



Fiscal Note

H.B. 393

2024 General Session
 Services for People with Disabilities
 by Dailey-Provost, J.



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(1,700)	\$(200,000,800)	\$(200,002,500)

State Government

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

Revenues	FY 2024	FY 2025	FY 2026
Income Tax Fund, One-time	\$20,000,000	\$0	\$0
Beginning Nonlapsing	\$0	\$10,000,000	\$0
New Account Created By Bill (FN Only)	\$400,000,000	\$200,000,000	\$20,000,000
Closing Nonlapsing	\$(410,000,000)	\$(200,000,000)	\$(10,000,000)
Total Revenues	\$10,000,000	\$10,000,000	\$10,000,000

Enactment of this legislation would transfer \$400,000,000 one-time in FY 2024 from the Income Tax Fund and \$200,000,000 one-time in FY 2025 from the General Fund to the Services for People with Disabilities Perpetual Trust Fund. Additionally, \$20,000,000 would be transferred one-time in FY 2024 from interest earned on American Rescue Plan Act grants to the Income Tax Fund.

Enactment of this bill would also allocate 5% of General Fund revenue surplus to the Services for People with Disabilities Perpetual Trust Fund in Fiscal Years 2024 and 2025, however the amount of any future surplus is unknown.

Beginning in FY 2025, the Trust Fund would accumulate investment earnings, half of which would remain in the fund. Assuming a 5% return on the \$400,000,000 balance, this could generate \$20,000,000 in investment earnings per year beginning in FY 2026.

Expenditures	FY 2024	FY 2025	FY 2026
General Fund	\$0	\$1,700	\$1,700
General Fund, One-time	\$800	\$200,000,000	\$0
Income Tax Fund, One-time	\$10,000,000	\$10,000,000	\$0
ARPA Administrative Fund	\$20,000,000	\$0	\$0
New Account Created By Bill (FN Only)	\$0	\$0	\$10,000,000
Total Expenditures	\$30,000,800	\$210,001,700	\$10,001,700

Enactment of this legislation would reduce appropriations to Debt Service from the Income Tax Fund by \$400,000,000 one-time in FY 2024 and transfer \$400,000,000 one-time from the Income Tax Fund in FY 2024 and \$200,000,000 one-time from the General Fund in FY 2025 into the Perpetual

Trust Fund created by the bill. This legislation would further transfer \$20,000,000 from the ARPA Administrative Account to the Income Tax Fund.

The bill could cost the Department of Health and Human Services \$10,000,000 one-time from the Income Tax Fund in both FY 2024 and FY 2025 to provide Community Supports Waiver services. Future expenditures from the new trust fund created by this account would depend on the account's investment earnings. Assuming a 5 percent annual return on \$400,000,000 balance at the end of FY 2025, the bill could cost the Department of Health and Human Services \$10,000,000 annually from the new trust fund beginning in FY 2026 for support services.

Enactment of the legislation could cost the Department of Government Operations \$800 one-time in FY 2024, and \$1,700 ongoing beginning in FY 2025 for personnel costs to manage the trust fund.

	FY 2024	FY 2025	FY 2026
Net All Funds	<u>\$(20,000,800)</u>	<u>\$(200,001,700)</u>	<u>\$(1,700)</u>

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)(c)

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)(d)

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

Performance Evaluation

JR1-4-601

This bill does not create a new program or significantly expand an existing program.

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.