



Fiscal Note
3rd Sub. H.B. 502 (Cherry)
 2026 General Session
 School Attendance Modifications
 by Welton, Doug



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(19,500)	\$(3,924,300)	\$(3,943,800)

State Government

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

Revenues	FY 2026	FY 2027	FY 2028
New Account Created By Bill (FN Only)	\$0	\$30,000	\$30,000
Total Revenues	\$0	\$30,000	\$30,000

Enactment of this legislation could increase revenue to the newly created Citizenship Scholarship Fund by \$30,000 ongoing beginning in FY 2027 as a result of donations.

Expenditures	FY 2026	FY 2027	FY 2028
General Fund	\$0	\$1,900	\$1,900
General Fund, One-time	\$900	\$0	\$0
New Account Created By Bill (FN Only)	\$0	\$26,500	\$26,500
Income Tax Fund	\$0	\$17,600	\$17,600
Income Tax Fund, One-time	\$0	\$3,923,400	\$0
Total Expenditures	\$900	\$3,969,400	\$46,000

Enactment of this legislation could cost the Utah State Board of Higher Education (USHE) \$17,600 ongoing and \$25,000 one-time from the Income Tax Fund beginning in FY 2027 for issuing scholarships and updating rules as outline in the bill. Those costs can be absorbed by USHE.

Enactment of this legislation could also cost USHE \$30,000 annually from the Citizenship Scholarship Fund beginning in FY 2027 to distribute scholarships outlined in the bill.

Enactment of this legislation could cost the Tax Commission \$3,900 one-time in FY 2027 from the Income Tax Fund for system changes.

Enactment of this legislation could cost the Department of Government Operations \$1,900 ongoing beginning in FY 2027 and \$900 one-time in FY 2026 from the General Fund to set up and maintain the new fund.

Enactment of this legislation could also cost the State Board of Education \$3,894,500 one-time from the Income Tax Fund in FY 2027 for the development of test-out assessments for grades 9-12.

	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>
Net All Funds	<u>\$(900)</u>	<u>\$(3,939,400)</u>	<u>\$(16,000)</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)

An estimated 1,500 individuals may contribute an average of \$20 to the Citizenship Scholarship Fund, for an aggregate amount of \$30,000.

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 creates a new program or significantly expands an existing program.
 For a list of questions lawmakers might ask to improve accountability for the proposed program, please see: <https://budget.utah.gov/newprogram>

Notes on Notes

Fiscal explanations 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 explanation is not an appropriation. The Legislature decides appropriations separately.