

# Local Government Fiscal Note Program

WACO Packed Lunch Presentation

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Alice Zillah and Kate Fernald

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Washington State  
Department of  
**Commerce**

# We strengthen communities



HOUSING AND  
HOMELESSNESS



INFRASTRUCTURE AND  
BROADBAND



SMALL BUSINESS  
ASSISTANCE



ENERGY



PLANNING AND TECH  
ASSISTANCE



COMMUNITY SERVICES



CRIME VICTIMS AND  
PUBLIC SAFETY



ECONOMIC  
DEVELOPMENT

# Local Government Fiscal Note Program (LGFN)

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- Established 1977
- RCW 43.132
- Typically between eight to ten staff working on fiscal notes during session
- In addition, two primary editors who review notes before they are submitted to the Office of Financial Management

# What is a local government fiscal note?

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- Impartial analysis of the potential impacts of proposed legislation on the expenditures and revenues of cities, counties and special purpose districts.
- Process is similar to state agency fiscal notes, but with a five-day deadline to submit a note to the Office of Financial Management

Our job is to quantify the impacts of proposed legislative changes.

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## Potential Costs/Expenditures:

- How much staff time will this change take to implement?
- Which staff will be involved?
- Will there be additional costs, for instance in materials, contracting, legal support, or translation?
- Will there be both one-time and ongoing costs?
- Or, will there be a reduction in costs as a result of the bill?

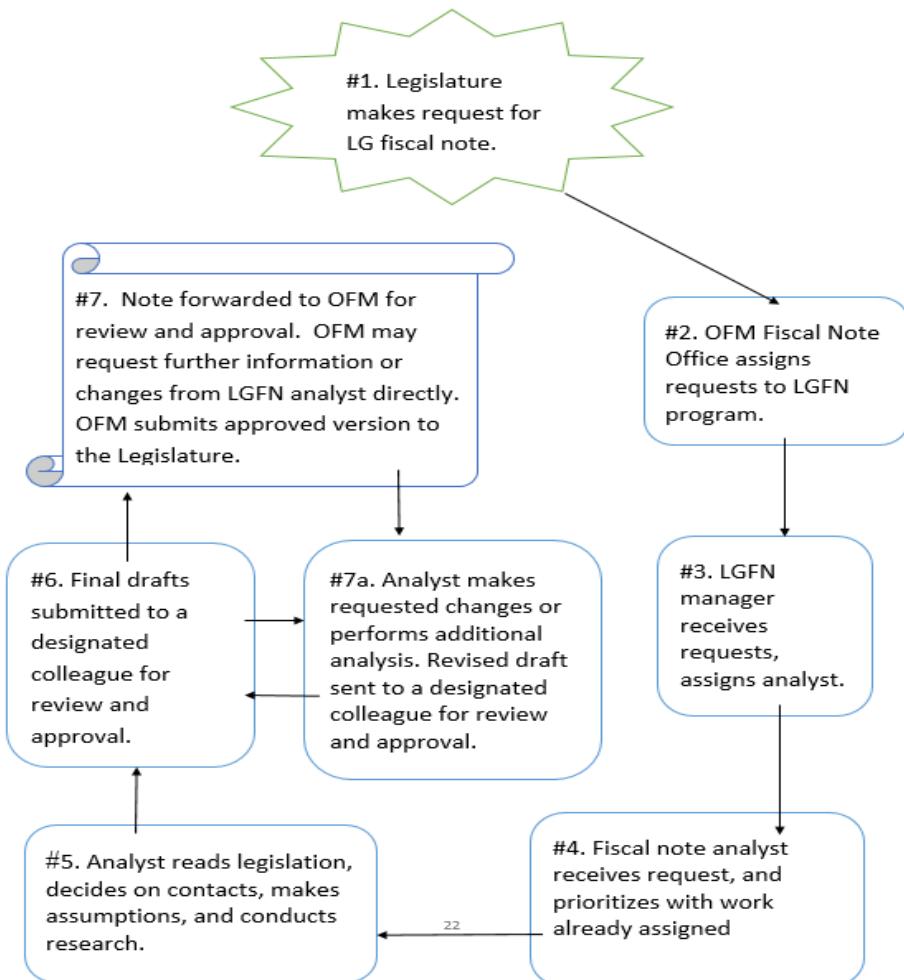
Our job is to quantify the impacts of proposed legislative changes (continued).

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## Potential Revenue:

- Will the bill result in increased revenue?
- What is the source of that revenue – fees or fines, transfers from other units of local government, or a legislative appropriation?
- Or, will there be a reduction in revenue as a result of the bill?
- Will the changes be one-time or ongoing, or both?

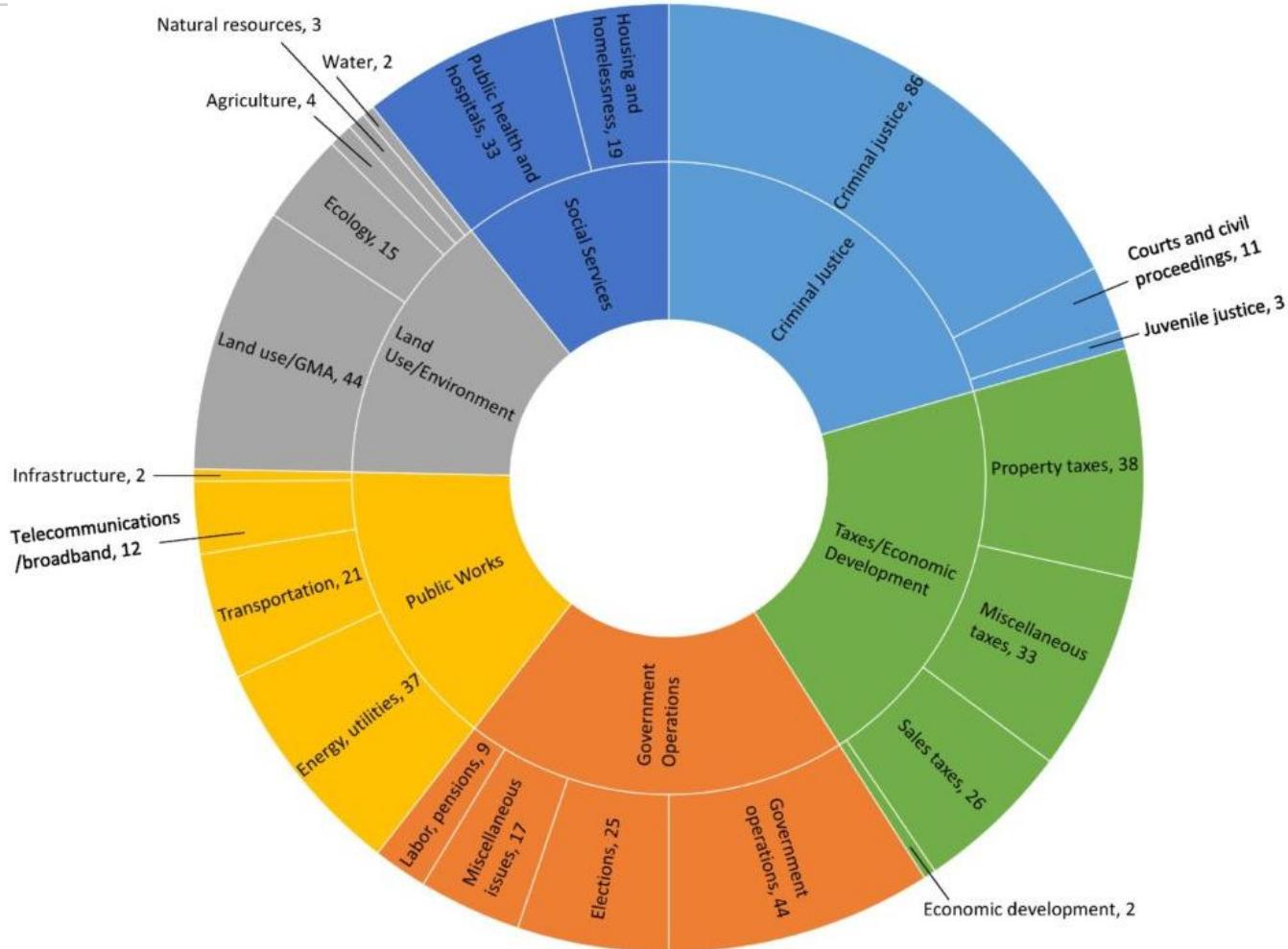
# Basic Fiscal Note Life Cycle



1. Legislature requests fiscal notes for bill
2. OFM assigns requests to agencies, including LGFN
3. LGFN Manager assigns note to analyst
4. Analyst receives request and adds to pile
5. Analyst writes the fiscal note
  - a. Read the bill
  - b. Determine assumptions
  - c. Conduct outreach
  - d. Write note with explanation and/or calculations
6. Analyst submits fiscal note to editor for review and approval
7. Editor forwards note to OFM for review and approval
8. OFM provides note package (including LGFN) to Legislature

# We cover every policy area impacting local governments and special districts

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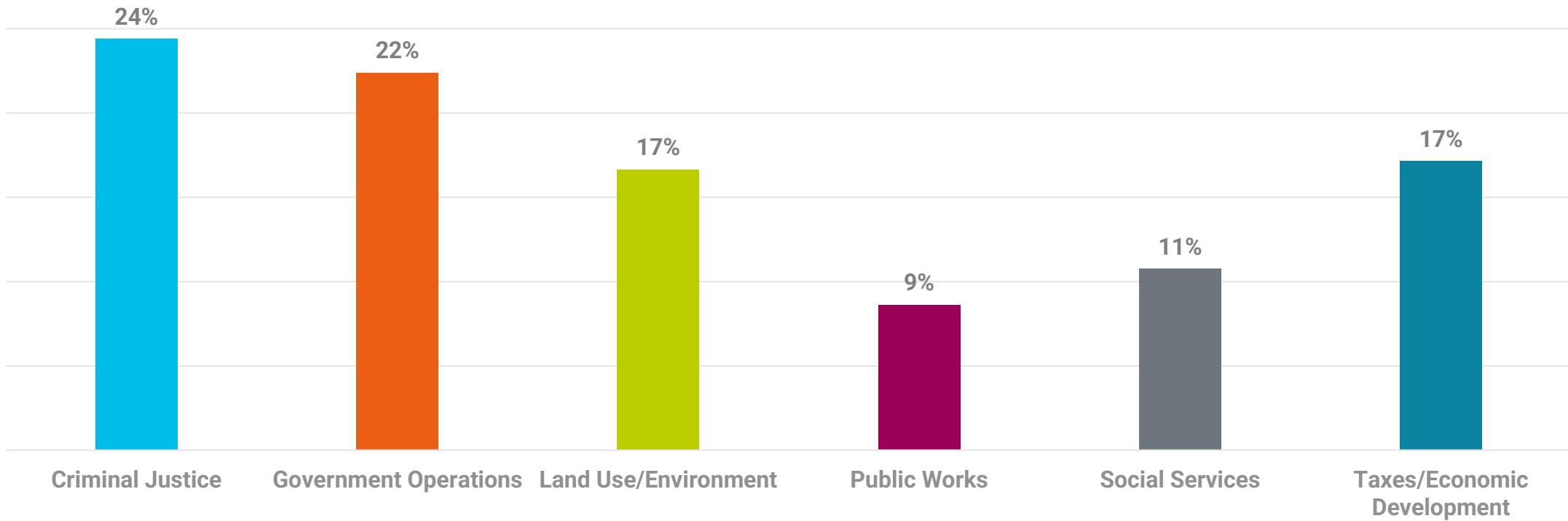


# Note volume varies by subject area...

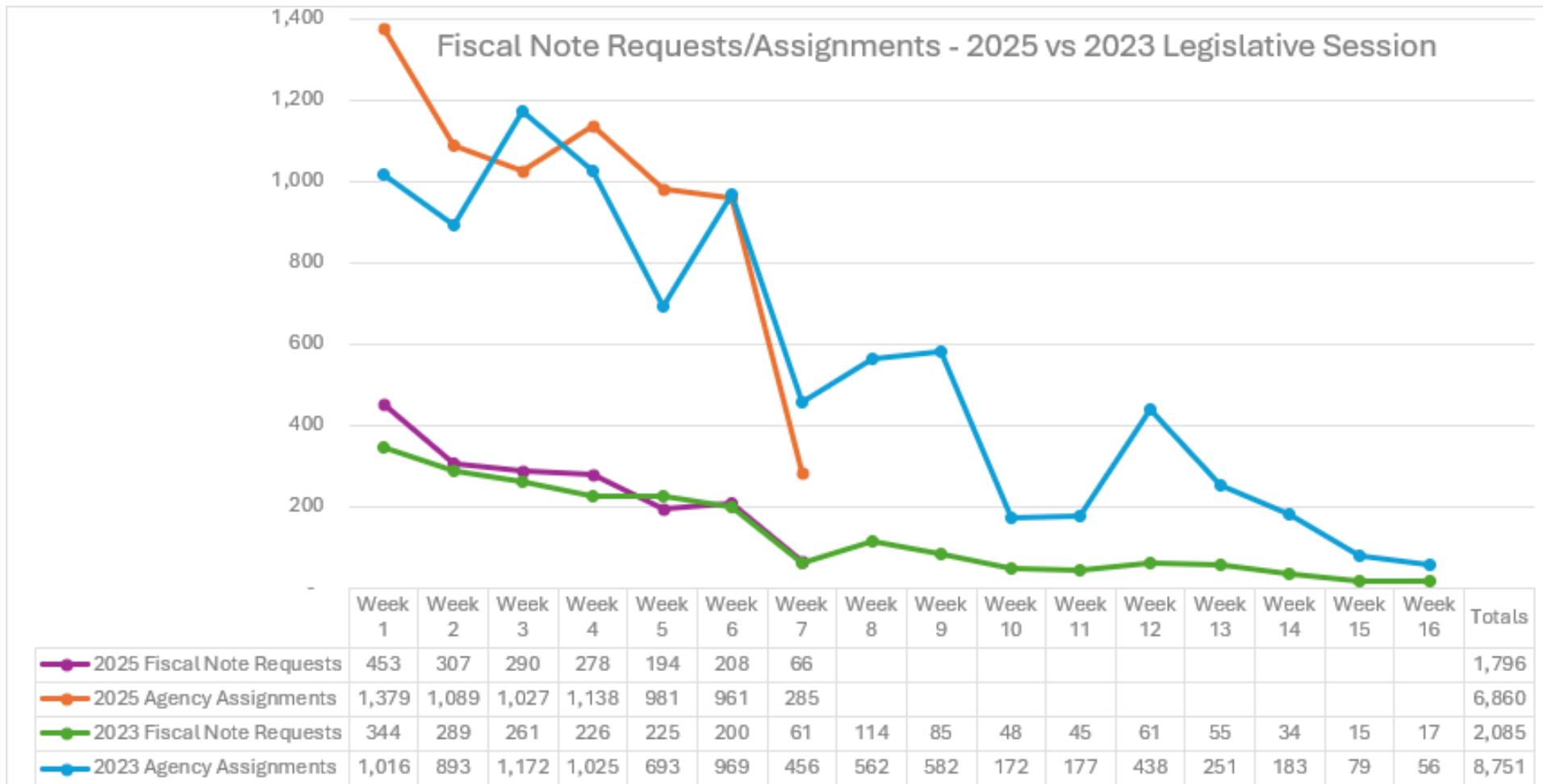
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Percentage of Total Notes Submitted by Subject Area, 2023 Session

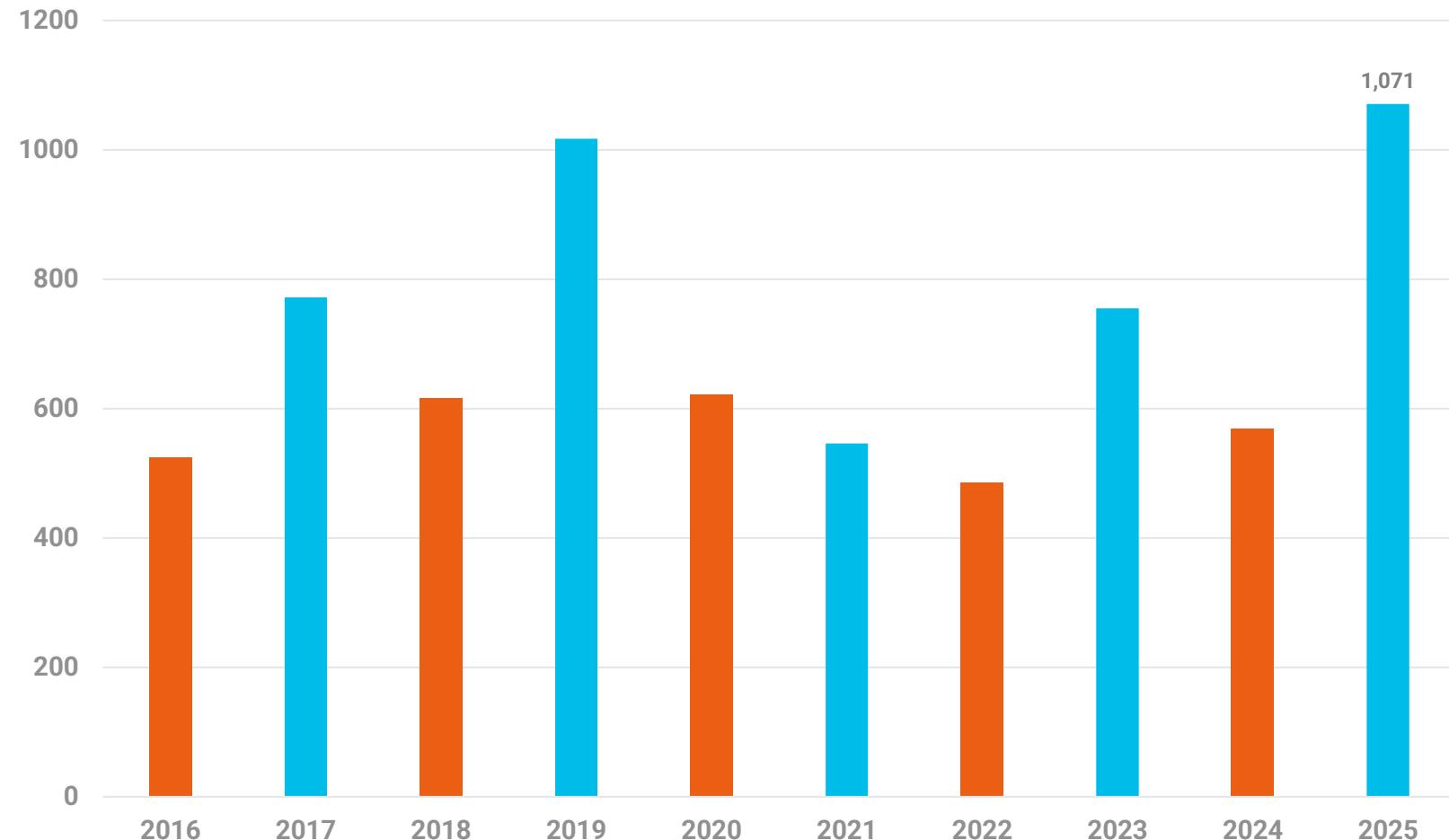
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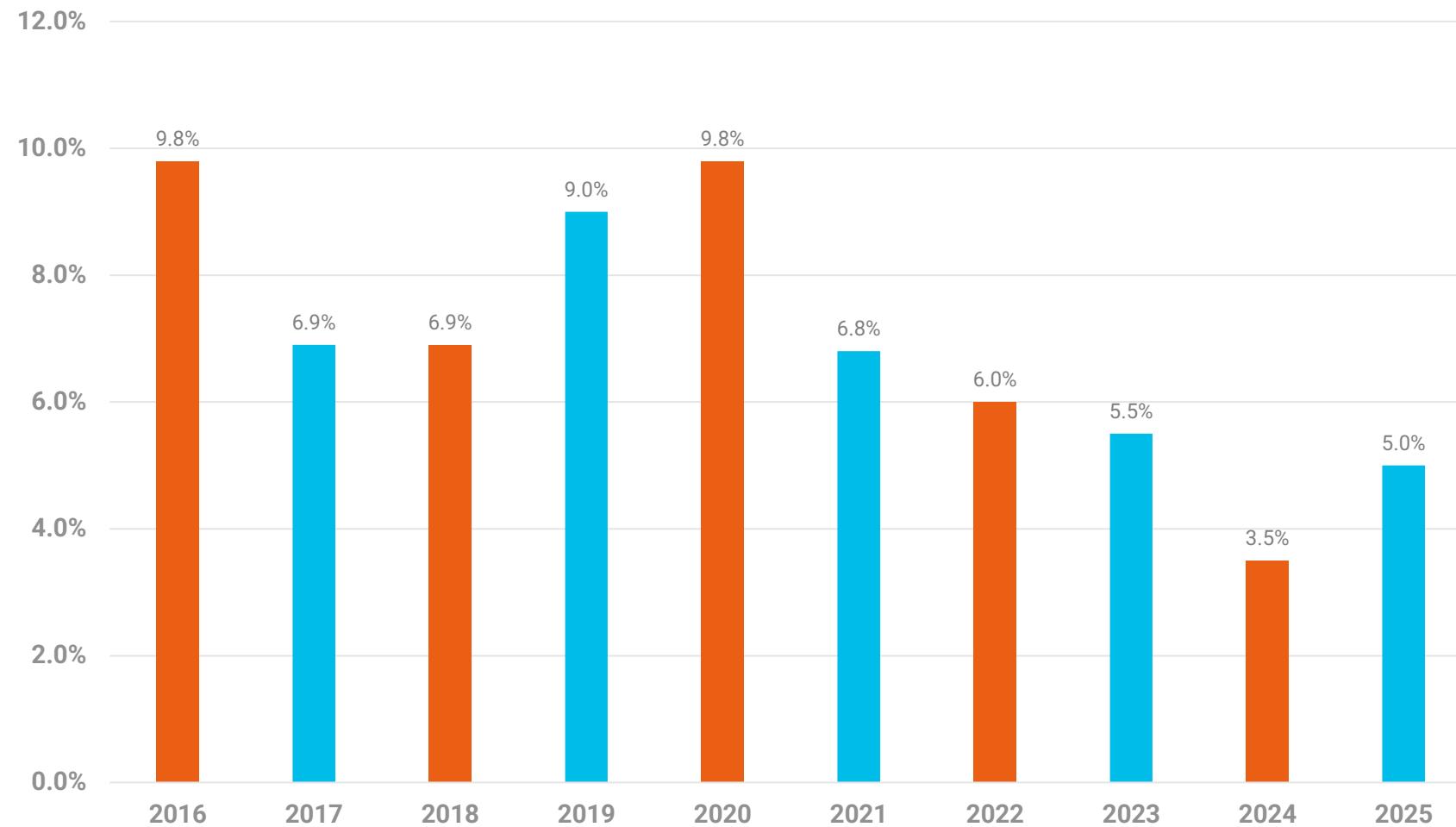
# ...and by time of year



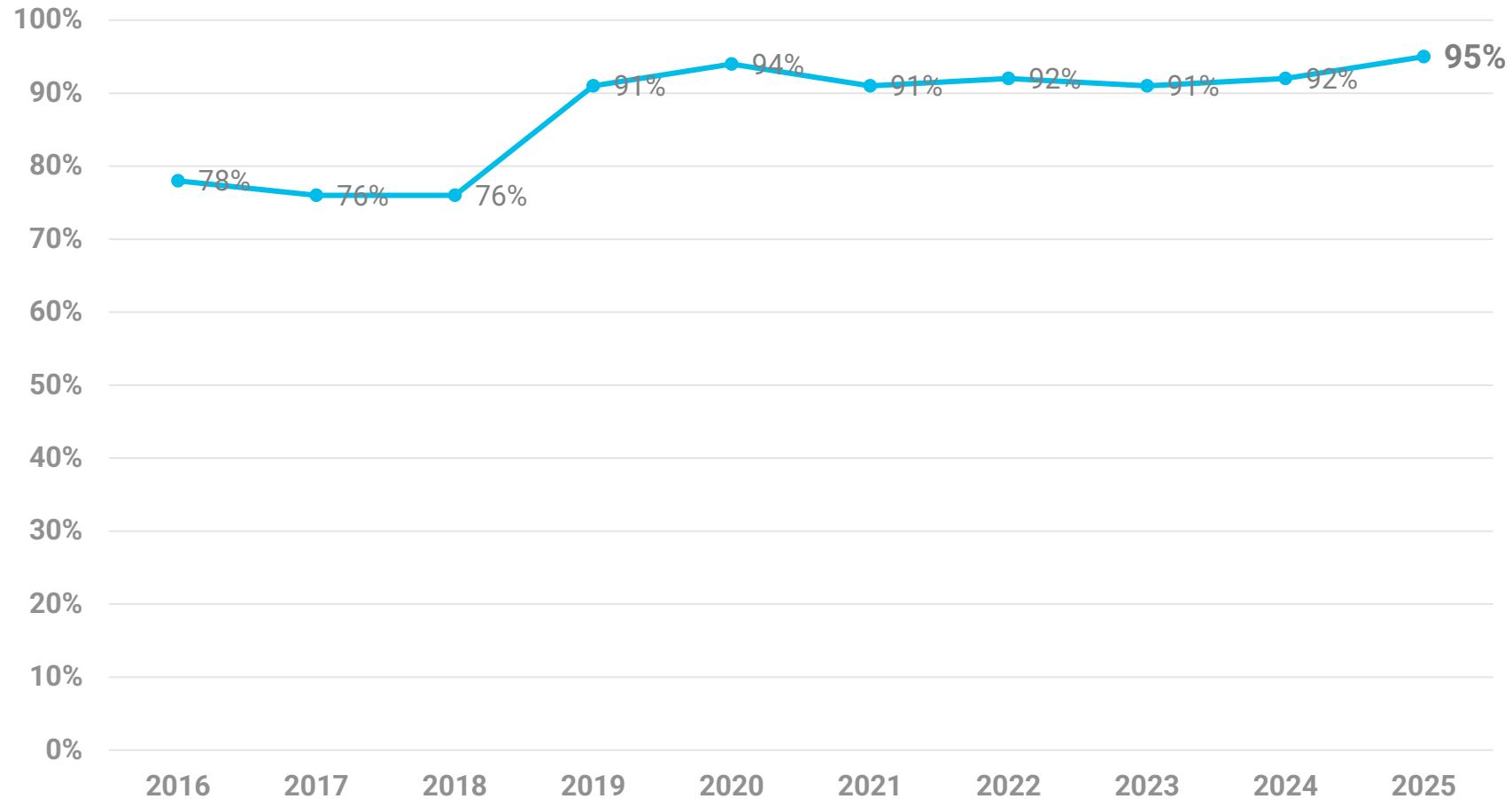
Volume is especially high during long sessions, and appears to have rebounded from pandemic lows



# Accuracy is one of LGFN's primary goals



# Timeliness is as well!

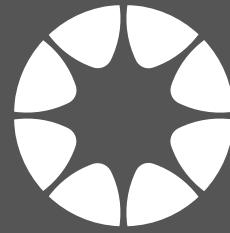


# How to locate fiscal notes

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<https://leg.wa.gov>

# Thank you!



Washington State  
Department of  
**Commerce**

[www.commerce.wa.gov](http://www.commerce.wa.gov)

