Fiscal Notes for Substitutes & Amendments

H.J.R. 21, Master Study Item 183

“183.  Rules on Fiscal Notes – to study the need for rules reform regarding fiscal notes for substitutes and amendments.”
“(2) If an amendment or a substitute to legislation appears to substantively change the fiscal impact of the legislation, the Legislative Fiscal Analyst shall prepare an amended fiscal note for the legislation.”

Current Practice for Bills & Subs

- Bill Numbered
- Full Fiscal Note Process (72 Hours)
- To Sponsor (24 Hours)
- To Floor/Rules
Current Practice for Amendments

- Passage in Committee or on Floor
- Analyst Sifts Amendment for Fiscal Impact
- No Impact
- Fiscal Impact
- Bill File
- Full Fiscal Note Process (72 hours)
- To Sponsor (24 hours)
- To Floor/Rules

Amendment Characteristics

- Often delivered “just in time.”
- Can be created in mid-debate.
- Fiscal Notes take 3 days.
- Analyst sifts for fiscal impact after first passage.
Last Session’s Statistics

<table>
<thead>
<tr>
<th>Fiscal Notes</th>
<th>Amendments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Bills</td>
<td>House Committee</td>
</tr>
<tr>
<td>684</td>
<td>194</td>
</tr>
<tr>
<td>Substitute Bills</td>
<td>House Floor</td>
</tr>
<tr>
<td>269</td>
<td>250</td>
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<tr>
<td>Amendments</td>
<td>Senate Committee</td>
</tr>
<tr>
<td>4</td>
<td>136</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Senate Floor</td>
</tr>
<tr>
<td><strong>957</strong></td>
<td>202</td>
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<tr>
<td></td>
<td><strong>Total</strong></td>
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<td><strong>782</strong></td>
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Time Spent on Fiscal Notes

- NCSL study has states using 30 to 100% of available time on fiscal notes
- The Utah Fiscal Analyst estimates 33% of total effort is spent on fiscal notes.
- During session, 50% is used for fiscal notes.
### Option 1: No Change

- There were 4 amended notes in the 2009 General Session.
- There were no complaints on amendments.

### Option 2: Mandatory Notes

- If the Analyst were to do fiscal notes on all amendments the way it does all substitutes, office workload during session would increase by 50%.
- Over the period of a year, the increase would be about 33%.
Cost of Increased Workload

- Using the year-round staffing level of 33%, it would take 5 additional analysts at a cost of $453,000
- Or it would increase overtime
- Or it would decrease the time available for other projects
- Or some combination of these
- Costs to executive branch offices would also increase.

Option 3: By Legislator Request

- More than 99.5% of amendments do not have a fiscal impact.
- If there is an expectation or question, a rule change could allow any legislator to request a fiscal note before debate continues.
Option 4: Sifting

- With a rule change, certain legislators could sift all bills, substitutes, and amendments and request fiscal notes.
- Resulting in fewer fiscal notes to write.
- This would move the “pinch point” from before a committee hearing to later in the process.

Option 5: Action Triggered Notes

- Only do fiscal notes on bills, substitutes, or amendments that have passed some threshold such as second reading or passage on the floor, etc.