

FISCAL NOTE SURVEY RESULTS

ABOUT THE SURVEY

In anticipation of the first meeting of the Fiscal Note Work Group, a survey has been conducted to determine, first hand, legislator satisfaction with the fiscal note content and process. While legislators may not always know the “behind the scenes” activities that result in the fiscal note product, legislators do have knowledge and perceptions of the product itself and the timeliness.

The survey was sent to all 150 members of the Fifty-ninth Legislature. 131 were sent to legislators for which e-mail addresses were available and 19 were sent to legislators by regular mail. Seventy-five legislators completed the survey, a response rate of 50 percent. The rate of return for the e-mailed surveys, which included a link to an online template for completing the survey, was 48.1 percent. The rate of return for the “regular mail” survey, which included a stamped self-addressed return envelope, was 63.2 percent. It is not known why the rate of return was this different, although it is known that a few legislators that ultimately submitted a survey response did initially experience some difficulty with the logon procedure. Overall, the numbers of responses provide a good representation of the legislative members.

SUMMARY OF RESPONSES

The following is a summary of the responses recorded for the each question on the survey instrument. The statistics are listed for each specific question. A sample listing of the related comments follows questions that allowed comments. Some comments expressed satisfaction and some expressed concerns. In the comment lists that follow, some of the comments are paraphrased if there were multiple similar comments.

Question 1 - How often have you read the fiscal notes that accompanied bills debated during your years in the legislature?

Always	57	76.0%
Sometimes	11	14.7%
Never	0	0.0%
Other	7	9.3%

All 75 respondents answered this question. Fiscal notes are apparently well read, with 76 percent of the respondents indicating that they always read fiscal notes, and 14.7 percent indicated that the sometimes read them. Of the respondents answering “other,” 5 described their frequency of reading as being between “always” and “sometimes.” There were no responses of “never” read fiscal notes.

Question 2a - In general, how satisfied were you with the content of the fiscal notes?

Highly Satisfied	16	21.6%
Somewhat Satisfied	49	66.2%
Not Satisfied	8	10.8%
Other	1	1.4%

All but one respondent (74) answered this question, with 40 respondents adding comments. Generally, respondents are satisfied with the content of fiscal notes. This is addressed again in answers to question 2e below. In the

comments attached to this question, some respondents used the opportunity to offer concerns related to accuracy of data and bias in the conclusion presented. Even when respondents expressed some satisfaction, some would indicate that fiscal notes sometimes were inaccurate and/or biased. There seems to be some acceptance that this is an inherent possibility in fiscal notes, probably because the executive branch agencies with a stake in the legislation provide the data, but also because of limitation of time and staff for preparation of fiscal notes. One legislator suggests that legislators need to carefully read the fiscal note and to question the data.

On content issues, there are numerous comments paraphrased as follows:

- Several comments that content of fiscal notes is satisfactory
- Support of a specific format for pension plan legislation
- Shorter fiscal notes are sufficient (simplify)
- Seeking changes to fiscal note is almost impossible
- Put notation of changes to amended fiscal notes up front
- There should be more communication between the sponsor and the preparer of the fiscal note
- A need for more info on long-term impacts
- A need for more info on local government impacts
- Add a narrative description of the fiscal impact if necessary for clarity
- Add footnotes if necessary for clarity
- Technical notes sometimes conflict with the spirit of the bill.

Implied in some answers is a need for more time for sponsors and other legislators to review the fiscal note, and a need for more legislator training regarding fiscal notes.

Question 2b - In general, how satisfied were you with the accuracy of the fiscal notes?

Highly Satisfied	8	10.8%
Somewhat Satisfied	51	68.9%
Not Satisfied	12	16.2%
Other	3	4.1%

All but one respondent (74) answered this question, with 52 offering comments. Regardless of the relative level of satisfaction, accuracy of fiscal notes appears to be a concern of many legislators. Over 40 percent commented that fiscal notes are, at least sometimes, not accurate. Based upon comments, this opinion can be tied to various factors. Comments are paraphrased as follows:

- Several comments indicate that generally fiscal note accuracy is satisfactory
- Often not accurate the first time
- Fiscal note should clearly state uncertainties of impact
- Seem to be subject to change on pressure from the sponsor
- Bias occasionally mentioned as a reason for inaccuracy
- Not enough time – or staff - to prepare fiscal notes
- Some of the fiscal notes become very complicated...need to figure out way to simplify for ease of understanding
- Not sure of how [preparers] come up with their figures
- Notes don't always reflect the intent of the legislation
- Accuracy is dependent upon knowledge of the drafter...sponsor might suggest individuals with knowledge to assist in preparation
- If assumptions are faulty, then accuracy will suffer
- Based on mystery information...no idea where data came from
- Many times numbers inflated...unclear of reasons for costs or revenues
- Some fiscal notes need to be amended after legislation is amended
- I don't tend to rely on fiscal note because I know there is limited time for preparing them
- Based on future assumptions, incomplete information, and ambiguous reasons for impact
- Info can be subjective, leading to disagreements

- It would be helpful to see projection beyond current [budget] year
- Suggestion that 1-2 years after the session, review sample of fiscal notes to measure accuracy
- Seems like accuracy varies from year to year on same bill
- If a mistake is found, take it up with the budget office...they are willing to fix it
- Smaller fiscal note generally satisfactory...more complicated ones do not accurately reflect long-term impacts
- Too much dependence by some legislators on fiscal note in policy decision

After the online survey instrument was turned off, one legislator that had not completed the survey called with a comment to share with the work group: “I am sometimes frustrated when it appears that department personnel “pad” the resources needed to implement a bill they don’t like. It provides fuel to the opposition and it becomes difficult to debate a fiscal note. It often ends the debate on the underlying policy, because it’s immediately judged impractical.”

Question 2c - In general, how satisfied were you with the objectivity of the fiscal notes?

Highly Satisfied	21	29.2%
Somewhat Satisfied	36	50.0%
Not Satisfied	14	19.4%
Other	1	1.4%

All but three respondents (72) answered this question, with 37 providing a comment. There is a higher percent of “highly satisfied” for this question than the previous two questions, and a good level of satisfaction overall (79.2 percent). However, this question also has the highest “not satisfied” percentage. Respondents, whether somewhat satisfied or not satisfied, offered numerous concerns under the theme of a perception of bias in at least some fiscal notes. As said by some, even a few instances affect the integrity of all fiscal notes. At the same time, many respondents said they were highly satisfied or somewhat satisfied and made no additional comment. The following sample of comments received under this question provides the gist of some respondents’ concerns:

- Slanted depending on the attitude of the Governor’s office toward the bill
- Contacting departments for input allows opportunity to “sabotage” legislation
- More effort to work with sponsor would improve objectivity
- Part of the problem is not being able to quickly digest the content. Simplify!
- You have to be able to see the political agenda in them
- Favored programs seem to receive positive fiscal notes
- Constraints in preparation time affect objectivity
- Sometimes confusing, sometimes biased, but generally I am very satisfied
- Most times an agency does a good job, but again, if the legislature disagrees, how do we change it?
- Sometimes departments are not as objective as they might be...their overall opinion of the bill may affect the technical notes
- In years past, fiscal notes were not considered objective for controversial bills...this continues
- For the most part, I believe the fiscal notes are developed with objectivity
- The budget office can greatly affect the outcome of bills by the way it does fiscal notes

Question 2d - In general, how satisfied were you with the timeliness of fiscal notes?

Highly Satisfied	27	38.0%
Somewhat Satisfied	31	43.7%
Not Satisfied	12	16.9%
Other	1	1.4%

All but four respondents (71) answered this question, with 37 adding an accompanying comment. While there is a relatively high level (81.7 percent) of satisfaction with the timeliness of fiscal notes, there were again many comments to the contrary, even by respondents that said they were somewhat satisfied. The difference with the comments for this question is that, generally, the respondents seem to acknowledge the issue of time (short deadlines) and workload that affect the timeliness of fiscal notes. At the same time, many respondents indicate the concern that some fiscal notes are not available for hearings or second reading vote, or that even the sponsor has not had enough time to read a fiscal note before a hearing. Here are some examples of comments:

- Generally good...I understand the pressure of volume
- Sometimes slow in coming but I realize the number of bills is probably overwhelming
- It's a tough job, I understand that they are not ready yesterday
- Generally notes were available, only exception is in the last days when staff gets overloaded by the volume
- The notes usually get to us on time
- Notes on my bills seem to be a low priority
- We actually held bills up in committee due to a lack of a fiscal note
- Some of the hold up is the department not getting the info to the budget office
- By the third week of the session, the fiscal note backlog gets bad
- Sometimes the delay in receiving the notes, or revised notes, delays the bill process
- Manipulating the timing of fiscal notes is another way to play political games with policy
- Some are done timely, some are withheld or delayed without cause, some are well done, some are complicated and difficult to prepare
- Bills should have timely fiscal notes in committee
- Sometimes fiscal notes were not received soon enough before a vote to understand
- Fiscal notes are many times late in the process...I don't know how to speed them up without requiring bills to be introduced earlier or providing more staff

Question 2e - What parts of a fiscal note did you find most useful?

Fiscal Summary	51	23.2%
Assumptions	38	17.3%
Effect on Local Govmt	38	17.3%
Long-Range Impacts	38	17.3%
Technical Notes	51	23.2%
Other	4	1.8%

This section did not get as much attention as the previous group, but a reasonable sample did respond. Combined with the next question's results, it can be stated that generally the respondents are satisfied with the categories of data that are contained in fiscal notes, although there are sometimes concerns with the data contained in these items. The following sample of comments reflect the varying importance of these items to the respondents:

- All parts were useful
- They are the essence of the matter, but need to be quickly and easily understood...more legislator training may be in order
- These two items [assumptions and technical notes] provide reason to the numbers and help understand the fiscal note...sometimes, I felt the true impact to counties were not complete and accurate.
- It was especially helpful to have the info on local government impacts
- If they were accurate, they provided wider knowledge for decision makers
- Long range is the only place discussing impacts which everyone knows exists, yet aren't seen on the price tag
- It can be very useful to understand how the bill will generate or cost money and what effect it will have on local government
- Assumptions were a clue as to what bogus info was used...technical notes interesting, if not valid
- Accurate, well articulated, and thorough
- Technical notes are always helpful

- Oftentimes a fiscal note gives a synopsis of the bill and an explanation of how a program works, and is quite helpful in that regard...I find all aspects helpful, and my carp about confusion and bias does not apply very often, and not recently
- They do help me gain knowledge about a particular bill
- The fiscal summary is critical to determine the effect on the budget...the technical notes and assumptions help test the validity of the conclusions...the effect on local revenues is critical for my constituency
- All useful, however, I find the assumptions very informative
- Technical notes did show weakness of some legislation

Question 2f - What parts of a fiscal note were not useful to you?

Fiscal Summary	5	18.5%
Assumptions	3	11.1%
Effect on Local Govmt	3	11.1%
Long-Range Impacts	4	14.8%
Technical Notes	3	11.1%
Other	9	33.3%

This section did not receive much attention at all, probably because respondent general seemed satisfied with the items currently included in the fiscal note. The few comments provided are:

- Many stated that “these are all useful”
- These are useful, but many cases were not clear and muddled up with subjective statements...must be clear and concise
- Assumptions should be clear and annotated
- A good fiscal note can be as supportive as the bill text
- Technical notes are often confusing
- Assumptions are guesswork
- During several sessions, executive branch agencies, which were opposed to my bills, were asked to prepare the background for the fiscal notes...the assumptions used to determine the fiscal impact were specious at best and were used by the opponents to defeat my legislation
- Perhaps because they are done in haste, many must challenge the accuracy

Question 3 - What improvements can be made to the fiscal notes process or format to better meet your needs?

Out of the 75 respondents, 55 answered this question with a suggestion or comment. This item in the survey gave the respondent the opportunity to make suggestion for changes. Suggestions, or at least implied suggestions, showed up in the comments under other questions as well. I am including all suggestions that could be gleaned from the all the comments, so as not to exclude suggestions that were provided in those other questions. The suggestions were categorized and are discussed in the context of the categories.

Content/Format Issues

Generally, it seems like all existing parts of the current fiscal note are important, in differing ways for different legislators. Comments oftentimes seemed to indicate that there is room for improvement in how information is presented.

- A couple of respondents suggested that pension plan related fiscal notes have a special format that showed a more relevant impact
- There was some emphasis on the need for more “out-year” (beyond the budget year) impacts to get a better picture of the impact of the bill
- There were comments that the fiscal note provides better understanding of the bill, with some suggesting a narrative brief summary of what the bill does or narrative summary of the fiscal impact (what in the bill causes it)

- Footnotes to explain more complicated bills
- Simplification of fiscal notes was suggested or implied by several respondents
- Adding a space in the fiscal note for the legislator to comment on the assumption and overall result
- Enhancement of commentary in local impacts, technical notes and long-range impacts
- State the facts and the assumptions in a way that separates the two
- Add advantages and disadvantages of action or inaction by the legislature
- Indicate “up front” what changed in an amended fiscal note and why
- One suggested showing alternative assumptions and ranges of fiscal impact
- One suggested showing a “rural vs. urban impact” and generally, make them easier to read...bigger print and more space

Accuracy/Clarity Issues

Some of the responses to the question on accuracy were geared more toward clarity. Therefore, for this presentation, the category is expanded.

- Some suggest that inaccuracy is a product of the volume and rush to complete fiscal notes
- One suggests “coordination with the Legislative Fiscal Division for accuracy”
- Some suggest that fiscal notes be prepared with more accurate numbers or cost projections
- One suggests more staff or money to enhance accuracy and timeliness
- Assumption should be clearly annotated
- Legislators need to question data and assumptions if they don’t think the fiscal note is correct
- Assumption should be based upon reality and what is in the legislation, not on what is perceived might happen
- Review a sample of fiscal notes a year or two later to assess accuracy
- Be clear in the fiscal note about uncertainties that exist in the preparation of the note

Objectivity Issues

Under this category, there were many comments regarding objectivity but really only one suggestion, also shown below under Process Issues.. The only suggestion relating to this category is that fiscal note should be prepared by an independent source.

Timeliness Issues

There were many comments on timeliness of fiscal notes. In a few instances, respondents indicated that fiscal notes were delayed for a reason, such as to delay action. Generally there seemed to be some understanding that delays were for the most part inherent in the process because of volume and “time crunch.” Suggestions included:

- Implied by many is that timeliness of fiscal notes be addressed in some way
- Encourage or require earlier introduction of bills to allow more time for fiscal note preparation
- Increase staff to address volume in short time period
- Have fiscal note ready for hearing
- Get fiscal note to sponsor before distribution
- Need timely fiscal note revisions for amended bills
- Have fiscal note preparer available for hearings
- Communicate with sponsor during preparation of data

Process Issues

The suggestions related to process come with various themes:

- Some respondents (7) suggested that the preparation of fiscal notes be moved out of the Governor’s budget office to either an independent third party or to the Legislative Branch.
- A few respondents felt that legislators need more training on understanding the fiscal notes, including training on preparation of the “sponsor fiscal note”

- More than a few suggested or implied that the sponsor should be more involved in the preparation stage and have input to the data and even suggest sources for data...increased communication with sponsors seemed to be a common theme
- Several mentioned the need for a better way for sponsors to disagree with a fiscal note, and to document the disagreement
- A couple of respondents suggested a dual process with fiscal notes prepared by the budget office and a legislative agency
- One suggested annual sessions would help
- Bill limits was suggested as way to improve process (also noted under timeliness issues)
- Increased staff was suggested in context of timeliness and improving overall quality of fiscal notes
- One suggestion that there be a base document of data that fiscal notes refer to so that information is not having to be regenerated for each note...i.e., school data for reference by school funding bills

Other

One respondent offered this suggestion: “Drop these wasteful surveys. I am serious. Do some productive or quit spending our money.”

Conclusions

Although this survey and the results presented may go beyond the scope of what the working group was established to do, the results do provide a barometer of legislators’ views, feelings, and perceptions regarding fiscal notes and the process involved in the development of fiscal notes. Generally, there is satisfaction with the content and format with room for improvement. There is a measure of satisfaction, with expressions of concern in the areas of accuracy/clarity and objectivity (bias) of fiscal notes. And there were numerous comments and suggestions that legislators viewed as ways to improve the fiscal note product, ranging from enhancing the content or format to moving the fiscal note function out of the Governor’s budget office.