Fiscal Note
1st Sub. S.B. 322 (Green)
2026 General Session
Educational Technology Regulatory Sandbox
by Johnson, John D.

General, Income Tax, and Uniform School Funds JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	$(830,300)	$(71,600)	$(901,900)

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

Revenues	*FY 2026*	*FY 2027*	*FY 2028*
Commerce Service Account, One-time	$0	$41,600	$0
General Fund, One-time	$0	$(41,600)	$0
Total Revenues	$0	$0	$0

Enactment could decrease the annual transfer from the Commerce Service Account to the General Fund by $41,600 one-time in FY 2027 as a result of the expenditures listed below.

Expenditures	*FY 2026*	*FY 2027*	*FY 2028*
Commerce Service Account, One-time	$0	$41,600	$0
General Fund	$0	$225,000	$225,000
General Fund, One-time	$0	$10,000	$0
Income Tax Fund	$0	$605,300	$605,300
Income Tax Fund, One-time	$0	$20,000	$0
Total Expenditures	$0	$901,900	$830,300

Enactment of this legislation could cost the Governor's Office of Economic Opportunity $225,000 ongoing and $10,000 One-time from the General Fund beginning in FY 2027 for the administration of the Utah Artificial Intelligence Regulatory Sandbox for public education as outlined in the bill.

Enactment of this legislation could cost the State Board of Education $605,300 ongoing and $20,000 one-time from the Income Tax Fund beginning in FY 2027 to support the administration, training, technical assistance, reporting, and compliance responsibilities as outlined in the bill.

Enactment of this legislation could cost the Department of Commerce $41,600 one-time from the Commerce Service Account in FY 2027 for conducting policy development, stakeholder coordination, regulatory analysis, and related administrative updates within the Office for AI Policy, Regulation & Innovation.

	FY 2026	FY 2027	FY 2028
Net All Funds	$0	$(901,900)	$(830,300)

Local Government

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

To the extent that a Local Education Agency (LEA) is not currently implementing or supporting Artificial Intelligence tools, enactment of this legislation could cost LEAs an estimated $70,000 ongoing beginning in FY 2027 to hire an IT Specialist to fulfill the administrative, compliance, and reporting requirements established in the bill.

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 could result in a small increase in 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.