



Fiscal Note
S.B. 244 2nd Sub. (Salmon)
2016 General Session
School Funding Provisions
by Fillmore, L. (McCay, Daniel.)



General, Education, and Uniform School Funds

JR4-5-101

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

State Government

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

Enactment of this legislation likely will not materially impact state revenue.

| Revenues | FY 2016 | FY 2017 | FY 2018 |
|----------------|---------|---------|---------|
| Total Revenues | \$0 | \$0 | \$0 |

Beginning in FY 2018, enactment of this bill directs the Legislature to appropriate an amount equal to 1/3 of the funds allocated to increase the weighted pupil unit value to increase the number of tax increments guaranteed by the state through the Voted & Board Local Levy Programs. It is not known what the WPU Value increase will be in FY 2018. Assuming a 3 percent increase at a total cost of approximately \$82.5 million, a total of \$27.5 million (1/3) would be used to support the state guarantee. In future years, the Legislature may need to adjust the state guarantee rate amount or the number of tax increments guaranteed in order to balance program costs with the amount of funding appropriated.

| Expenditures | FY 2016 | FY 2017 | FY 2018 |
|--------------------|---------|---------|---------|
| Total Expenditures | \$0 | \$0 | \$0 |

| | | | |
|---------------|-----|-----|-----|
| Net All Funds | \$0 | \$0 | \$0 |
|---------------|-----|-----|-----|

Local Government

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

Beginning in FY 2018, school districts may qualify to receive the state guarantee funding for each tax increment (0.0001) under the Voted & Board Local Levy programs. The amount for each school district will vary depending on the number of qualifying tax increments levied by the school district, the revenue generated by the levy per weighted pupil unit (WPU), the state guarantee rate set by the Legislature, and the amount of funding appropriated by the Legislature in FY 2018. Currently, the state guarantee rate is estimated at \$38.54 per WPU for each tax increment (up to a total of twenty (0.002) increments).

Individuals & Businesses

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

Enactment of this legislation likely will not result in direct, measurable expenditures by Utah residents or businesses.

| |
|--|
| No performance note required for this bill |
|--|

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.