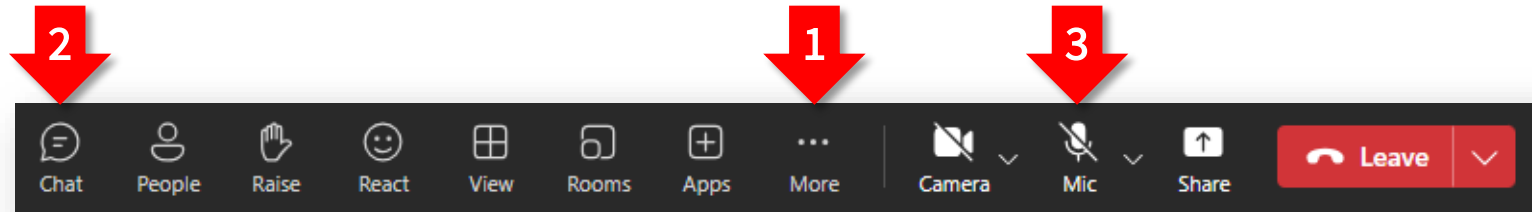


Welcome! The Presentation Will Begin Shortly.



1. To change your speaker, microphone, or camera settings, select **More (...)** > **Device settings** in the control bar.
 - Test your audio to ensure that it is working correctly.
2. Use **Chat** to open the Meeting chat panel.
 - You can use Meeting chat to ask questions or respond.
3. Please mute your microphone (toggle the **Mic** button) when not speaking.

January 2026

Introduction to Fiscal Notes System (FNS) Virtual Training

Hosted by OFM

Steven Puvogel
Kari Miracle
Gaius Horton
Bryce Andersen
Joshua Rogers
Yvette Whittenberger
Chris Soots

Lead Budget Advisor
Budget Advisor
Budget Advisor
Senior Budget Advisor
Systems Analyst
Systems Analyst
Enterprise Applications Trainer



Agenda

- Welcome Information
- What is Introduction to FNS Training?
- Fiscal Notes Overview and Best Practices
 - I-960: The Ten-Year Analysis
- Creating a Fiscal Note Demonstration
- Q&A
- Information and Resources



We are Happy You're Here!

- Break at the midpoint of the class
- Chat feature and raising hands in Teams
- In case we get disconnected...
- Handout contains usable hyperlinks
- Training evaluations by email



Attendance Check

If the name that you registered under in the Learning Center isn't displayed in the Participants list, please type your full name in Chat.



Learning Objectives

- Fiscal Notes Overview
- How to Prepare a Good Fiscal Note
- How to Creating a Fiscal Note in FNS
 - Operating expenditures
 - Capital expenditures
 - FTEs
 - Cash receipts
- How to Import from Excel
- I-960/10-Year Analysis Overview

Important topics include a paired demonstration in a real FNS environment.

What is Introduction to FNS Training?

- Covering topics that are common when first working with FNS
- Addressing topics that result in frequent calls to the Help Desk
- Addressing your questions

Poll: Who has previous experience working in FNS?



Where Should I Begin?

- [OFM FNS Product Page](#)
- [OFM Budget Instructions and Forms Page](#)
- [Bill Text Comparison Tool](#)



Fiscal Notes Overview

Why do Fiscal Notes?

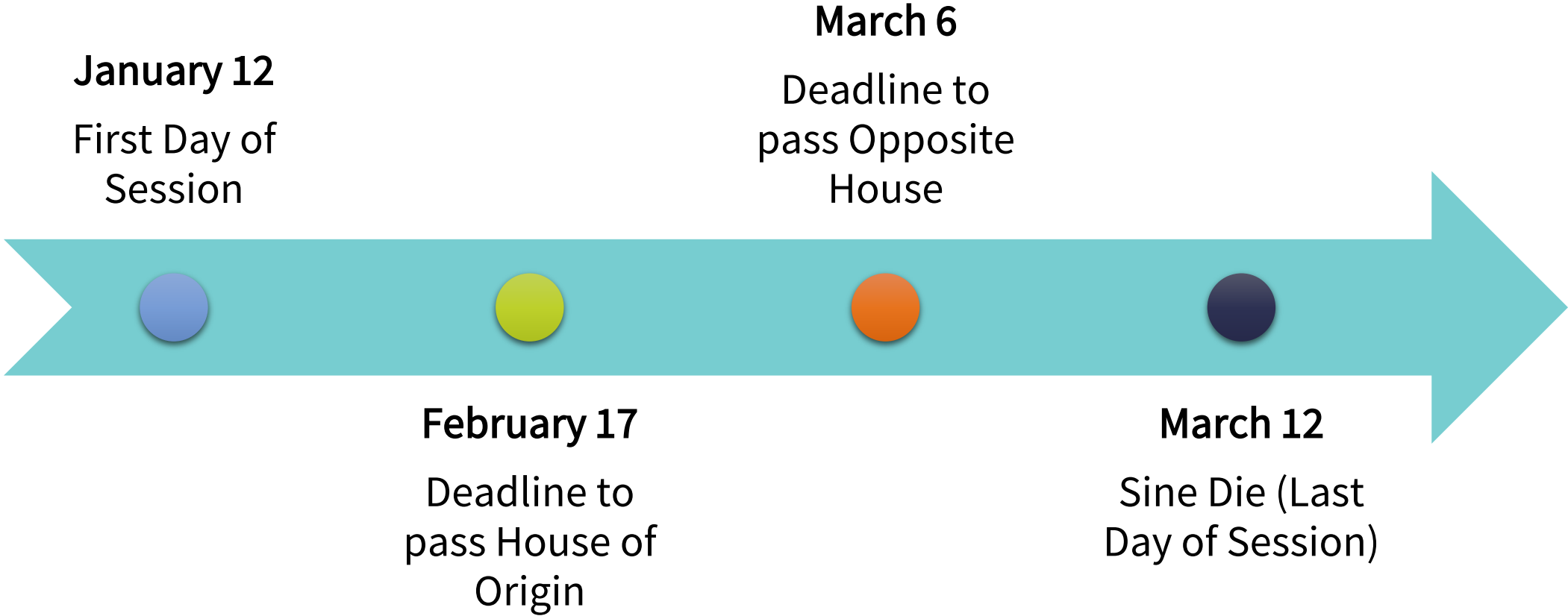
- RCW 43.88A directs OFM to establish fiscal note procedures that:
 - Evaluate the expected impacts of bills
 - Include fiscal impact for the first biennium impacted plus the succeeding four fiscal years
 - Coordinate fiscal impact development for all state agencies affected
 - Provide fiscal notes for any legislative proposal
 - Approve the form, accuracy and completeness of the note



Who are the Players?

- Legislative members and staff
- OFM Budget Division staff
- State Agencies—budget and program staff

2026 Session Cutoff Calendar





Tips for Success

- Prepare early
- Know your process
- Anticipate topics
- Gather data now
- Be ready on the first day
- If text is good and applies, use it!



Fiscal Note Best Practices



Preparing Fiscal Notes

- Agencies usually have 3 days* to:
 - Read and understand the bill
 - Decide how the bill might be implemented
 - Collect data
 - Convert concepts to costs
 - Draft narrative
 - Send through a review process
 - Incorporate comments
 - Final review and signoff

*There may be less time due to hearing dates.



Key Features of a Good Fiscal Note

- Clearly written to show how the bill will change current practices and costs— anyone can understand it
- Cost estimates are based on data
- Assumptions are clear, reasonable and include an implementation date; and are coordinated with other agencies
- Calculations are clear and can be easily duplicated
- Objective – Avoids discussing merits of the bill, pro or con
- Avoid “Indeterminate” – Ranges to communicate uncertainty
- Timely – Submitted on-time



Anatomy of a Fiscal Note

Part I: Estimates

Part II: Narratives

Description

Cash Receipts

Expenditures

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making



Part I: Estimates

- Most important page!
- How much does it cost?
 - No Fiscal Impact
 - Less than \$50,000
 - Greater than \$50,000
- Starting point is the last enacted budget
- Non-Zero but Indeterminate

Indeterminate: What Does This Mean?

- Impossible to quantify
- Indeterminate costs DO NOT get funded
 - Enter all known costs and receipts in the applicable tables
 - Explain what the unknown costs or receipts are in the narrative with an estimated range
- Discuss with OFM budget advisor before releasing



Part II: Narrative

- Heart of the fiscal note
- Explains how the bill changes business practices and costs of the agency
- Credible: clear methodology, clear assumptions, cited data, avoids jargon, is consistent
- Objective: nothing is stated or computed in a way that indicates support or opposition



Part IIA: Brief Description

- Section-by-section analysis
- State implementation methodology that will drive cost
- If no fiscal impact, state why
- If a substitute bill, note the differences between the bills



Part IIB: Cash Receipts

- In a fiscal note, Revenue and Cash Receipts are the same thing.
- Reported by the agency that will collect the money.
- If federal or private/local, then the amount is expected to match the federal or local expenditures. For other revenue sources, a difference is acceptable.
- New fund created—use “NEW”



Part IIC: Expenditures

- What are your assumptions?
- What will it cost?
- What is that based on?
- How did you compute the cost?
- What were your sources?
- Compute independent of cash receipts



Absorbing Cost

- If the effort is very small, absorb it.
- If the agency is either willing or required to absorb, clearly state what will not get done.
- If the activity is something the agency already does, be prepared to show why the requirements of the bill can't be absorbed.



Part IV: Capital Impact

- Include description in Part IIA, Brief Narrative, but not in Parts I, IIC or III Expenditures
- State methods and assumptions, show calculations, identify FTE costs, compute expenditures independent of cash receipts, cite data and sources



Part V: New Rule Making

- State the part of the bill that will require new rules or changing existing rules
- State in general what the new rules or changes will be
- If no rulemaking is required, leave this field blank



Special Circumstances

- Vague Language
 - Get clarification from staff
- Repealers
 - Look up sections, state impact
- Contains an Appropriation Clause
 - Disregard
- Errors in Fiscal Notes
 - Contact OFM, prepare a revised note ASAP
- No Request
 - Contact OFM for a formal request



OFM Reviews For:

- Intent of Legislation
- Objectivity
- Average Citizen Comprehension
- Acronyms and Grammar
- All Sections Completed
- Costs Begin on/after Effective Date
- Calculations
- Data Sources
- Interagency Coordination
- FTEs and Salaries
- Who Collects the Cash Receipts?
- Part I Expenditures & Part III Expenditure Details Balance

What OFM Sees

5796 SB Payroll expense tax

Fiscal Notes | General Notes | Request Information | Assumptions | 1960 Special Instructions | Packages

Approve | Dist. W/O Approval | Revision | Hold | Overdue | PACKAGE | Ten Year Complete | Lead Agency | Email Contacts | FN Details | All Fiscal N | Remove TenYear Approval Date

	Lead	Agency	Version	Date Notified	Date Due	Date Received	OFM Analyst	Fiscal Note Status	Pack.	Hold	Overdue
<input type="checkbox"/>		014 JLARC		3/20/2025 2:30 PM	3/20/2025		Horton, Gaius	Assignment Cancelled 03/20/202...			
<input type="checkbox"/>		020 LEAP		3/20/2025 2:30 PM	3/20/2025		Horton, Gaius	Assignment Cancelled 03/20/202...			
<input type="checkbox"/>		035 OSA		3/20/2025 2:30 PM	3/20/2025		Ehrlander, Marcus	Assignment Cancelled 03/20/202...			
<input checked="" type="checkbox"/>		037 LSS	2025-01 - 1	3/20/2025 2:30 PM	3/20/2025		Puvogel, Steven	Assignment Cancelled 03/20/202...			
<input type="checkbox"/>		038 JLS		3/20/2025 2:30 PM	3/20/2025		Puvogel, Steven	Assignment Cancelled 03/20/202...			
<input type="checkbox"/>		040 SLC	5796 SB - 1	3/20/2025 2:31 PM	3/20/2025		Horton, Gaius	Assignment Cancelled 03/20/202...			
<input type="checkbox"/>		050 CJC	2025-1 - 1	3/20/2025 2:30 PM	3/20/2025	3/20/2025 3:19 PM	Horton, Gaius	Assignment Cancelled 03/20/202...			

- OFM Budget Advisors do not have the ability to edit fiscal notes.
 - They can only approve or send back for revision.



Remember!

- Fiscal notes are intended to give an objective analysis of the impact of proposed legislation.
- The best fiscal notes have clear analysis of intent, clear assumptions, use data, and are generally funded if the bill passes.
- For more information or consultation, contact your agency's fiscal note coordinator or your assigned OFM advisor.



I-960: The Ten-Year Analysis



Initiative Measure I-960

- What is an I-960/10-year analysis?
 - Ten-year projections for proposed legislation that impose or raise taxes and/or fees. (RCW 43.135)
- Why is this a requirement?
 - Voters passed the measure in November 2007.
- How quickly do the analyses have to be done?
 - Ten-year analyses and notifications are to be prepared and communicated expeditiously, promptly and without delay.



General Guidelines

- Show each source of revenue separately.
- Use the descriptive title, not the account code.
- Tax increases and decreases ARE netted against each other.
- Fee increases and decreases ARE NOT netted against each other.
- Increases and decreases in a tax and a fee ARE NOT netted, and vice versa.
- If an analysis has no cash receipts, is indeterminate, or partially indeterminate, provide an explanation.



Notifications

- OFM is required to send notices that include a ten-year projection whenever a bill that has taxes or fees:
 - Is introduced
 - Has a public hearing scheduled
 - Passes out of committee
 - Passes on the floor
 - Passes the legislature
- Any person may subscribe to the notices at:
[Tax & Fee Proposals \(I-960\)](#)



**Break -
Return at 10:00 AM**



Creating a Fiscal Note Demonstration

Watch the instructors demonstrate FNS functionality.



Agency Account Administration

- [Agency Security Officers Job Aid](#)

Poll: Who here is an Agency Security Officer for FNS?



Q&A



Staying Informed

- [OFM FNS Product Page](#)
- [OFM Budget Other Instructions and Forms](#)
- [2025-27 Budget Instructions](#)
- [Sign up for FNS bulletins on GovDelivery](#)

Who to contact with questions?

- OFM Help Desk
 - Phone: 360-407-9100
 - Email: HereToHelp@ofm.wa.gov
- Fiscal Notes Policies and Procedures
 - OFM Budget Operations:
 - Budget.Operations@ofm.wa.gov
 - OFM Fiscal Note Coordinator: Steven Puvogel
 - [Microsoft Teams](#)
 - steven.puvogel@ofm.wa.gov
 - OFM Ten-Year Analysis Coordinator: Gaius Horton
 - [Microsoft Teams](#)
 - gaius.horton@ofm.wa.gov



Online Training Available

- There is a self-paced, pre-recorded version of this course available on the Learning Center:

[OFM Introduction to Fiscal Notes System \(FNS\) Online Training](#)

Please Complete Our Survey

Contact:

Chris Soots | Enterprise Applications Trainer
OFM ITSD

chris.soots@ofm.wa.gov



Scan the QR code to visit
ofm.wa.gov or find us on
social media.

