WHAT IS A FISCAL NOTE?

An estimate of a bill’s fiscal impact

> 6-year projection
> 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 and distributes request

Assessors and OPB analyst draft and finalize FN

OPB analyst reviews and submits FN

< 72 Hours
TO RESPOND TO A FISCAL NOTE REQUEST...

1. Read the email from your OPB Analyst, note the due date, respond to let us know you’re on it
2. Read the bill for how it impacts the UW
3. Coordinate your response with and loop in others as needed (Bothell and Tacoma campuses, other units)
4. Fill out the calculation and narrative templates
5. Email the templates back to your 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 costs to implement the bill, assumptions made
> **FTEs**: additional staff time needed
> **Capital**: expenditures and FTEs, plus predesign/design, construction, grants/loans, staff, and other costs
NARRATIVE

SUMMARY

Brief overview

This bill establishes the Pesticide Application Safety Committee to: (1) explore how state agencies collect and track data; and (2) consider the feasibility and requirements of developing a shared database. It creates an advisory work group to collect information and make recommendations to the committee.

EXPENDITURES

Cost drivers by section, assumptions, subtotals and total by FY

SECTION 2

Section 2 (1) establishes the Pesticide Application Safety Committee, stating that appointments to the committee must be made as soon as possible after the legislature convenes in regular session.

Sec 2(1)(i) lists the director of the University of Washington (UW) Pacific Northwest Agricultural Safety and Health Center, or an assistant designated by the director, as a required member of the committee.

Sec 2(3) states that the committee must hold its first meeting by September 2019 and must meet at least three times year. The co-chairs must consider costs and conduct committee meetings in Olympia when this choice would reduce costs to the state.

For the purposes of this fiscal note, the UW is assuming that there will be three meetings per year and that all three will occur in Olympia. This will require 0.02 FTE of a Professor and Director of the UW Pacific Northwest Agricultural Safety and Health Center (annual salary $263,200, benefits rate 26.1 percent), for a total of $5,264 in salaries and $1,374 in benefits per fiscal year beginning in FY20. Additionally, this will require $150 in travel costs per year.

The total cost to comply with this bill would be approximately $6,788 per fiscal year beginning in FY20.
<table>
<thead>
<tr>
<th>Fund Title/Number</th>
<th>FY 20</th>
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<th>Object</th>
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<tr>
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### FTEs - OPERATING

<table>
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<tr>
<th>Job Title, Full-Time Salary (not including benefits)</th>
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<th>FY 22</th>
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<tbody>
<tr>
<td>Professor, $263,184</td>
<td>0.02</td>
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WHAT IF THERE ARE TOO MANY UNKNOWNS?

You can say that the impact is “indeterminate,” BUT we try to avoid this.

We will need you to:

– Explain why the impact is indeterminate AND
– Give a rough estimate or provide a range of scenarios

New for 2020:
> we can now fill in the determinate parts of an indeterminate fiscal note.
> We want exact amounts for costs we can estimate, and ranges for those we cannot.
TIPS & REMINDERS

✓ Fiscal notes take priority over general bill analysis
✓ Respond as soon as possible! 😊
✓ Let us know if we should add others as assessors (e.g. other units, Bothell and Tacoma campuses), or respond and add them to the email
✓ Avoid “indeterminate” responses; explain why if “no impact”
✓ Write for a general audience: avoid jargon, spell out acronyms
✓ Identify and explain all assumptions. Calculations - repeatable, logic - clear.
✓ Report the bill’s incremental impact over current law (new costs/impacts)
✓ Identify costs/receipts as one-time or on-going (current dollars, no inflation)
✓ Consider implementation dates—what fiscal years are affected?
✓ For additional staff/time, we need title, full-time annual salary, benefits rate/classification, and FTE or hours needed per year
✓ Remember, we just need estimates and your best guesses!
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 process is to provide a consistent and reliable method of evaluating the financial impact of legislation.
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QUESTIONS?