FISCAL NOTE UPDATES AND REMINDERS

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Office of Planning & Budgeting
WHAT IS A FISCAL NOTE?

An objective estimate of a bill’s fiscal impact

> 6-year projection
> Based on least expensive way to reasonably implement the bill
> Tied to a specific version of a bill
> Helps legislators evaluate a bill’s costs and merits
> Informs legislative staff, journalists, lobbyists, etc.
WHY SHOULD YOU CARE ABOUT FISCAL NOTES?

They are important because:

> They inform legislative decisions that impact the UW ... so, we need to be responsive and accurate.

They are tricky because:

> We have less than 72 hours to respond
> They cover a huge variety of topics ... so, we need your help!
THE FISCAL NOTE PROCESS

- OPB receives FN request from OFM
- OPB researches bill, checks BillTracker, emails assessors
- Assessors prepare FN response
- OPB reviews FN for accuracy and completeness
- OPB adds FN to OFM’s system and submits it
- Occasionally OFM sends a revision request
- OFM distributes the final FN to legislators
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< 72 Hours
TO RESPOND TO A FISCAL NOTE REQUEST...

1. Check the due date and time in the email notification from the Fiscal Note Analyst

2. Read the bill

3. Coordinate your response with others as needed; e.g. do our Bothell and Tacoma campuses need to be considered?

4. Fill in the “Fiscal Analysis” fields in the Fiscal Note Template

5. Email the template back to the Fiscal Note Analyst
PLEASE FILL OUT

> **Summary**: overview of how the bill would impact the UW (or why it wouldn’t)

One or more of the following areas of impact:

> **Cash Receipts**: estimated tax or fee collections
> **Expenditures**: estimated cost to implement bill – operating and capital
> **FTEs**: detailed list of additional staff time needed (will be shown on next slide) – operating and capital
> **Capital**: predesign/design, construction, grants/loans, staff, and other costs
PLEASE FILL OUT

FTE table from template:

<table>
<thead>
<tr>
<th>Job Title, Full-Time Salary</th>
<th># of FTE needed for each job title by year</th>
</tr>
</thead>
<tbody>
<tr>
<td>(not including benefits)</td>
<td>(ex. 0.25 FTE in FY20)</td>
</tr>
<tr>
<td>(ex: Administrative Asst., $42,000)</td>
<td>FY 20</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0</td>
</tr>
</tbody>
</table>
### Operating FTE Detail (Enter the FTEs for each Fiscal Year NOT the Salary)

<table>
<thead>
<tr>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Title</td>
</tr>
<tr>
<td>Co-Directors, Ocean Acidification Center</td>
</tr>
<tr>
<td>Director, Climate Impacts Group</td>
</tr>
<tr>
<td>Faculty</td>
</tr>
<tr>
<td>Faculty Principal Investigator</td>
</tr>
<tr>
<td>Graduate Student Research Assistant</td>
</tr>
<tr>
<td>Research Scientist</td>
</tr>
<tr>
<td>Research Specialist</td>
</tr>
<tr>
<td>Resilience Specialist</td>
</tr>
<tr>
<td>Science Coordinator</td>
</tr>
<tr>
<td>Strategic Communications Lead</td>
</tr>
</tbody>
</table>

### Capital FTE Detail (Enter the FTEs for each Fiscal Year NOT the Salary)

<table>
<thead>
<tr>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE Title</td>
</tr>
<tr>
<td>Salary</td>
</tr>
<tr>
<td>FY 2018</td>
</tr>
<tr>
<td>Totals</td>
</tr>
</tbody>
</table>
## Estimated Operating Budget Expenditures

<table>
<thead>
<tr>
<th>Account #</th>
<th>Account Title</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>001</td>
<td>General Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Expenditures By Object

<table>
<thead>
<tr>
<th>Object</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Salaries and Wages</td>
<td>227843</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Employee Benefits</td>
<td>61305</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Professional Service Contracts</td>
<td>17874</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>Goods and Other Services</td>
<td>12540</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Travel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>Capital Outlay</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G</td>
<td>Inter Agency/Fund Transfers</td>
<td>310,267</td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Interagency Reimbursements</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Interagency Reimbursements</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

## Expenditures By Program (optional)

<table>
<thead>
<tr>
<th>Program #</th>
<th>Program Title</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Describe Expenditure Impact

**SECTION 102**

Since the UW produces carbon dioxide emissions through the use of fossil fuels and purchases some electricity that likely has inherent carbon dioxide emissions (and since the UW is a state agency), we assume Section 102 would require the UW to pay the $12.50 per ton carbon tax. This section does not include the impacts of the proposed carbon tax in this section, though the tax would have a large fiscal impact on the University. The UW estimates the impact would be $1.2 Million in FY20, $1.1 Million in FY21, $1.38 Million in FY22, and $1.38 Million in FY23.

### SECTION 502

This section requires the WA Department of Health, with consultation from the UW Department of Environmental and Occupational Health Sciences housed in the UW School of Public Health, to develop a cumulative impact analysis that ranks and maps vulnerable, highly impacted communities will be updated on a periodic basis.

In order to comply with these requirements, DEOHS faculty and student time will be needed to advise the Washington Department of Health on development of the cumulative impact analysis, including attending meetings organized by the Department of Health. The WA Department of Health, UW DEOHS will provide support from research staff at the UW Climate Impacts Group for the provision and interpretation of locally specific climate change impacts projections, including attendance at meetings organized by the DEOHS.

This will require a 0.25 faculty principal investigator (annual salary $149,580, benefits rate 24.9%) and a 0.5 graduate student research assistant (annual salary $23,000, benefits rate 14.6%), along with the graduate student tuition payments for three academic years. The faculty principal investigator (annual salary $154,400, benefits rate 32.5%), 0.5 FTE research scientist (annual salary $93,600, benefits rate 32.5%) and 0.17 FTE research specialist (annual salary $68,400, benefits rate 32.5%). It will require funds for the DEOHS and
WHAT IF THERE ARE TOO MANY UNKNOWNS?

You can say impact is “indeterminate.”

HOWEVER, OFM has recently asked us to limit the amount of “indeterminate” fiscal notes we return to them.

We will need you to:

– Explain *why* the impact is indeterminate

  AND

– Give a rough estimate or provide a range of scenarios
**TIPS & REMINDERS**

- Fiscal notes **must** take priority over general bill analysis
- Let us know if we should add others as assessors (e.g. other units, Bothell and Tacoma campuses)
- Try to avoid “indeterminate” responses where possible, but give a rough estimate or include a range of scenarios otherwise
- Write for a general audience: avoid jargon, spell out acronyms
- Identify and explain **all** assumptions
- Report the bill’s *incremental* impact over current law
- Report current dollars, don’t build in inflation
- Identify costs/receipts as one-time or on-going
- Consider implementation dates—what fiscal years are affected?
- Separate cost of benefits from cost of salaries
- Respond! (Please!) 😊
Fiscal Notes

During every Washington State legislative session, the University of Washington is required to provide information to the legislature regarding the fiscal impact of various proposed bills.

RCW 43.88A requires that the state Office of Financial Management (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. The purpose of this is to estimate the cost of legislation that is going through.
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