Fiscal Note Instructions for Legislative Staff

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Office of Financial Management

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About the instructions

Introduction

These instructions provide information needed to request a fiscal note. It describes how to use the Fiscal Note System (FNS) to prepare and submit fiscal note requests to the Office of Financial Management (OFM).

If you need technical assistance using FNS, contact the OFM Helpdesk by email or telephone at 360-407-9100.

The fiscal note process

Roles
A fiscal note is a statement of the estimated fiscal impact of legislation or a legislative proposal. A request is always linked to a particular version of a bill, draft bill or bill amendment. The primary objective of a fiscal note is to provide the best possible estimate of the expenditure and cash receipt impacts of proposed legislation. There are three types of fiscal notes: state, local and judicial.

The role of OFM. RCW 43.88A requires that OFM coordinate the development of fiscal impact statements (fiscal notes) on legislation or legislative proposals. OFM must also approve fiscal notes for form, accuracy, and completeness and distribute final fiscal notes.

The role of agencies. Agencies provide the most reasonable estimate of the expenditure and cash receipt impacts of legislation on the agency and on state and local governments. Agencies are required to be factual and objective in their fiscal notes and share assumptions with other agencies preparing fiscal notes on the same legislation.

The fiscal note process
In most cases, the Legislature initiates the request for a fiscal note. The Legislature forwards this request to OFM for action through FNS. Occasionally, OFM or agencies may request or initiate a fiscal note.

The fiscal note request will specify:
- The bill, draft bill, initiative or amendment to be analyzed;
- The name of the individual making the request;
- A legislative staff contact;
- The desired due date;
- Additional hearing information; and
- Any special instructions.

What does OFM do with the request? Upon receiving a fiscal note request, an OFM analyst will read the associated bill or draft to determine which agencies should prepare the fiscal note. OFM designates a lead agency, identifies the OFM analyst assigned to review the completed notes and may add instructions to the request. OFM sends the request to the assigned agencies via email. The request information will also be available in FNS, including a link to the bill or draft language.

Agencies then prepare the fiscal note. Each agency assigned the request prepares a fiscal note for their agency. The Local Government Fiscal Note Program within the Department of Commerce prepares local government fiscal notes. The Administrative Office of the Courts prepares judicial impact fiscal notes. If a new agency is created by the legislation, an existing agency will be asked to prepare a fiscal note identifying the fiscal impact of the new agency. Once the fiscal note is prepared and approved, the agency transmits it to OFM for review. OFM cannot view a fiscal note until the agency releases it to OFM. FNS supports the preparation, approval, and transmittal steps.

The role of the lead agency. The lead agency is responsible for coordinating the shared assumptions underlying the fiscal analysis written by the various agencies. This may involve getting all the assigned agencies together to discuss the bill and assumptions.

How much time do agencies have to complete the fiscal note? In most cases, the Legislature is requesting a fiscal note to have fiscal impact information available when they review the bill, therefore, would like the fiscal note at least 24 hours before a scheduled hearing. To facilitate this, OFM generally gives the agency a due date at least 72 hours from the time of the request. The due date can be pushed forward or back to reflect the requirements indicated on the request. Those preparing *local government fiscal notes* will be given a due date of seven calendar days from the date of the request.

FNS will update the next scheduled hearing date associated with each request to assist all parties in meeting the quick turnaround requirement.

OFM reviews completed fiscal notes. OFM is required to approve fiscal notes for form, accuracy, reasonableness and completeness before distributing to the Legislature. An OFM budget analyst may have questions about the submitted fiscal note or may ask an agency to revise a note. Fiscal notes are not official until they are distributed by OFM.

OFM is responsible for distributing approved fiscal notes. After approval, OFM distributes completed fiscal note packages through FNS and posts to OFM's fiscal note webpage. A notification with a link to the published fiscal note is sent to the requester, the OFM budget analyst and the agency(s). *Note:* There can be a delay of up to 10 minutes between approval and posting of the fiscal note.

Agencies must submit fiscal notes to OFM for review, approval and formal distribution. Agencies should not distribute fiscal notes directly, though may share draft fiscal notes with legislative staff to facilitate communication. These should be clearly marked **"DRAFT"** to ensure that they are not mistaken for an approved fiscal note. Agencies must coordinate with their OFM analyst when sharing draft fiscal notes.

Process for the 10-year cost projections
RCW [43.135.031,](#) Initiative 960 (I-960) requires that OFM determine the 10-year cost to tax and fee payers of any proposed legislation that would raise taxes, impose new or increase current fees. OFM must communicate the most current 10-year cost projection to each member of the Legislature, and to members of the news media and public who request this information. OFM distributes the projections via an email distribution list and archives them on its [website](#).

How are 10-year cost projections for tax and fee bills handled? OFM determines which bills would increase taxes or fees and issues the 10-year cost projections. At OFM's request, agencies develop the cost estimates used to create the projections. FNS supports the request, preparation, and review of 10-year analyses. Fiscal notes do not include agencies' cost estimates for tax and fee bills. Only OFM can request 10-year analyses.

OFM's determination of whether a bill needs a 10-year cost analysis does not affect your ability to request a fiscal note. You will be able to request a fiscal note on these bills prior to OFM requesting a fiscal note and/or 10-year analysis. However, OFM typically requests a fiscal note with a 10-year analysis request.

What does the 10-year cost projection contain? Cost projections include 10 years of cash receipt estimates by year. The estimates for the first six years might match those in Part I of the fiscal note. However, the cost projection only includes cash receipts associated with the new or increased tax or

fee and not all charges contained in a bill are taxes or fees. For example, penalties generate cash receipts but are not fees for purposes of RCW 43.135.031.

How will I know whether OFM has determined that a bill contains a tax or fee increase? FNS denotes which bills require a 10-year cost analysis. OFM provides a web service to the Legislature that shows whether each bill version has been marked as requiring a 10-year cost analysis. Bills are "yes," "no" or blank. A blank indicates that a determination is pending. By law, 10-year analyses take precedence over fiscal notes.

Have more questions or need help with FNS? If you have questions about the cost projection process, please contact OFM Budget Operations at 360-902-0560. For FNS issues, contact the OFM Helpdesk by email or telephone at 360-407-9100.

Requesting a fiscal note

Use FNS for making requests

The Legislature, state agencies and OFM use FNS to request, prepare, transmit, approve, distribute, and monitor the status of fiscal notes. This section of the instructions includes information on how to use FNS to request a fiscal note.

FNS provides:
- Current and detailed status information on all requested fiscal notes.
- Easy access to any distributed fiscal note.
- An easy way for authorized users to submit a request on a fiscal note directly to OFM.
- Tools to assist requesters in requesting a fiscal note on the exact bill version they need.
- Quick ways to modify or cancel a request.
- The ability to search for a specific fiscal note or request.
- Online email links to OFM analysts and agency contacts.
- Regularly updated hearing information to all system users.

Accessing FNS

Account name and password

You must have a valid login ID and password to access FNS. Contact your agency's FNS security officer to set up your login ID and password. FNS requires that you create a strong password. You will be required to change your password if it does not meet the following criteria.

Your password:
- Must be between five and 15 characters;
- Must contain at least one upper case and one lower case character; and
- Must contain at least one number **and** one special character. The valid special character choices are: **!**, **~**, **#**, **$** and **%**.

Opening FNS

If your agency operates inside the state firewall, use this link fns.ofm.wa.gov. If your agency operates outside of the state firewall, use this link fortress.wa.gov/ofm/fns. *Bookmark or set the FNS login page as a favorite. Do not bookmark the Console page.* Be sure to turn off any pop-up blockers. This includes any third-party pop-up blockers such as those included in Google Chrome.

System maintenance and unplanned outages: FNS will be unavailable between 5 p.m. and 9 p.m. on the last Thursday of each month for scheduled maintenance. Notice of system unavailability will appear on the login screen. If the system is unavailable for a lengthy unplanned outage, OFM will contact agencies with directions on an alternative submission method.

The Console page

The **Console** page is a combination home page and summary status page. The **Console** page displays the bills for which there are fiscal note requests and high-level status information about each request. The left side of the **Console** page includes selectable icons with tooltips that explain the function of each one.

You can change how the **Console** page appears and how often it refreshes by selecting the **Preferences** link in the top right.
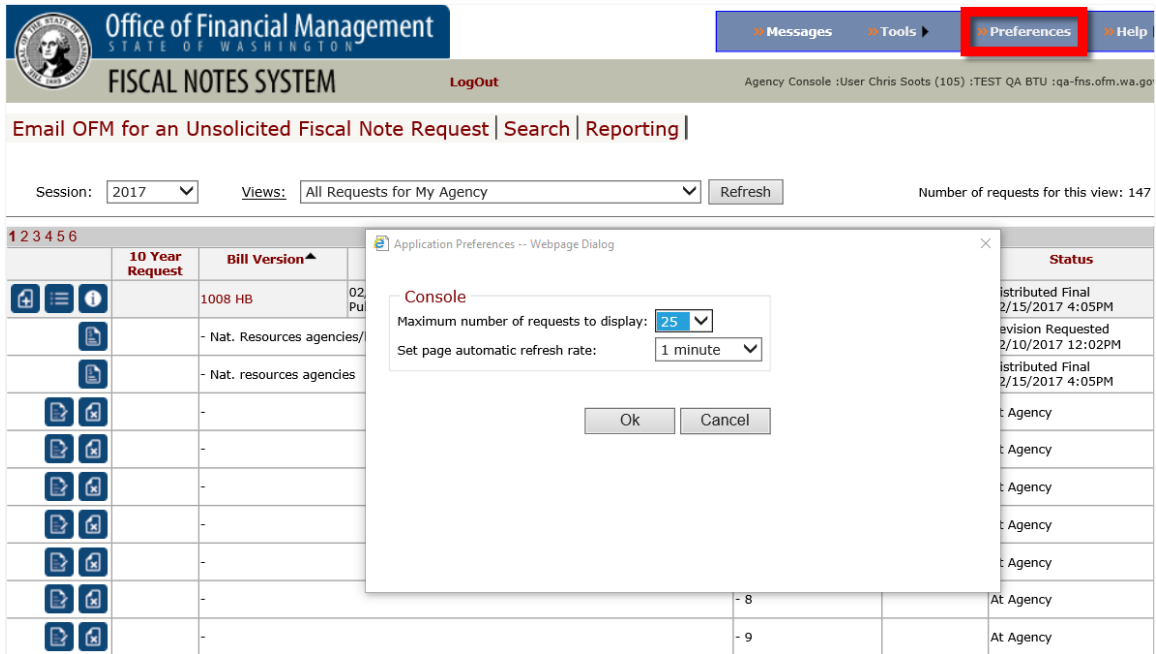

Figure 1: FNS preferences

Requesting a fiscal note on a bill

1. At the **Console** page, select the **Create a new request** icon to open the **Legislative New Request** page.
2. Enter the four-digit bill number in the **Bill** text box and select **Find Bills**. FNS will then provide the full list of bills and drafts available from Legislative Service Center (LSC) staff. This list will also indicate the companion bill (if one exists) to the bill number you have entered.

Figure 2: Legislative new request page

The table will indicate if requests have been made on any bill versions shown in the table, with the requester, the date requested, the due date and an indication of the fiscal note status (e.g. - unassigned, in process and distributed).

3. Select the **Create New Request** icon next to the bill number to go to the **Legislative Request** page. Hovering your cursor over an icon will display the description of the icon's function.

Figure 3: Legislative request page

4. The **Legislative Request** page is one of two that makes up the request set of pages. Use the **Legislative Request** page to enter all the request information:
    a. **Date required:** FNS provides a default date of five working days from the date of the request. You may indicate an alternative date if desired.
    b. FNS automatically indicates the **Request Created By** as the name of the person logged on. Use the drop-down menu to indicate the requester and requester committee.
    c. **Special instructions/comments:** Enter any special instructions or comments in the box provided.
    d. **Agencies affected:** List the agencies affected by the legislation in the text box provided. This will help OFM facilitate agency assignment.
    e. **Additional hearing information:** Provide the hearing information if not publicly available.
    f. **Co-Requester Name** and **Co-Requester Committee** are drop-down menus for the selection of any co-requester for a given bill.
    g. Any co-requesters will display in the **Current Co-Requesters** field.
5. Select **Release to OFM** to save the request information and release it to OFM. FNS will ask you to verify whether you want to release the request, and then return you to the **Console** page.

Requesting a fiscal note on a bill version not listed

You may need to make a request on a bill version that is not yet listed in the LSC database (e.g. - a proposed substitute or an amended bill). In this case, when you type in the bill number and select **Find Bills**, the bill version may not appear in the search results.

1. If the bill is not listed, select **Bill Not Listed** at the bottom of the page to go to the **Legislative Unlisted Request** page.
2. Type in the brief description and select the appropriate boxes.

    Before making a request, you will need a single PDF file of the proposed legislation available to add to the request. The request will not release to OFM without the attached PDF file.

Requesting a fiscal note on a proposed new version

When requesting a fiscal note on a proposed new bill version, please use the associated bill number, not the code reviser draft number. For example, a proposed substitute version would use the configuration of "PSHB." By linking to the bill number, the request is associated with other versions of the bill and will make it easier to find later.

Requesting a fiscal note on a proposed amendment

When requesting a fiscal note on a proposed amendment to a bill, please attach both the bill referenced by the amendment and the amendment language in a single PDF file. This will ensure the correct bill language is available for preparation and review of the fiscal note.

1. Select **Bill Not Listed** to go to the **Legislative Unlisted Request** page.
2. The user can then enter their proposed, substitute, or engrossed flag, a draft or amendment number or other valid additional bill designation.

Figure 4: Requesting a fiscal note on a proposed amendment

3. Selecting **OK** will take you to the **Legislative Request** page.
4. Finish preparation as for other bills and attach a PDF copy of the bill.
5. Use the **Legislative Request** page to enter all the request information as described above. You must attach a copy of the bill before releasing the request. Only Adobe Acrobat PDF files can be attached.

Attaching a PDF copy of the bill

1. Select the **Browse** button in the attachment section of the **Legislative Request** page to open the **Choose File to Upload** window.
2. After selecting the desired file, FNS returns you to the **Legislative Request** page and the file name will appear in the box next to the **Browse** button.
3. Select **Add Document** to attach the file to the request. The document information is now displayed in the document table.
4. Select the **View Attachment** icon to view the document.

Figure 5: Attaching a PDF copy of the bill

Documents must be in PDF format before they can be attached. The Code Reviser's Office has agreed to provide PDF files of draft bill language upon request to a legislative committee staff member for purposes of fiscal note requests.

Requesting a fiscal note on draft bills not tied to existing bills

You can request fiscal notes on draft legislation that are not tied to existing introduced bills.

1. On the **Console** page, select **Create a new request** to go to the **Legislative Request** page.
2. Select the **Draft** button, and enter the draft number (e.g.; H-1234.1 or S-5645.4).
3. Select **Find Bills**. If this is a draft bill, it will not be included in the list returned to you.
4. If the bill is not listed, select **Bill Not Listed** at the bottom of the screen to go to the **Legislative Unlisted Request** page.

Figure 6: Legislative unlisted request page

5. Enter a brief description for the draft bill. This will serve as the bill title. Be sure to double check the description because once you select **OK**, the description is permanent.
6. Select **OK** to go to the **Legislative Request** page.

7. Enter all the request information:
   a. **Date required:** FNS provides a default date of five working days from the date of the request. You may indicate an alternative date if desired.
   b. FNS automatically indicates the **Request Created By** as the name of the person logged on. Use the drop-down menu to indicate the requester and requester committee.
   c. **Special Instructions/Comments:** Enter any special instructions or comments in the box provided.
   d. **Agencies Affected:** List the agencies affected by the legislation in the text box provided. This will help OFM facilitate agency assignment.
   e. **Additional Hearing Information:** Provide the hearing information if not publicly available.
   f. **Co-Requester Name** and **Co-Requester Committee** are drop-down menus for the selection of any co-requester for a given bill.
   g. Any co-requesters will display in the **Current Co-Requesters** field.

You must attach the draft in PDF file format before releasing the request to OFM. See Attaching a PDF copy of the bill for more information.

Modifying fiscal note requests
To modify fiscal note requests:
1. On the **Console** page, select the **Modify Request** icon next to a listed bill number. This will take you to the **Legislative Request** page.
2. Make the desired updates and select **Save Changes** to save your changes.

You can update affected agencies and special instructions until OFM sends the request to agencies. The hearing date and due date can be updated until the time the first fiscal note has been distributed. Only the author or requester will be able to modify the fiscal note request.

Canceling fiscal note requests
3. On the **Console** page, select the **Modify Request** icon next to the bill number. This will take you to the **Legislative Request** page.
4. Select the **Cancel Request** button. You will receive a message asking you to confirm the cancellation. If yes is selected, the user will be returned to the **Console** page. The request will remain listed on the console with the status canceled.

Once the complete fiscal note package is distributed as either preliminary or final, the request can no longer be canceled. Only the requester or author can cancel a request. However, if someone is on the co-requester list, the person canceling the note would receive a message that confirms their cancellation but notes that there is at least one co-requester so that the request will remain in effect. The request will remain on the **Console** page. Once the original requester has canceled, those on the co-requester list can cancel the request.

> *Every requestor tagged to a specific bill request must cancel their request to effect complete cancellation.*

Become a co-requester
What is a co-requester? Once a fiscal note is requested, an authorized user can sign up as a co-requester. While all users will be able to view fiscal notes and their status in FNS, co-requesters are notified by email when the fiscal note is distributed. Additionally, the existence of co-requesters will keep the fiscal note request alive if the original requester later cancels the request.

What happens when the primary requester cancels the request? The primary requester may cancel the request made on a bill for any reason. When this happens, the co-requester becomes the primary requester and the staff contact.

How do I become a co-requester?
1. From the **Console** page, **New Request** or **Search** pages, select the **Become Co-Requester** icon next to the desired bill for which a request has been made. This will take the user to the request screen.
2. From the drop-down menu next to the co-requesters box, select the name and committee of the co-requester.
3. Select the **Add** button to add the requester to the co-requester list.

How do I remove myself as a co-requester?
1. To remove your name from the co-requester list, select your name in the **Co-Requesters** drop-down box.
2. Select **Remove Me as Co-Requester**. This will remove your name from the list.
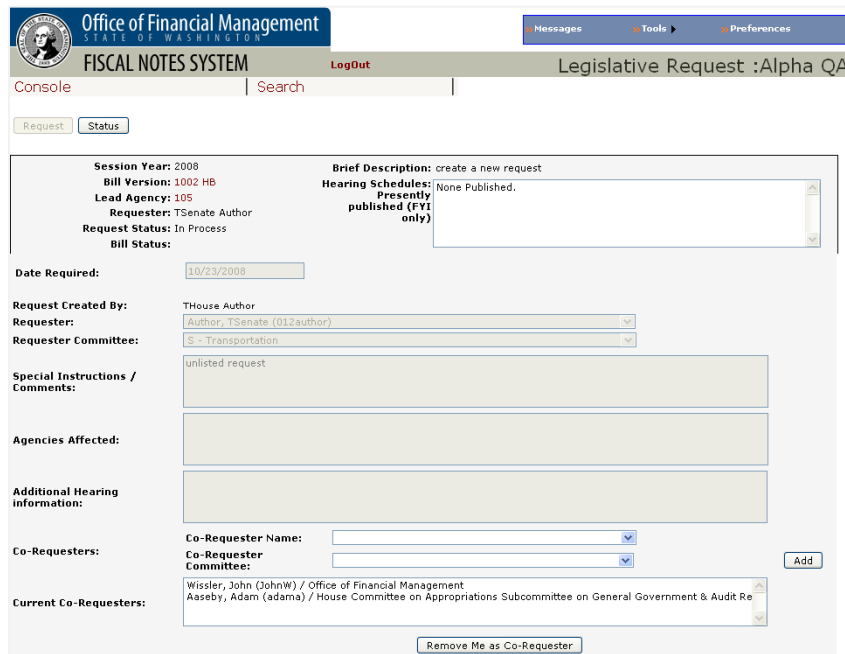
Figure 7: Removing a co-requester

Other fiscal note system features

Monitoring fiscal note status

The **Console** page offers a summary status of fiscal notes. You may also access a more detailed status on a particular fiscal note.

On the **Console** page, select the **View Request Status** icon next to the desired bill number. This will take you to the **Legislative Status** page. This page provides detailed status on the fiscal note request.

Customizing the console view

1. At the **Console** page, choose the desired session from the **Session** drop-down list. The current session is the default.
2. Choose from the **Views** drop-down list to tailor the list of request information.

Try these helpful features:

- Selecting the **Agency** or **OFM Analyst** name will bring up an addressed email form.
- Selecting the bill number will bring up the text of the bill.
- Use the column heading to sort the results by those column criteria.

Viewing distributed fiscal notes

Once OFM distributes a fiscal note, FNS users can view the entire package through the agency **Console** page.

1. From the **Console** page, select the **View Status of Fiscal Note** icon for the distributed bill. The next page displays the status of the fiscal note request.
2. Select **View Fiscal Note** to view a distributed fiscal note package.

Figure 8: View fiscal note

The package consists of a roll-up page labeled Multiple Agency Fiscal Note Summary followed by the Individual Agency Fiscal Notes, including the Local Government Fiscal Note and/or Judicial Impact Fiscal Note, if applicable. The screen also allows the user to print the package. Be sure to use the print icon in the Adobe Acrobat toolbar.

You can also view distributed fiscal notes on the OFM fiscal notes website.

Using the search function

1. From the **Console** page, select **Search** located beneath FNS header to go to the **Search** page. The **Search** page enables the user to search fiscal note requests by bill number, brief description, date, requester, committee, fiscal note type, prepared by or status.
2. Enter or select the desired parameters and select the **Search** button. The search will produce a table of results. An icon next to each request will enable the user to navigate to the status and fiscal note screens.
3. Select the column heading to sort the results by those column criteria.

The **Clear Criteria** button clears the search settings. The list will indicate the companion bill of the bill number requested if one exists.

Figure 9: The search function

Extracting data

FNS restricts access to export functionality and OFM does not provide support beyond the creation of a tab-delimited file. To make effective use of FNS data, users need a high level of programming and data relationship knowledge. The extracted data is limited to the user's agency.

1. From the **Console** page, select **Search** to go to the **Search** page.
2. Enter or select the desired parameters and select **Search** to produce a table of results.
3. If you have access to the extract feature, the **Extract Data** button will appear on the search results screen.
4. Select **Extract Data** and choose the extract that you want to perform.
5. Select the **Generate Extract** button and save the extract to a file.
6. Import the tab-delimited file into Microsoft Excel or Microsoft Access and use as needed.

System password maintenance

At the Login page, select **Change your Password**. Enter your login ID, prior password, and new password, then select **Save Password.**

Accessing reports
From the **Console** page, select **Reporting** at the top of the page to go to the **Fiscal Notes Agency Reports Webpage Dialog**. From here, the user can view or print the following reports:

- *Bills that contain fees or taxes* – lists all bills that contain fees or taxes by certain criteria.
- *Primary agency contacts* – lists the primary point of contact for all agencies.
- *Scheduled hearings* – lists fiscal notes with scheduled hearings. The start date for the list is one day prior to the date being run.
- *Status of all fiscal notes in process* – lists all fiscal notes that have not been distributed final and their status.
- *Status of all fiscal notes requested* – lists all fiscal notes requested and their status.
- *Status of all requests for fiscal notes* – lists all requests for fiscal notes and the status of those requests.