



**Fiscal Note**  
**S.B. 104**

2020 General Session  
Local Education Levy State Guarantee  
Amendments  
by Fillmore, L.



**General, Education, and Uniform School Funds**

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(33,690,000)	\$0	\$(33,690,000)

**State Government**

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

Revenues	FY 2020	FY 2021	FY 2022
Total Revenues	\$0	\$0	\$0

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

Expenditures	FY 2020	FY 2021	FY 2022
Education Fund	\$0	\$33,690,000	\$33,690,000
Total Expenditures	\$0	\$33,690,000	\$33,690,000

Enactment of this bill may cost the State Board of Education \$33,690,000 ongoing from the Education Fund beginning in FY 2021 to implement the annual appropriation guarantee provisions for the Voted and Board Local Levy Programs as outlined in the bill. Statute guarantees that if a school district levies a Voted or Board property tax rate, the state will guarantee that the district receives a minimum level of funding per weighted pupil unit (WPU) for each tax increment levied (tax rate of 0.0001). Currently, the state guarantees up to 20 tax increments and this bill increases the total to 45 concluding in FY 2029. FY 2021 estimates indicate that the state cost to provide the state guarantee rate for each additional increment is \$6.5 million. For fiscal years 2021, 2022, and 2023, the cost to increase the number of property tax increments guaranteed will be paid from the Education Fund Restricted - Local Levy Growth Account. Estimates suggest that revenue to the restricted account will grow by approximately \$21.2 million in FY 2021. Original estimates show the state guarantee rate will increase from \$44.98 to \$48.26 per WPU in FY 2021 and enactment of this bill may reduce the final rate to \$47.59 in order to pay costs associated with the initial increment increase in FY 2021. In future years, this cost to increase the number of guaranteed property tax increments will vary depending on the state guarantee rate set by the Legislature and the amount of local property tax revenue generated by the school district for each WPU.

	FY 2020	FY 2021	FY 2022
<b>Net All Funds</b>	\$0	\$(33,690,000)	\$(33,690,000)

**Local Government**

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

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

**Individuals & Businesses**

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

Enactment of this legislation likely will not result in direct expenditures from tax or fee changes for Utah residents and businesses.

**Regulatory Impact**

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

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

**Performance Note**

JR4-2-404

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.