



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # SB0091

Title: Require fiscal notes to include business impact

Primary Sponsor: Vance, Gordon

Status: As Amended

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
Expenditures:				
General Fund	\$0	\$89,650	\$0	\$89,650
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>(\$89,650)</u>	<u>\$0</u>	<u>(\$89,650)</u>

Description of fiscal impact: SB 91, as amended, requires that a fiscal note be provided for bills having an effect on the revenues, expenditures, or fiscal liability of a private entity engaged in business in the state, unless by September 1, 2022, the Budget Director is unable to identify and secure a qualified fiscal estimating provider in the state, such as an economics department of a college or university, willing to provide a draft estimate at no cost to the state. SB 91 will require additional resources in the Governor's Office of Budget and Program Planning.

FISCAL ANALYSIS

Assumptions:

- Currently, 11 analysts and 2 managers in the Governor's Office of Budget and Program Planning (OBPP), and between 1 and 20 employees (depending on size of agency) in each agency are substantially dedicated to researching and drafting the information contained in fiscal notes prepared before and during a legislative session.
- It is assumed that the provisions of SB 91, and the scope and complexity of the analysis required will provide for an increased workload during the time leading up to, during, and directly after a legislative session.
- During legislative session, approximately 1,000 bills are introduced. It is assumed half of the bills (500) would require fiscal notes for impacts on private entities engaged in business in the state. It is assumed draft impact statements will be provided at no cost by a qualified estimating provider.

4. Once draft estimates are received from a qualified fiscal estimating provider, OBPP will require one FTE (or the equivalent of two employees for 40 hours per week for approximately 26 weeks) in a legislative session year to review and analyze the estimate, and to incorporate the estimate into a fiscal note for a respective bill.
5. The 26 weeks is estimated from a 17-week legislative session, six weeks of training and preliminary fiscal notes prior to the session, and three weeks after session ends for cleanup and summaries.
6. An estimate of the increased workload by hour and by component of work is detailed in the table below:

Analysis and Review			
	# of Bills	Hours	Total Hours
Introduced	500	3	1,500
Amended	250	1.5	375
Amended x3	100	1	100
Amended x4	50	1	50
	Subtotal		2,025
		Total Hours	2,025
		1/2 time FTE	2.0
		Full-Time FTE	1.0

7. The FTE-type, an estimated cost of salary and benefits, and the cost of operating for equipment and training is outlined in the table below:

FTE Cost by Position			
Position	6 Month Salary and Benefits	Operating	Total 6 Month Cost
Research Analyst	\$ 39,492	\$ 5,333	\$ 44,825
Budget Analyst	\$ 39,492	\$ 5,333	\$ 44,825
		Total	89,650

Fiscal Note Request – As Amended

(continued)

Fiscal Impact:

FTE	0.00	1.00	0.00	1.00
------------	------	------	------	------

Expenditures:

Personal Services	\$0	\$78,984	\$0	\$78,984
Operating Expenses	\$0	\$10,666	\$0	\$10,666
TOTAL Expenditures	\$0	\$89,650	\$0	\$89,650

Funding of Expenditures:

General Fund (01)	\$0	\$89,650	\$0	\$89,650
TOTAL Funding of Exp.	\$0	\$89,650	\$0	\$89,650

Revenues:


General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	\$0	(\$89,650)	\$0	(\$89,650)
-------------------	-----	------------	-----	------------

Technical Notes:

1. The terms “private entities engaged in business” is unclear.
2. The ability for OBPP to recruit and hire FTE in the areas of expertise listed above for six-months every other year is unknown.

 _____ <i>Sponsor's Initials</i>	2/18 _____ <i>Date</i>	KA _____ <i>Budget Director's Initials</i>	2/18/21 _____ <i>Date</i>
--	------------------------------	--	---------------------------------