

# THE FISCAL NOTE PROCESS IN STATE LEGISLATURES

Created by Violet Baffour  
North Carolina General Assembly  
Fiscal Research Division

## Table of Contents

Introduction  
Summary  
Fiscal Notes Survey  
Results  
Resource Persons Database  
Acknowledgements

The survey aims at examining the Fiscal Note process in State Legislatures. To this end, 48 State Legislative Fiscal Offices were contacted for information. Of the 48 states, 40 responded.

The survey was divided into 3 parts focusing on: (i) Fiscal Staff (i.e. How State Fiscal Offices are organized and staffed for the preparation of Fiscal Notes), (ii) Process for Preparing Fiscal Notes, and (iii) Fiscal Note Requirements.

*The survey was designed to answer the following questions in the respective sections of the survey:*

### Part 1- Fiscal Staff

- 1. Which Agency is responsible for preparing fiscal notes?*
- 2. How many Full- time and/ or Session- only employees staff this Agency?*
- 3. What kind of training in preparing fiscal notes, if any, does the Agency offer employees?*
- 4. What is the effect of preparing Fiscal notes on the agency's workload?*

### Part 2- Process for Preparation of Fiscal Notes

- 1. Describe the Agency's process for preparing fiscal notes.*
- 2. Describe the Agency's process for prioritizing fiscal note requests.*
- 3. Describe the Agency's process for developing assumptions and range estimates about a bill's fiscal impact.*
- 4. (i) Are fiscal note revision requests made to the agency?  
(ii) What is the process for requesting fiscal note revisions?  
(iii) What are the most frequent reasons for revision requests?*

### Part 3- Fiscal Note Requirements

- 1. What types of legislation require Fiscal Notes?*
- 2. Estimate the average number of fiscal notes prepared by the Agency in each legislative session.*
- 3. Do fiscal notes accompany bills in the Bill Jacket upon introduction in the Chamber?*

## Summary

### Part 1- Staff (40 Respondents)

- 33 of the 40 responding States provide a training process in Fiscal Notes preparation for new staff.
- 3 of the 40 respondent States (i.e. GA, MS, SD) do not provide any formal training for new staff.

- 4 of the 40 respondent states (i.e. AL, CT, ND and WV) did not provide information pertaining to training fiscal staff.
- 34 of the 40 respondent States have Legislative Fiscal offices responsible for preparing fiscal notes.
- 6 of the 40 respondent States (i.e. AK, KS, MN, MT, ND, and WV) assign Fiscal Note requests to the applicable executive agencies.
- Of the 6, 1(i.e. MT) is the Governor's Budget Office.
- 29 of the 40 respondent States have full- time personnel only.
- 7 of the 40 respondent States have session- only staff (in addition to full- time personnel).
- Information could not be determined in 4 States (i.e. AL, CT, ND, WV).
- Of the 40 respondent States, Florida has the largest staff (200 professional staff and 20 interns).
- Of the 40 respondent States, Texas has the second largest staff (70 full- time professional staff and 30 administrative/ computer staff).

### Part 2-Process for Preparing Fiscal notes (37 Respondents)

- Of the 37 respondent States, 27 have a centralized process (i.e. a formal hierarchical assignment, review and approval structure) in how fiscal notes are prepared and processed.
- Of the 37 respondent States, 5 have a decentralized process in how fiscal notes are prepared and processed (i.e. an informal assignment, review, and approval structure).
- The nature of the fiscal note process could not be determined from the responses provided by Colorado, Massachusetts, North Dakota, New Jersey and West Virginia.
- Of the 37 respondent States, 15 have a formal, structured prioritization process.
- 19 of the 37 respondent States operate on a "first come, first served" basis in processing fiscal note requests.
- Nature of the Process could not be determined in Arizona.

### Part 3- Fiscal Note Requirements (38 Respondents)

- Of the 38 respondent States, 28 do not require fiscal notes on all bills.
- Of the 38 respondent States, 10 require fiscal notes on all bills.
- In 14 of the 38 respondent States, fiscal notes accompany bills in the Bill Jacket upon introduction in the Chamber.
- In 19 of the 38 respondent States, fiscal notes do not accompany bills in the Bill Jacket upon introduction in the Chamber.
- 5 of the 38 respondent States (i.e. AR, CT, IL, ME, and WV) did not provide information specifying whether fiscal notes accompanied bills in bill jackets upon introduction in the Chamber.

Prepared by Violet Baffour  
 North Carolina General Assembly  
 Fiscal Research Division  
 Suite 619 LOB  
 Raleigh, NC 27603  
 Phone: 919-733-4910  
 Fax: 919-715-3589

**Part 1- Staff**

<b>State</b>	<b>Agency responsible for preparing fiscal notes</b>	<b>Number of Full- time/ Session- only personnel</b>	<b>Training process for Fiscal Notes preparation</b>	<b>Effect of Fiscal notes on agency workload</b>
AK	All agencies/ divisions as necessary.	Usually full- time	Instructions via memorandum	Increased work is substantial among the agencies.
AL	Staff actuary for the Joint Committee on Retirement and Social Security Programs	No information available	No information available	No information available
AR	No information available	No information available	No information available	No information available
AZ	Joint Legislative Budget Committee (JLBC)	34 full- time personnel, 1- 2 interns.	Analysts provided fiscal note manual that includes formatting rules and general guidelines for the preparation of fiscal notes. New analysts receive additional training and have their work reviewed by senior staff member.	Fiscal notes consume approx. 30% of analyst's time and 50% of an economist's time.
CA	The Committee Staff	Full- time, 9	Former employees of the Office of the Legislative Analyst who provide training and practical experience. Staff also receives on- the- job training.	Preparation of Fiscal Notes is sole workload.
CO	Legislative Council/ Fiscal Note Section	Full- time, 7 analysts, 1 staff assistant	Internal training by Fiscal Note Manager	The preparation of fiscal notes is the sole activity of the fiscal note staff during the session.
CT	Office of Fiscal Analysis	No information available	No information available	No information available
DE	No information available	No information available	No information available	No information available
FL	Fiscal Responsibility Council (requests fiscal notes from agencies/ associations on whom bill may have a fiscal impact)	200 professional committee staff and 20 interns.	Internal staff development program. Senior staff used to train all new staff. Training offered several times a year.	Major part of workload and responsibility.
GA	Budget Division	Full- time personnel; 22 full- time, including 3 directors	None—work jointly with auditors at the Dept. of Auditors.	Very little effect on workload; 80% of requests for fiscal notes pertain to state income taxes; Economist for GA drafts all fiscal notes effecting state income taxes
HI	No information available	No information available	No information available	No information available
ID	Legislative Services Office (LSO)	11 full- time analysts in budget office.	Fiscal notes guide line provided.	Not material since notes are prepared on only appropriations bills.
IL	Long- Term Debt Unit and Revenue Unit	5 full- time analysts	All analysts hold Master's degrees in various fields, receive training and practice analyses.	Extremely busy in February, March, and May.
IN	Office of Fiscal and Management Analysis (OFMA)	16 full- time employees	Instruction concerning writing methods, use of manual containing instructions as well as advice on data gathering.	Primary duty for 2-3 months prior to be
IA	Legislative Fiscal Bureau	27 full- time employees	Fiscal note guide, staff training to new staff and refresher for existing staff.	Increases workload.

<b>State</b>	<b>Agency responsible for preparing fiscal notes</b>	<b>Number of Full- time/ Session- only personnel</b>	<b>Training process for Fiscal Notes preparation</b>	<b>Effect of Fiscal notes on agency workload</b>
KS	Division of the Budget (exec. Branch agency)	20 (16 full- time analysts, 4 support staff).	Division has established procedures- new Analysts are trained in the process.	During legislative session, analysts spend 50%
KY	1. Budget Review Office (B.R) 2. Appropriations and Revenue Office (A.R.O)	1. 14 full- time in B.R 2. 4 full- time in A.R.O	NCSL Development Seminar; internal Supervisory Training	Significant impact on workload.
LA	Legislative Fiscal Office (LFO)	19 professional staff persons and 3 clerical employees.	Training by senior staff of the Office.	Accounts for 75% of workload.
ME	Office of Fiscal & Program Review (OFPR)	8 full- time personnel, 2 full- time secretaries, 1 session- only secretary	Internal training- most people hired have good working understanding of Maine State Government budget processes, including fiscal notes.	Major driver of workload.
MD	Department of Legislative Services	13 full- time analysts, 4 full- time support staff, 3 session- only support staff.	In- house training of fiscal note system by manager and other analysts.	Workload heavier during session.
MA	Ways and Means Committee	20 full- time personnel	No training specific to fiscal notes. There is, however, extensive training on budget preparation, which includes determining the fiscal impact of proposed legislation.	No effect- fiscal note is the last part of a completed appropriations bill. Hence, it is not a major part of the process.
MI	House and Senate Fiscal Agencies	House Fiscal Agency- 28 full- time analysts	Procedural Guidelines, Training by Senior staff.	Workload depends on workload of standing committee.
MN	Affected State agency	17 full- time personnel	Dept. of Finance provides fiscal note policy and system training offered along with manual each year prior to legislative session. Training also provided by some agencies.	Budget division staff work long hours in preparation for and during legislative session.
MS	Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER), Legislative Budget Office (LBO), Dept. of Finance and Administration, State Tax Commission, State Auditor, Legislative Reference Bureau, any agency with jurisdiction over bill's subject matter.	PEER committee has 30 full- time personnel	No formal training process at PEER. New staff members work with senior staff. Managers who oversee fiscal note process have considerable experience in preparing fiscal notes.	Production of some items delayed when demand for fiscal notes is high.
MO	Oversight Division	Approximately 18 full- time	On- the- job training, mentoring, NCSL seminars and conferences, continuing education.	Extremely busy. During session, staff is dedicated entirely to fiscal note preparation.
MT	Governor's Budget Office	18 full- time analysts and 1 session- only analyst	Instruction booklet and on- the- job training.	Significant impact on workload.

<b>State</b>	<b>Agency responsible for preparing fiscal notes</b>	<b>Number of Full- time/ Session- only personnel</b>	<b>Training process for Fiscal Notes preparation</b>	<b>Effect of Fiscal notes on agency workload</b>
NC	Fiscal Research Division	27 full- time and 3 session- only analysts	No formal training session—on- the- job training, as well as statutory guidelines and templates.	Significant impact on workload
ND	Affected State agency	N/A	Each agency has its own process.	Varies by agency
NE	Legislative Fiscal Office (LFO)	14 full- time employees	New employees tutored on a one-on- one basis on how to prepare fiscal notes, including research methods, legislative rules, etc. by their designated supervisor.	Greatly increases workload in first 3 months of session.
NH	Office of Legislative Budget Assistant- Budget Division	7 full- time analysts	Instructional material provided	Information not available
NJ	Legislative Budget and Finance Office	18 full- time analysts	Informal training as well as Fiscal Note manual provided	Increased workload during budget season.
NM	No information available	No information available	No information available	No information available
NV	Legislative Counsel Bureau- Fiscal Analysis Division	2 full- time staff assigned to fiscal notes.	On- the job training, Statutes, as well as document review.	40-60 hours per week for each staff member until deadlines for bills to clear committee of house of origin (mid-session). Workload declines to 6- 10 hours per week by end of session.
NY	No information available	No information available	No information available	No information available
OH	No information available	No information available	No information available	No information available
OK	Fiscal Division	12 full- time analysts	Training in fiscal note process and analytical methods	N/A
OR	No information available	No information available		
PA	No information available	No information available	No information available	No information available
RI	No information available	No information available	No information available	No information available
SC	Board of Economic Advisors (BEA)-- prepares tax revenue impacts.	Full- time, 8	On- the job- training, annual review of revenue impact statement procedures.	90% of the agency's workload during the legislative session involves preparing fiscal impact statements.
SD	Fiscal And Budget Analysis	5 full- time analysts	None	It can create workload difficulties
TN	Fiscal Review Committee	11 full- time analysts	Training, Various documents outlining format and content of fiscal notes.	Overtime and weekend work required during session.
TX	Legislative Budget Board	70 full- time professional staff, 30 full- time administrative/ computer staff	Prior to legislative session, analysts attend one class on how to write a fiscal note and one class on how to use the automated fiscal note system.	Significant part of workload during legislative session.
UT	Office of the Legislative Fiscal Analyst	14 full- time analysts	General training provided by NCSL, as well as half- day seminar provided by Office of the Legislative Fiscal Analyst.	Contributes significantly to over- time hours of Analysts.
VA	No Information available	No Information available	No Information available	No Information available

<b>State</b>	<b>Agency responsible for preparing fiscal notes</b>	<b>Number of Full- time/ Session- only personnel</b>	<b>Training process for Fiscal Notes preparation</b>	<b>Effect of Fiscal notes on agency workload</b>
VT	Joint Fiscal Office	10 full- time analysts	Disseminated information, as well as NCSL workshops.	Large part of session workload
WA	Fiscal Note office in Office of Financial Management (OFM)	3 full- time staff, 2 session- only staff	Training, as well as written procedures and guidelines	Workload is significant
WI	Bureau of Financial Management responsible for research issues and work; estimate written in House by staff of WI Department of Administration.	Full- time staff only, 4 full- time budget analysts.	Manual, along with supervision and oversight.	Time consuming, especially in first 6 months of each 2-year session
WV	Applicable Executive agency	N/A	N/A	N/A
WY	Legislative Service Office	4 Full- time employees	Computer training and numerous informal discussions.	Workload is increased somewhat

## Part 2- Process for Preparation of Fiscal Notes

State	Description of process for preparation of fiscal notes	Process for prioritizing fiscal note requests.	Process for developing assumptions and range estimates about a bill's fiscal impact.	Process, number, and reasons for fiscal note revision requests.
AK	Prepared by agency program manager, reviewed by administrative or budget personnel, approved by division director, approved by agency commissioner, submitted to Legislature, and copies distributed to OMB by Governor's legislative office.	No priority given. Fiscal notes are attached to legislation and go through the legislative hearing process.	Fiscal impact is determined at the program level.	Revisions are requested by the legislature as bills move through committees; generally, revisions occur because of changes in the legislation in committees.
AL	No information available	No information available	No information available	No information available
AR	No information available	No information available	No information available	No information available
AZ	Fiscal notes prepared at legislator's request. Requests are submitted to staff member designated fiscal note coordinator, who assigns request to appropriate analyst/ economist. Note submitted to Director for final review.			
CA	Prepared by staff according to assigned program areas. There is no internal review process with experienced staff; with less experienced staff, a draft is reviewed and prepared by a senior staff person. No formal review process in place.	No priority. All bills analyzed prior to hearing by the committee.	Information is gathered from state and local government agencies. Where possible, a "concrete" number for each year is given over a 3- year fiscal period.	N/A
CO	Bills assigned to analysts based upon subject matter and committee assignment.	Fiscal notes are prepared on every bill and concurrent resolution before they can be acted upon in the 1 <sup>st</sup> committee	Assumptions derived from interviews with affected agencies, departments, etc.	Notes revised when necessary. Procedure is to revise all fiscal notes when bills are amended by first standing committee prior to being heard in either House/ Senate Appropriations committee.
CT	No information available	No information available	No information available	No information available
DE	No information available	No information available	No information available	No information available
FL	F.R.C makes written requests to potentially affected agencies for fiscal notes. Staff director of each committee must approve bill analysis before committee hears bill.	Once chair of committee decides to hear a bill, priority is set for staff.	Typically, fiscal note will have one set of numbers rather than a range. When a range is given the high and low estimates will often be attributed to a state agency/ association that provided the outlying estimate.	Updated fiscal information requested as appropriate. Reasons for revision requests include bill amendments, changed conditions or unbelievable agency fiscal analyses.

State	Description of process for preparation of fiscal notes	Process for prioritizing fiscal note requests.	Process for developing assumptions and range estimates about a bill's fiscal impact.	Process, number, and reasons for fiscal note revision requests.
GA	Centralized process, when note is requested, the analyst and auditor discuss the financial impact with input from the state agency; one analyst coordinates all fiscal notes with analysts in the Budget Office, and auditors in the Dept. of Audits; note is drafted and coordinated between both offices; the final note is signed by the Director of the Office of Planning and Budget and the State Auditor, then forwarded to the appropriate committee chair.	Priority given in order of request.	Assumptions are made through the collaboration of the affected state agency, the State Auditor, and the analysts; range estimates are often used in the narrative portion of notes.	
HI	No information available	No information available	No information available	No information available
ID	No requirement for fiscal notes to be reviewed by fiscal office prior to being printed. Review and approval done by germane committees. Some fiscal notes done by request.	Notes prioritized as per request.	Range estimates not usually used.	Occasional revisions made to modify inaccurate or incomplete data.
IL	Unit manager assigns fiscal note request. Analyst, Manager, and Director must sign Fiscal note.	Requests direct from Legislature are given priority.	Range estimates are given using various economic and/ or budgetary methods.	Revisions made when bill is amended.
IN	Analyst prepares fiscal impact statement according to standardized form. Each analyst works in specific area(s) of discipline. Statement is subject to two- tier review before completion.	Individual legislators can request priority.	Assumptions based on best information available. OFMA relies on Indiana University, Indiana Business Center for Indiana Demographics; and Statistical Abstract of U.S. for national statistics. Range estimates provided if appropriate.	N/A
IA	Request assigned to analyst and given short title by coordinator; Analyst determines if Fiscal note is required; If yes, analyst determines Agencies for information request; Analyst requests and receives information from agencies; Update Fiscal note tracking system; write Fiscal note; submit note for editing; returned for approval; submitted for signature; copy filed with Clerk for respective chamber.	Director and Deputy Director cross- check bill on debate calendar with bills requiring a fiscal note.	Assumptions should identify elements used in calculations to arrive at estimate. Analysts include formulas used in calculation of estimate if it simplifies the explanation or if the cost is formula-driven.	Revisions made if fiscal note is erroneous, additional information is available, or if amendment changes impact.

State	Description of process for preparation of fiscal notes	Process for prioritizing fiscal note requests.	Process for developing assumptions and range estimates about a bill's fiscal impact.	Process, number, and reasons for fiscal note revision requests.
KS	Bill is assigned to analyst who seeks appropriate information from agencies, local governments, internal sources, etc. Analyst prepares initial draft, which is edited by one of two fiscal note coordinators. Edited draft is given to the Director of the Budget for further editing/ signature.	Goal is to produce fiscal note by bill's first hearing in committee.	Division seeks information from every appropriate source. Range estimates used when appropriate.	Revision requests made by individual legislators. Revised fiscal notes issued only if reconsideration shows merit for revision. Revisions made when there is some disagreement with the assumptions used in developing the fiscal note.
KY	Centralized. Budget review office and Appropriations and Revenue Office are units of the Legislative Research Commission. Budget and Tax staff prepares fiscal impact statements on bills affecting state finance. Process operates under House and Senate Rules.	Chamber request on 'Orders of the Day' has top priority. Requests made by sponsor, chair or majority on bills/ amendments pending committee action have second priority and Sponsor's request has third priority action.	Fiscal estimate may be a specific figure, a range of figures or indeterminable due to the absence or reliable or relevant data.	Not applicable
ME	All 8 analysts assigned to "policy areas" and are responsible for preparing fiscal notes for all bills and amendments in their policy area. Potentially affected Agencies are notified for fiscal estimates. One of the 8 analysts, a Principal Analyst, is specifically responsible for coordinating the fiscal note process, including the final release.	Turn around period usually left to the discretion of the Staff, Joint Standing Committee or individual Legislator. Goal is to complete fiscal note for each bill prior to its public hearing.	Assumptions based on fiscal estimates provided by state agencies with potential to be affected by proposed legislation. If bill's specific impact cannot be determined, range estimate is mentioned in narrative description of fiscal note.	Revisions made on a regular basis based on more current data or to correct a mistake.
MD	Information is requested from appropriate state agency(s) and/ or local government(s). Analyst assigned to the bill reviews response for reasonableness and accuracy and may contact source for clarification or additional information. Responses are subject to considerable scrutiny. Received information is taken into account, but not always used when writing the fiscal note.	Fiscal notes are prepared for all bills in time for bill hearings.	Certain fiscal assumptions updated each year. Updated assumptions/ guidelines are sent to agencies prior to session. Range estimates used when appropriate.	Notes are revised after amendments by full House or Senate, when mistakes are made, or updated or clarifying information is received.

<b>State</b>	<b>Description of process for preparation of fiscal notes</b>	<b>Process for prioritizing fiscal note requests.</b>	<b>Process for developing assumptions and range estimates about a bill's fiscal impact.</b>	<b>Process, number, and reasons for fiscal note revision requests.</b>
MA	Fiscal note is the last item to be completed as an appropriations bill leaves the Ways and Means committee. Staff total the amount of appropriations, net of revenue generated and that is what becomes the fiscal note.	No process for prioritization- fiscal notes done as needed as bills leave committee.	Fiscal impact depends on type of bill.	No Legislative Fiscal Office in state.
MI	Fiscal analysts assigned bills at introduction, fiscal notes are prepared before committee deliberates bill, Fiscal note is updated as bill is amended at subcommittee, committee, or floor level. Senate bill analyses are prepared by the Senate Fiscal agency- House Fiscal agency reviews and revises as the Senate bill moves through the House.	No prioritization process other than having the fiscal note ready for committee deliberations.	Assumptions developed by researching the topic and developing criteria for estimate. An explanation of the methodology is included in the fiscal note. Range estimates used when appropriate.	N/A
MN	Decentralized process- Department of Finance assistant commissioner designated Fiscal Note coordinator. He/ She is notified about fiscal note request on a bill, determines affected division(s), and refers the request to that division for preparation. Note is then returned to coordinator for review and entry into Fiscal Note system. Upon review and approval by Executive budget officer for Dept. of Finance, it is sent to the Legislature.	Fiscal note is assigned due date once request is made. Hence priority determined by due date.	Assumptions developed based on the following factors: (i) One- time startup costs; (ii) number and kinds of personnel required to run program; (iii) are costs/ revenue affected evenly over time?; (iv) Factors likely to affect costs/ revenue from year to year; (v) demand for the program; (vi) effective date for program; (vii) lag period before program's full effects are felt; (viii) Agencies do provide range estimates.	Revision requests made due to an error in original fiscal note or an invalid assumption made by agency about intent of bill.

State	Description of process for preparation of fiscal notes	Process for prioritizing fiscal note requests.	Process for developing assumptions and range estimates about a bill's fiscal impact.	Process, number, and reasons for fiscal note revision requests.
MS	Centralized- Fiscal note requests received by Executive Director from individual legislators. Requests assigned to either a division manager or the General Counsel of the Committee. Receiving manager reviews the request, then assigns it to a staff member who has sufficient time and who is not assigned to other Committee activities. Manager reviews the legislation before assigning it to staff. Staff member conducts research, prepares the fiscal note and returns the draft to the manager, who reviews the note. After required corrections are made, the draft is passed to the Executive Director for his review and comments. If the fiscal note meets the Executive Director's approval, he/ she signs it and it is sent to the requesting legislator.	Notes are produced on a first-come, first-served basis.	No clear-cut method by which assumptions are made in fiscal notes. Worst-case scenarios for state general fund impact rather than a range of possibilities.	Revision Requests made by individual legislators due to omission of certain factors in the analysis.
MO	Oversight Division receives legislative draft and assigns it to analyst. Analyst reviews draft to determine which State agencies and/ or local governments would be affected by proposal. Draft is forwarded to agencies for review and response. Once analysts receive fiscal impact statements, they are compiled into one fiscal note, reviewed by Fiscal Note coordinator, and forwarded to Director for review and approval.	Priority is in the following order: Bills scheduled for committee hearing; Bills on the formal House or Senate Calendar; Proposals with bill numbers; and Legislative/ amendment drafts upon member's request.	Assumptions prepared by State agencies and local governments.	Only means of requesting revision is by requesting for a hearing on the matter. Individual legislators may have Oversight subcommittee review fiscal note. Subcommittee may vote to change fiscal note if it so desires.

State	Description of process for preparation of fiscal notes	Process for prioritizing fiscal note requests.	Process for developing assumptions and range estimates about a bill's fiscal impact.	Process, number, and reasons for fiscal note revision requests.
MT	Note is assigned to affected agencies. Agencies submit drafts to Budget Office. Drafts are reviewed, combined and edited by Budget Office. Fiscal note is signed by Director and sent to bill sponsor for signature. Note is printed with or without sponsor's signature.	All requests due in 6 days unless presiding officer of the Chamber grants permission to delay the note.	Office has standard assumptions for inflation and revenue growth numbers. Other assumptions left to agency's discretion. Office reserves the right to change the draft in case of a disagreement.	Legislators may request fiscal note revisions.
NC	Fiscal note formally requested by legislator after bill's introduction in Chamber. Director assigns bill to either an individual analyst or a team (specializing in a particular policy area). Note is prepared by analyst and returned to Director for review and approval.	No formal prioritization process. Notes prepared on a "first in, first out" basis. There is a turn-around period of 2 weeks for incarceration bills and 2 legislative days for all other bills.	FRD relies heavily on the impacted agency for information and models to develop assumptions. Range estimates used when appropriate.	Revisions are requested by legislators and done on revised bills or when new information is available.
ND	Each agency has its own process.	N/A	N/A- varies by agency	Revisions requested when bill is amended or when revised revenue estimates are released.
NE	Introduced bills assigned to individual program and budget analysts within LFO responsible for preparing fiscal note prior to bill's public hearing. Bill is sent to affected state agencies and a sample of cities and counties for their input on the potential fiscal impact. Responses are sent to Governor's budget office for review and comments. Analyst prepares fiscal note based on information gathered from above-named sources. Fiscal Note Coordinator, as final quality check, reviews fiscal note.	Priority based on bill's public hearing date. Bills with earliest hearing date done first.	Methods used to develop assumptions on a bill's impact include a review of the agency's estimate, comparison to a similar bill, information found by research on the internet and familiarity with the agency's current budget. Providing a range of the fiscal impact is acceptable and sometimes necessary.	Fiscal notes revised each time bill moves to next stage of debate, if amendments have been adopted, which would change the bill's fiscal impact. Revised estimates solicited from affected agencies and political subdivisions. Less often, bills revised to reflect additional information and to correct errors.

<b>State</b>	<b>Description of process for preparation of fiscal notes</b>	<b>Process for prioritizing fiscal note requests.</b>	<b>Process for developing assumptions and range estimates about a bill's fiscal impact.</b>	<b>Process, number, and reasons for fiscal note revision requests.</b>
NH	Note prepared by analyst with data provided by state and/ or local agencies as well as other sources deemed reliable by the analyst. Fiscal note coordinators, identified by each agency are responsible for coordinating fiscal note inquiries.	Agency allowed 5 working days to complete initial worksheets, and 3 working days for bill amendments. No prioritization process.	Explain why there will be a cost; Describe costs that can be absorbed without additional funding; Show all calculations used in preparing fiscal impact note; State year if calculations are based on revenues or expenditures from a particular year; state any percentage increase used to determine impact for ensuing years.	No information available
NJ	LBFO must determine that fiscal note is required on a bill before bill is forwarded to State Department Commission or agency authorized to carry out purpose of the bill. The agency shall prepare and return to the Office of Management and Budget a fiscal worksheet containing the most accurate estimate possible of the amount by which expenditures or revenues will be increased or decreased for the State or any of its political subdivisions.	No formal prioritization mechanism in place- fiscal notes are requested and processed as the bills are introduced (this is done by working with the leadership of both Chambers).	Information received from the departments, agencies or commissions are one source developing assumptions. Range estimates incorporated into fiscal note where warranted.	Revisions made by impacted departments, agencies or commissions. A number of revisions are technical in nature or in some way do not affect the fiscal portion of the bill. Notes may be revised when the bill is amended to the point that the expenditures or revenues indicated in the original bill have changed significantly, or some other pertinent information is changed in the revision. Note may also be revised if bill sponsor objects to the fiscal note and the objection is determined to be of merit.
NM	No information available	No information available	No information available	No information available
NV	Fiscal Analysis Division requests state agency/ local government fiscal notes for all bills creating an adverse fiscal effect. Notes prepared by State agencies and sent to Governor's Budget Office for Review prior to return to F.A.D. Local governments submit information directly to F.A.D. Division prepares fiscal note.	No process by which fiscal note requests are prioritized.	State agencies requested to provide projected fiscal effect (numbers) supported by narrative if appropriate.	Revisions made to fiscal note only at the request of a committee chairman.
NY	No information available	No information available	No information available	No information available
OH	No information available	No information available	No information available	No information available
OK	Fiscal analysts assigned bills by policy area. Each analyst prepares fiscal note, which is reviewed by Director prior to distribution.	No prioritization process	Assumptions developed with the assistance of agency personnel.	N/A
OR	No information available	No information available	No information available	No information available
PA	No information available	No information available	No information available	No information available

State	Description of process for preparation of fiscal notes	Process for prioritizing fiscal note requests.	Process for developing assumptions and range estimates about a bill's fiscal impact.	Process, number, and reasons for fiscal note revision requests.
RI	No information available	No information available	No information available	No information available
SC	Legislative coordinator reviews legislation introduced and logs in bills having possible state tax or local government revenue impact.	Committee requests are logged in by date, Committee notifies BEA as bills come up on committee agendas. Committee meeting dates prioritize items.	Assumptions developed by researching tax law or local government code sections effected. Information is requested from appropriate State Agency or group impacted by legislation to formulate estimated impact. Specific amount given for each impact.	Revisions only made if proposed legislation has been amended and such amendments have an effect on the revenue impact statement prepared for the original version of the legislation.
SD	Fiscal Chief prepares fiscal notes- all or part of fiscal note may be assigned to another analyst.	No formal process	Assumptions vary with nature of fiscal note. Range estimates provided when appropriate.	No revision requests made
TN	Bills referred to various state agencies, commissions and offices for comment on the fiscal impact related to the functions/ programs of such agency, commission or office. Support forms returned and used as a basis for preparation of fiscal notes. Additional information gathered from affected interest groups, associations, etc. if needed. Notes drafted by Fiscal Review committee staff and submitted to assistant director and executive director for review and approval. Once approved, notes transmitted to bill tracking system available to all legislative staff.	Requests prioritized based on their placement on committee calendars.	Assumptions developed through contact with affected agency, past experience with similar legislation, and information gained through further research. Range estimates not usually used.	Bill sponsor or another member of the General Assembly may request revisions. Revisions requested when additional information is made available that was not considered in the preparation of the original fiscal note.
TX	Committee clerk sends the note request to the Legislative Budget Board (LBB); if there is a fiscal implication determined, the affected state agency and the LBB collaborate to complete the note; the LBB Director approves note and it is sent to the committee clerk.	No formal prioritization process	Analysts collaborate with State agencies to determine the fiscal impact of legislation; range estimates are provided when appropriate.	N/A

State	Description of process for preparation of fiscal notes	Process for prioritizing fiscal note requests.	Process for developing assumptions and range estimates about a bill's fiscal impact.	Process, number, and reasons for fiscal note revision requests.
UT	Bill logged into office and assigned to analyst responsible for the section of the State Code affected by the bill; bill reviewed by Analyst and sent, along with fiscal note worksheet, to appropriate agency for information (agency has 48 hours to respond); analyst gathers responses, combines them with his/ her own analysis and writes the fiscal note; fiscal note is sent supervisor assigned to chamber for review; fiscal note is typed in the final form and sent to Legislative Fiscal Analyst for final review and approval; approved note is sent to bill sponsor for informational purposes (sponsor has 24 hours to respond with concerns or approval); note is then sent to appropriate docket clerk for printing.	Legislators are authorized 3 priority bills. These bills are given first priority to have fiscal notes completed, but they are not prioritized for funding until near the end of the Session. Bills with fiscal note over \$10,000 are held until the last week of the Session. The House and Senate caucuses prioritize lists of fiscal notes and the top bills are approved for passage. Legislators vote for their top picks.	Assumptions developed through Agency/ expert input; costing of specific activities/ items identified in the legislation; comparison with other States/ Agencies/ organizations/ activities; Extrapolation; Trend analysis; Regression analysis; Other.	Notes are amended if additional information, which changes the outcome, is received. Fiscal notes are also prepared on amended bills.
VA	No information available	No information available	No information available	No information available
VT	Fiscal note requests go to Joint Fiscal Office staff members, who contact agencies for data, do analysis and submit the note.	Requests prioritized by rank- i.e. requests from Finance/ Appropriations committee chairs or leadership tend to get highest priority.	Assumptions are developed through analysis and discussion with agencies. Ranges are provided when data is less conclusive. Assumptions are stated in fiscal notes.	
WA	Procedure is decentralized. Assignment for writing fiscal note made to staff person with most expertise in area affected by bill. Staff person drafts note after consulting with other staff members or the supervisor. Once note is completed, author's supervisor reviews and approves the fiscal note. Agency's deputy director also reviews some fiscal notes.	Prioritized according to scheduled legislative committee hearing.	Assumptions developed by agencies that write fiscal notes. Agencies instructed to develop assumptions by talking to bill's sponsor or legislative staff person responsible for the bill, and by discussing the bill with other that have also been assigned a fiscal note on the same bill. For complex bills, agencies are encouraged to convene a meeting of affected agencies, OFM Budget staff, and legislative fiscal staff to discuss the assumptions regarding the bill. Range estimates provided in narrative portion of fiscal note.	Total number of fiscal note revision requests range from 10- 20 each session. Most frequent reason for revision requests is the legislative staff person or legislator does not agree with the assumptions made by the agency writing the fiscal note, or missing information needs to be added.

<b>State</b>	<b>Description of process for preparation of fiscal notes</b>	<b>Process for prioritizing fiscal note requests.</b>	<b>Process for developing assumptions and range estimates about a bill's fiscal impact.</b>	<b>Process, number, and reasons for fiscal note revision requests.</b>
<i>WI</i>	Centralized process. The budget staff coordinate and perform research, move the draft to the review stage with the Division Administrator and the Secretary's office, obtain signatures, then route the estimate to the State Budget Office, who send it back to the Legislature.	No priority given	Assumptions developed through program administration experience and/ or collaboration with other agencies; high/ low range estimates are often provided.	Revisions are something requested from sponsoring legislators; these revisions are only done in the event of an error in the original estimate, or a misunderstanding about the intent of the legislation; revisions are rare, at the rate of half per session; reasons are usually: 1) High cost of legislation and 2) High impact on local government.
<i>WV</i>	N/A	Requests are forwarded to the applicable executive agency upon introduction of the legislation; however, many agencies do not prepare the note until they are notified of the committee's agenda.	N/A	N/A
<i>WY</i>	1 person handles nearly all fiscal notes. Most notes reviewed by another analyst within the division. Agency Fiscal Personnel prepare information to be used in note. Information is reviewed and signed by Director.	5- day turn around time until roughly two weeks before session. Then turn- around is reduced to 3 days, and finally 1 day when session begins (exceptions are made).	Point estimates generally, not ranges. Most, if not all, assumptions are described within note itself.	Legislative Fiscal Office does request fiscal note revisions. Additional information/ clarification is requested about 20-30% of the time. Mostly due to unclear assumptions or documentation.

### Part 3- Fiscal Note Requirements

State	Types of Legislation requiring Fiscal Notes	Average number of Fiscal Notes prepared each session.	Do Fiscal Notes accompany bills in Bill Jacket upon introduction in the Chamber?
AK	Notes required on all bills except appropriations bills.	Undetermined	Yes
AL	No information available	No information available	No information available
AR	Only retirement bills referred to the Committee on Retirement and Social Security Programs require a note; if a legislator requests a note (usually on a tax bill) it is sent to the appropriate state agency.	No information available	No information available
AZ	Fiscal notes prepared only at Legislator's request	70 per year	No
CA	All bills identified as fiscal under the Joint Rules of the Senate and Assembly are "keyed" in the digest by the Legislative Council.	80-1000	No
CO	All bills and concurrent resolutions	600 original fiscal notes, 300-350 revised fiscal notes, and 100 estimated fiscal impacts on proposed amendments.	Fiscal notes are attached to bill jackets, as they are prepared originally and revised in the process.
CT	All bills reported from committees must have fiscal notes attached; all amendments offered on the floor must have fiscal notes according to legislative rules.	No information available	No information available
DE	No information available	No information available	No information available
FL	By House rule, all bills that are heard by committee or go to the floor should have a fiscal note	1197 fiscal notes prepared on 961 bills during 1997 session.	No, after a committee hears a bill, its analysis is placed in the bill jacket.
GA	Only bills that have a significant impact on the anticipated revenue or expenditure level of any state department require fiscal notes	70	Yes
HI	No information available	No information available	No information available
ID	Fiscal notes required on appropriations bills	Approximately 700	Yes
IL	Fiscal notes prepared for debt impact bills and/ or bills that impact State revenues.	Approximately 600 (including revisions)	N/A
IN	Fiscal notes prepared on all bills	2100 (odd- numbered year—long session) and 1800 (even- numbered year—short session)	Yes
IA	Fiscal notes prepared on bills that meets the requirements of Joint Rules - \$100,000 annual effect or a \$50,000- impact over 5 years.	Between 400 and 500	No. Fiscal are printed in the "clip sheet" (contains all amendments and fiscal notes) and are distributed to legislators prior to the beginning of session each day. Fiscal notes are also available electronically.
KS	Fiscal notes prepared on all bills (in bill's introduced version).	Approximately 700 to 1000	No, a fiscal note produced by the time bill is first heard in committee.
KY	Fiscal notes only completed on requests from sponsor, chair, majority of a committee considering a measure, or membership of a chamber considering floor action.	Approximately 600 (including amendments)	Yes.

<b>State</b>	<b>Types of Legislation requiring Fiscal Notes</b>	<b>Average number of Fiscal Notes prepared each session.</b>	<b>Do Fiscal Notes accompany bills in Bill Jacket upon introduction in the Chamber?</b>
LA	Fiscal notes prepared for bills affecting (i) expenditure of any political subdivision of the state, (ii) receipt, expenditure, allocation, or dedication of funds of any state board, commission, or other entity that is not appropriated any funds in any appropriation bill.	Over 3,500 in general session and over 1000 in fiscal-only session.	Yes, when fiscal note is available
ME	Fiscal notes prepared for each bill with potential fiscal impact.	Over 2,500 in long session.	No information available.
MD	Fiscal notes required on all bills.	2,500 first- readers, 750 third- readers and enrolled bills	No, fiscal notes are delivered separately to the committees before the bill hearings and placed in the members' committee notebooks. Fiscal notes also available online.
MA	Fiscal notes prepared on only bills that have a fiscal impact.	Approximately 50	Note does accompany bill but is not a part of the introduction done by reading clerk.
MI	No, fiscal notes prepared on bills scheduled to be heard by committees.	Approximately 1,500 in two- year session (including revisions)	Yes, included in member's desk reference, which is updated daily.
MN	No, fiscal notes prepared on bills committee believes will have fiscal impact.	1196 (operating budget year—odd- numbered year), 654 (capital budget year—even numbered year)	No
MS	Fiscal notes required on bills that expend state funds or increase or decrease state revenue.	During last four legislative sessions, PEER staff has prepared an average of 4 fiscal notes per session.	No. Fiscal notes are requested after bill is introduced. Note added to bill jacket.
MO	Fiscal notes required on all bills	Approximately 3000	No
MT	No information available	No information available	No information available
NC	Fiscal notes required on all incarceration, local government bills, as well as tax bills.	Approximately 500 (1999 Legislative session).	No
State	Types of Legislation requiring Fiscal Notes	Average number of Fiscal Notes prepared each session.	Do Fiscal Notes accompany bills in Bill Jacket upon introduction in the Chamber?
ND	No, Fiscal Notes required as requested by Legislative Council Office.	750	No
NE	Fiscal notes required on all bills	Approximately 1000	Yes, fiscal notes also available for review on laptop PCs provided for each legislator.
NH	Fiscal notes required on bills that will have a fiscal impact on state, county and local revenues or expenditures.	Approximately 600	Yes
NJ	Fiscal notes are prepared on bills which, in the opinion of Legislative Budget and Finance Officer, may increase or decrease expenditures or revenues of the State or any political subdivision.	Approximately 758	No- bill is forwarded to Legislative Budget and Finance Officer to be only after bill receives its first reading pursuant to the Chamber in which the bill is introduced.
NM	No information available	No information available	No information available

<b>State</b>	<b>Types of Legislation requiring Fiscal Notes</b>	<b>Average number of Fiscal Notes prepared each session.</b>	<b>Do Fiscal Notes accompany bills in Bill Jacket upon introduction in the Chamber?</b>
NV	A bill or joint resolution is required to have a fiscal note if it: 1) has an adverse fiscal effect of more than \$2000 on any local government, 2) affects premiums for industrial insurance or the state insurance fund, or 3) increases and provides for a new term of imprisonment or lessens the chance of parole.	Approximately 800	No, a fiscal note must however physically accompany a bill before a committee hearing.
NY	No information available	No information available	No information available
OH	No information available	No information available	No information available
OK	Fiscal notes required on all bills	Approximately 3,800	No
OR	No information available	No information available	No information available
PA	No information available	No information available	No information available
RI	No information available	No information available	No information available
SC	Bills related to state tax revenue, local government revenue or expenditures, state agency expenditures, bills mandating health insurance coverage, budget provisions requiring certification estimates.	250 relating to tax revenue and local government revenue. 125 relating to Appropriation bill revenue certifications.	Impact statements required when bill is reported out of committee.
SD	Fiscal notes only done upon request	30-40	No, notes only prepared after introduction.
TN	Fiscal notes are not required on private acts or bills classified as caption bills in both the House and Senate.	1,800 fiscal notes and 300 fiscal memos on amendments.	No.
TX	House rules require fiscal notes on any bill or joint resolution that authorizes or requires the expenditure or diversion of any state funds for any purpose, or which has a statewide impact on units of local government of the same type or class, and which authorizes or diverts local funds or fees. Senate rules require fiscal notes for all bills and joint resolutions.	During 1997 Legislative session, Legislative Budget Board prepared 9,012 fiscal notes.	No, fiscal notes submitted via an automated fiscal note system to the committee clerk requesting the note, and is then available on-line as part of the committee for the bill.
UT	All bills, joint resolutions, concurrent resolutions, House and Senate resolutions require a fiscal note	Between 760 and 838 bills	Fiscal note printed on last page of each piece of legislation.
VA	No information available	No information available	No information available
VT	Fiscal notes prepared on bills that impact revenue or expenditure.	Approximately 25-30	No
WA	Legislative members and staff base their decision on whether to request a fiscal note on their assessment of: Does their bill appear to have a fiscal impact? Is the bill likely to have a hearing?	1999 (105- day session): 4,223. 1998 (60- day session): 2,380.	No. Fiscal notes not written on a bill until after its introduction.
WI	No information available	No information available	No information available
WV	Any bill increasing or decreasing revenues of any type or that will require the expenditure of funds or reduce the expenditure of any funds, except perhaps those bills of a local government nature, require fiscal notes.	Undetermined. However, in the first 22 days of this session, 26% of the 419 bills introduced had fiscal note requests, while another 14% should have had a request.	

<b>State</b>	<b>Types of Legislation requiring Fiscal Notes</b>	<b>Average number of Fiscal Notes prepared each session.</b>	<b>Do Fiscal Notes accompany bills in Bill Jacket upon introduction in the Chamber?</b>
WY	No, only those determined to have fiscal impact by drafter/ fiscal officer.	Between 300 to 400 notes	Yes

## Resource Person Contact Information

State	Name	Title	Phone	Fax	Email
AR	Bill Goodman		501-682-1937	501-682-1936	bill@arkleg.state.ar.us
AZ	Jennifer Vermeer		602-542-5491	602-542-1616	jvermeer@azleg.state.az.us
CO	Carolyn Kampman		303-866-2061		carolyn.kampman@state.co.us
CT	Tom Nestico	Director, Office of Fiscal Analysis	860-240-0200	860-240-0052	ofa@po.state.ct.us
DE	Lorie Christians		302-739-4114	302-739-3794	
FL	David Coburn	Director	850-488-6204	850-488-4330	
FL	Richard Herring				richard.herring@laspbs.state.fl.us
HI	Barbara Kim Stanton	Senate Ways & Means Committee	808-586-6639	808-586-6951	
IA	Tim Faller	Legislative Finance Bureau	515-281-4615	515-281-8451	
ID	Kathy Holland Smith		208-334-3531	208-334-2668	
IL	Jim Muschinsky		217-785-9076	217-782-3513	
IN	Jim Mundt		317-232-9858	317-232-2554	
KS		Budget Director	785-296- 2436/3181		
KY			502-564-8100		
LA	Sam Bishop		225-342-7233		
MA	Kevin Blanchette	Director, Legislative Services Bureau	617-722-2520	617-722-2897	
MA	Andy Cherullo	Fiscal Analyst	617-722-2380	617-722-2660	
MD	John Rixey		410-946-5513	410-946-5529	
MI	James Haag		517-373-8080	517-373-5874	
MN	Robyn Rupp	Department of Finance	651-296-7404	651-296-8685	
MO	Jeanne Jarrett		573-751-4143	573-751-7681	Jjarrett@services.state.mo.us
MS	Max Arinder	Director, PEER Committee	601-359-1226		
MS	Bobby Greenlee		601-359-1580	601-359-1629	
MT	Dave Lewis	Director, Office of Fiscal Policy and Planning	406-444-3698		dlewis@mt.gov
NC	Tom Covington	Director, Fiscal Research Division	919-733-4910		
ND	Allen Knudson		701-328-2916	701-328-3615	
NE	Michael Calvert		402-471-2263	402-479-0959	
NH	Jack Dianis		603-271-3161	603-271-1097	
NJ	Alan Kooney		609-292-8030	609-777-2442	
NM	Dannette Burch	Deputy Director, Legislative Finance Commission	505-986-4550	505-986-4644	Dburch@state.nm.us
NM	David Abbey		505-986-4550	505-986-4644	
NV	Kevin Welsh		775-687-6821	775-687-3851	
NY	Roman Hedges	Deputy Director, Ways & Means Committee	518-455-4049	518-455-3040	
OH	Don Eckart		614-466-8734	614-460-8569	
OK	Steven Weiss		405-521-3201	405-557-7437	
OR	Mike Stinson		503-968-1828		
PA	Mike Rosenstein	Executive Director	717-787-1711	717-783-2913	
RI	Kathy Bello		401-222-2738	401-222-2631	
SC	Bill Gillespie	Economic Research Office	803-734-3793		

<b>State</b>	<b>Name</b>	<b>Title</b>	<b>Phone</b>	<b>Fax</b>	<b>Email</b>
SD	Dale Bertsch		605-773-3251		
TN	Jim Davenport		615-741-2564		
TX	Barbara Breneizer		512-463-1221	512-475-2902	
TX	Christine Thomson	Legislative Budget Bureau	512-463-1200	512-475-2902	
UT	William Greer				
UT	John Massey		801-538-1034	801-538-1692	
VA	Kirk Jonas		804-786-1258	804-371-0101	
VT	Stephanie Barrett		802-828-2295		sbarrett@leg.state.vt.us
WA	Candace Espeseth	Budget Director, Office of Finance and Management	360-902-0557	360-902-0680	
WV	Rande Brooks	Senate Clerk's Office	304-347-4870	304-357-7829	
WV	Tom Johnson		304-558-3331		
WY	Don Richards	Budget Division	307-777-7881	307-777-5466	

### **Acknowledgements**

My deepest thanks and appreciation to Tom L. Covington (Director, North Carolina General Assembly Fiscal Research Division), J. Travis Hockaday, the entire North Carolina General Assembly Fiscal Research Division staff, Kevin Blanchette (Director, Massachusetts Legislative Services Bureau), Stephen Zerdelian (MA, Legislative Services Bureau), Arturo Pérez (National Conference of State Legislatures) and the individuals and staff from the various states who took time off their busy schedules to respond to the survey.