



Fiscal Note
H.B. 533

2024 General Session
Small School District Scale of Operations
Formula
by Peterson, K.



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$ (28,593,200)	\$ (5,375,000)	\$ (33,968,200)

State Government

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

Revenues	FY 2024	FY 2025	FY 2026
Total Revenues	\$0	\$0	\$0

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

Expenditures	FY 2024	FY 2025	FY 2026
Uniform School Fund	\$0	\$28,593,200	\$28,593,200
Uniform School Fund, One-time	\$0	\$5,375,000	\$0
Total Expenditures	\$0	\$33,968,200	\$28,593,200

Enactment of this legislation may cost the State Board of Education \$28,593,200 ongoing from the Uniform School Fund beginning in FY 2025 to implement the formula changes for the Necessarily Existent Small Schools program as outlined in the bill. This amount is in addition to the ongoing base appropriation for the NESS program of \$47,366,800.

Provisions outlined in the bill provide a five-year step down hold harmless for school districts receiving less under the new formula than their NESS allocation in FY 2024. This hold harmless is estimated to cost the State Board of Education \$5,375,000 one-time from the Uniform School Fund beginning in FY 2025. This amount funds the cost of the hold harmless for all five years.

	FY 2024	FY 2025	FY 2026
Net All Funds	\$0	\$ (33,968,200)	\$ (28,593,200)

Local Government

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

Enactment of this legislation may increase or decrease allocations to certain school districts based on allocations under the current Necessarily Existent Small Schools Program and the new formula outlined in the bill. The changes by school district range from a decrease of \$1.6 million to an increase of \$2.4 million.

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.