 63N-4-804, Rural Opportunity Advisory Committee, is repealed July 1, 2027.
- 147 [~~(24)~~] (25) Subsection 63N-4-805(5)(b), regarding the Rural Employment Expansion Program, is repealed July 1, 2028.
- 149 [~~(25)~~] (26) Subsection 63N-7-101(1), regarding the Board of Tourism Development, is repealed July 1, 2030.
- 151 [~~(26)~~] (27) Subsection 63N-7-102(3)(c), regarding a requirement for the Utah Office of Tourism to receive approval from the Board of Tourism Development, is repealed July 1, 2030.
- 154 [~~(27)~~] (28) Title 63N, Chapter 7, Part 2, Board of Tourism Development, is repealed July 1, 2030.
- 172 Section . **FY 2027 Appropriations.**
- 173 The following sums of money are appropriated for the fiscal year beginning July 1,
- 174 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for
- 175 fiscal year 2027.
- 176 Subsection 3(a). **Operating and Capital Budgets**
- 177 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the

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178	Legislature appropriates the following sums of money from the funds or accounts indicated for	
179	the use and support of the government of the state of Utah.	
180	To Utah Board of Higher Education - Administration	
181		4,500,000
182	Schedule of Programs:	
183		4,500,000
184	The Legislature intends that the Utah Board of	
185	Higher Education:	
186	(1) use the funds appropriated in this item to	
187	administer, under the Outcome-based Investment Grant	
188	Pilot Framework described in Section 63G-6b-402, a	
189	grant designed to improve upward mobility through the	
190	use of a digital data inventory to measure improvement	
191	in an individual's educational or economic outcomes,	
192	including:	
193	(a) educational attainment or credential	
194	completion;	
195	(b) persistence, transfer, or completion within	
196	postsecondary education	
197	(c) employment, job placement, or labor market	
198	attachment;	
199	(d) earnings, wage growth, or income stability; or	
200	(e) other indicators of economic opportunity or	
201	advancement; and	
202	(2) provide the reports described in Subsection	
203	63G-6b-402 to the Higher Education Appropriations	
204	Subcommittee.	
205	To State Board of Education - Contracted Initiatives and Grants	
206		4,500,000
208	Schedule of Programs:	
209		4,500,000

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210 The Legislature intends that the State Board of
211 Education:
212 (1)use the funds appropriated in this item to
213 administer a grant under the Outcome-based Investment
214 Grant Pilot Framework described in Section 63G-6b-402
215 for up to two local education agencies to create a
216 comprehensive school improvement pilot program for
217 one or more chronically under-performing schools that:
218 (a) uses evidence-based practices, modeled on
219 the practices the Houston Independent School District
220 implemented in underperforming campuses beginning in
221 June 1, 2023, to:
222 (i) hold teachers and principals to clear and
223 measurable performance expectations tied to
224 improvement in student outcomes; and
225 (ii) recruit and retain high-quality educators and
226 school leaders through enhanced compensation for
227 teachers and principals who meet the performance
228 expectations, intensive coaching, extended planning time,
229 centralized instructional supports, targeted professional
230 development aligned to school-specific needs;
231 (b) may provide funding to:
232 (i) create clearly defined performance standards,
233 frequent assessment of student learning, and transparent
234 evaluation systems tied to demonstrated instructional
235 effectiveness and student outcomes;
236 (ii) support rigorous accountability structures for
237 educators and students; and
238 (iii) support program design, staffing,
239 compensation adjustments instructional coaching,
240 curriculum alignment, extended planning time, and

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241 evaluation; and
242 (c) does not support general operations or
243 otherwise supplant or displace existing funding; and
244 (2) provide the reports described in Subsection
245 63G-6b-402 to the Public Education Appropriations
246 Subcommittee.

247 Section 4. **Effective date.**

Effective Date.

This bill takes effect on July 1, 2026.

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