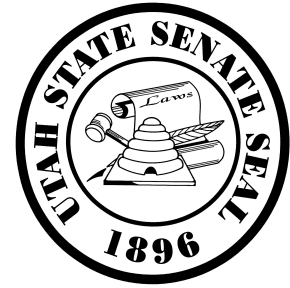




Fiscal Note

S.B. 187

2022 General Session
 Fossil Fuels Tax Amendments
 by Kitchen, D.



General, Education, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(10,700)	\$9,800	\$(900)

State Government

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

Revenues	FY 2022	FY 2023	FY 2024
General Fund	\$0	\$5,000,000	\$5,000,000
General Fund, One-time	\$0	\$(5,000,000)	\$(5,000,000)
Transportation Investment Fund of 2005	\$0	\$0	\$2,191,800
Aeronautics Restricted Account	\$0	\$0	\$9,092,100
Pass-through	\$0	\$0	\$2,909,000
New Account Created By Bill (FN Only)	\$0	\$0	\$20,000,000
Total Revenues	\$0	\$0	\$34,192,900

Enactment of this legislation could have the following revenue effects: increase in revenue to the Aeronautics Restricted Account of \$9.1 million one-time in FY2024, \$22.8 million one-time in FY2025, and \$24.5 million ongoing beginning in FY2026; increase in revenue to the Transportation Investment Fund of \$2.2 million one-time in FY2024, \$5.5 million one-time in FY2025, and \$5.9 million ongoing beginning in FY2026; increase in revenue to the newly-created Carbon Emissions Revenue Restricted Account of \$20.0 million one-time in FY2024; increase in pass-through revenue to Utah Transit Authority of \$2.9 million one-time in FY2024 and \$50.0 million ongoing beginning in FY2025; increase in revenue to the Clean Air Support Restricted Account of \$5.0 million ongoing beginning in FY2025; increase in revenue to the Governor's Office of Economic Opportunity of \$5.0 million ongoing beginning in FY2025; and increase in revenue to the newly-created Carbon Emissions Tax Refund Restricted Account of \$213.6 million one-time in FY2025 and \$242.0 million ongoing beginning in FY2026.

Expenditures	FY 2022	FY 2023	FY 2024
General Fund	\$0	\$5,010,700	\$5,010,700
General Fund, One-time	\$900	\$(5,010,700)	\$(4,419,000)
Transportation Investment Fund of 2005	\$0	\$0	\$2,190,900
Aeronautics Restricted Account	\$0	\$0	\$9,092,100
Pass-through	\$0	\$0	\$2,909,000

New Account Created By Bill (FN Only)	\$0	\$0	\$20,000,000
Total Expenditures	\$900	\$0	\$34,783,700

Enactment of this legislation could cost the Department of Environmental Quality approximately \$6,700 ongoing beginning in FY2024 and \$10,300 one-time in FY2024 for personnel costs for program administration; these costs can be absorbed. Enactment of this legislation could also cost the Division of Finance approximately \$900 one-time in FY2022 and \$5,800 one-time in FY2024, as well as \$4,000 ongoing beginning in FY2024, from the General Fund to create and manage new funds. Enactment of this legislation could also cost the Tax Commission approximately \$564,900 one-time from the General Fund in FY2024 for system reprogramming costs. Enactment of this legislation could also increase expenditures for the following accounts/programs in the following amounts for statutorily approved purposes: Aeronautics Restricted Account: \$9.1 million one-time in FY2024, \$22.8 million one-time in FY2025, and \$24.5 million ongoing beginning in FY2026; Transportation Investment Fund: \$2.2 million one-time in FY2024, \$5.5 million one-time in FY2025, and \$5.9 million ongoing beginning in FY2026; Clean Air Support Restricted Account: \$5.0 million ongoing beginning in FY2025; Governor's Office of Economic Opportunity Rural Employment Expansion Program: \$5.0 million ongoing beginning in FY2025. Enactment of this legislation could also result in an ongoing \$50.0 million pass-through expenditure from the Department of Transportation to Utah Transit Authority to compensate for lost fare revenue. Enactment of this legislation could also result in a one-time transfer expenditure from the newly created Carbon Emissions Revenue Restricted Account to the newly created Carbon Emissions Tax Refund Restricted Account in the amount of \$20.0 million in FY2024.

	FY 2022	FY 2023	FY 2024
Net All Funds	<u>\$ (900)</u>	<u>\$ 0</u>	<u>\$ (590,800)</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 could reduce state sales taxes paid by businesses and individuals; the estimated aggregate impact is a reduction of \$103.6 million in FY2024, \$259.9 million in FY2025, and \$271.6 million in FY2026. Enactment of this legislation could also increase carbon emissions taxes paid by businesses and individuals; the estimated aggregate impact is an increase of \$137.8 million in FY2024, \$609.8 million in FY2025, and \$652.8 million in FY2026.

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 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.