



## Fiscal Note

### H.B. 399

2026 General Session  
Primary and Secondary Education  
Amendments  
by Lee, Trevor



#### General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(580,600)	\$(770,100)	\$(1,350,700)

#### State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Total Revenues	\$0	\$0	\$0
Enactment of this legislation likely will not materially impact state revenue.			
Expenditures	FY 2026	FY 2027	FY 2028
General Fund	\$0	\$580,600	\$580,600
General Fund, One-time	\$0	\$93,000	\$0
Income Tax Fund, One-time	\$0	\$677,100	\$0
Total Expenditures	\$0	\$1,350,700	\$580,600

Enactment of this legislation could cost the State Auditor \$480,600 ongoing from the General Fund beginning in FY 2027 for the oversight and compliance enforcement as outlined in the bill. Enactment of this legislation could additionally cost the State Auditor \$93,000 one-time from the General Fund in FY 2027 for the creation and initial setup of an enforcement and compliance framework.

Enactment of this legislation could cost the State Board of Education \$677,100 one-time from the Income Tax Fund in FY 2027 to review and revise and align core standards, assessments, and existing contracts to ensure compliance as outlined in the bill.

Enactment of this legislation could cost Risk Management \$100,000 ongoing from the General Fund beginning in FY 2027 for increased risk premiums.

	FY 2026	FY 2027	FY 2028
Net All Funds	\$0	\$(1,350,700)	\$(580,600)

#### Local Government

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

Enactment of this legislation could cost local education agencies (LEAs) one-time and ongoing amounts beginning in FY 2027 to replace noncompliant curriculum and restructure student support systems. One-time curriculum and materials costs are estimated at \$100 million to \$400 million statewide, while ongoing costs may result from increased IEP and 504 evaluations, staffing, and service delivery, with estimated impacts ranging from \$10,000 for smaller LEAs to over \$1.0 million for

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larger LEAs, plus training and administrative restructuring costs. The total impact is indeterminate and varies by LEA size and implementation.

Additionally, to the extent that a local education agency (LEA) is found to be in violation of the character education restrictions and assessed fines, enactment of this legislation could result in \$2,500 per occurrence and after 14 calendar days an additional \$10,000 per day of non compliance beginning in FY 2027.

### ***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 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.