



Fiscal Note

H.B. 458

2015 General Session
Charter School Property Tax Funding
by Powell, K.



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$55,000,000	\$0	\$55,000,000

State Government

UCA 36-12-13(2)(b)

Enactment of this bill could increase the local property tax revenue for the Charter School Local Replacement program by approximately \$70 million annually beginning in FY 2016.

Revenues	FY 2015	FY 2016	FY 2017
Local Revenue	\$0	\$70,000,000	\$70,000,000
Total Revenues	\$0	\$70,000,000	\$70,000,000

Enactment of this bill could reduce the state cost of the Charter School Local Replacement program by approximately \$55 million from the Education Fund. Further, the corresponding property tax increase will provide approximately \$70 million in additional property tax revenue to support the cost of the program. The difference equals approximately \$15 million in school district contributions under the current funding formula.

Expenditures	FY 2015	FY 2016	FY 2017
Education Fund	\$0	\$(55,000,000)	\$(55,000,000)
Local Revenue	\$0	\$70,000,000	\$70,000,000
Total Expenditures	\$0	\$15,000,000	\$15,000,000

Net All Funds	\$0	\$55,000,000	\$55,000,000
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Local Government

UCA 36-12-13(2)(c)

Enactment of this bill could result in a statewide increase of property taxes by approximately \$70 million annually beginning in FY 2016. The amount will vary in each school district depending on the property values and the number of resident students attending charter schools. The amount would be collected by county treasurers and remitted to the State School Board for distribution to charter schools.

Individuals & Businesses

UCA 36-12-13(2)(d)

Individuals and business could see an increase in property taxes based on the number of resident students attending charter schools in their area. The statewide estimated net effect is \$70 million annually.

No performance note required for this bill
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Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.