

Nebraska Department of Education
Instructions for Completing Fiscal Notes
(2016 Legislative Session)

We will review the bill and determine the most appropriate team(s) to complete or contribute to a fiscal note. The request for a fiscal note will be emailed to the appropriate Leaders Council (LC) member(s) for completion. In most instances, this will be the LC of the team requested to complete the initial analysis of the bill. Bryce Wilson identifies the LC member(s) who will be responsible for those fiscal notes on bills for which we cannot readily determine LC responsibility. If you wish to designate another individual on your team to coordinate fiscal notes for you, please provide Beth Bolte with your designee's name.

If it appears that more than one team could be impacted by a bill, a request for a fiscal note will be emailed to all appropriate LC members with our request that a specific LC member coordinate development of the impact statement.

The Legislative Fiscal Office specifies a due date for return of the fiscal note. The due date is approximately one week after they send it to the Department. Committee hearings are often scheduled on bills, which aren't printed yet, substantially shortening the time we have to reply. We will try to maximize the time available to you to complete the fiscal note. *However, shorter time frames can't always be avoided.*

The fiscal note you complete is occasionally modified in some way prior to submission to the Legislative Fiscal Office. We will email the revised document to you for future reference. Please refer to the revised document when responding to questions.

The Legislative Fiscal Office and the Governor's Budget Office have been encouraged to directly contact Department LC members or staff whose name(s) appear on the submitted fiscal note with any questions. If you receive such a contact and respond to questions concerning a fiscal note, please advise Brian Halstead via e-mail with the particulars of the question and your response. Brian needs to know what information has been provided for his work with the Legislature. Your notification is important and we appreciate your cooperation.

We do have an electronic file of all fiscal notes submitted during the last legislative session. If you would like a copy of a prior fiscal note for similar legislation introduced in the past, contact Beth Bolte. She will need the bill number of the prior fiscal note.

If you have any questions, please contact Bryce Wilson at 471-4320 or Beth Bolte at 471-2795.

INSTRUCTIONS

1. A fiscal note should be completed for its impact (expenditures and/or revenue) on the Department and political subdivisions, such as schools and Educational Service Units, for which we can readily determine an impact.
2. Legislation Components/Bill Sections - Components of legislation, which stand on their own, should be costed and displayed separately so that policy makers know the estimated costs of each component. A detailed listing of anticipated costs by each applicable section of a bill is also appreciated by the Legislative Fiscal Office and should be included in the Explanation of Estimate Section.
3. Costing Worksheet - A master copy of a component budget chart is attached. It may be used for recording the projected fiscal impact or budget for a bill or a specific component of a bill.
4. Cost Guidelines - A list of dollar amounts that may be used in projecting costs for the more common cost items is also attached. In some instances, especially that of personal services cost, we encourage you to work closely with the fiscal staff that supports your team in calculating these costs.
5. Fiscal Note Form - The Word template for the 2016 Legislative Session Fiscal Note is available on Inside NDE (under “Fiscal Note Information”) at the following link: <http://insidende.education.ne.gov/fiscalnote/index.htm>. You will email your completed fiscal note in this template to Beth Bolte on or before the due date. Be sure to include any attachments, if applicable.
6. **Detail Instructions for Specific Sections of the Fiscal Note**
 - a. Prepared By - The name of the person who developed the fiscal note.
 - b. Indication of Fiscal Impact - If there is a fiscal impact on the Department of Education in either 2016-17 or 2017-18, please identify the fiscal impact by entries in the expenditure and/or revenue columns at the top of the document. If you are unable to estimate the amount of increase/decrease in expenditures or revenues, though a change is likely, please indicate INCREASE or DECREASE in the appropriate funding source field. Enter 0 (zero) if there is no fiscal impact. Enter UNABLE TO DETERMINE, if appropriate. A bill or amendment may have more than one type of fiscal impact (revenue and/or expenditure). Review the bill for all possibilities and check all that apply. Unless implementation is identified for a later date, assume implementation of the bill will occur in 2016-17.
 - c. Dollar Estimate - Considering the implementation date, enter the dollar estimate of expenditures or revenue change in the 2016-17 and 2017-18 columns by funding source with corresponding totals. The total expenditure amount should also equal the amount in the total of the Major Objects of Expenditures section of the fiscal note for each fiscal year.

- d. Explanation of Estimate - Provide a detailed description of your estimation process including all assumptions about how the bill would be implemented or otherwise impact the Department or political subdivision. Remember, policy makers and staff using this information do not have your background and knowledge about the subject. Thoroughly explain all assumptions and the rationale for your estimates of both expenditures and revenues.

As was mentioned, each cost item should be supported by a narrative description of any assumptions, which influence a particular cost or revenue. For instance, the cost of rule development is dependent on the number of public hearings scheduled to review a proposed rule. State the number of hearings you project as necessary to develop a particular rule. As another example, legislation may specify the use of an advisory committee. The committee costs are dependent upon the number of meetings the committee may have. State the number of meetings you believe are necessary. Suggest the number of committee members, if not provided by legislation.

In this section, you should also specify the fiscal impact of and underlying assumptions for each component/section of a bill.

Note #1: Separately identify estimates of the fiscal impact on political subdivisions under a major heading of **POLITICAL SUBDIVISIONS**.

Note #2: Indicate **No Fiscal Impact on NDE and/or Political Subdivisions** when there is no fiscal impact.

- e. Major Objects of Expenditure (Personal Services) - This section is used to identify detail about additional Department staffing required by the bill's implementation and specifies only salary for each position identified.
- f. Benefits - summary cost of all benefits for the positions identified above.
- g. Other Costs - provide summary costs by general categories of Operating, Travel, Capital Outlay, Aid, and Capital Improvements for each year.

HELP FROM DEPARTMENT FISCAL STAFF - Please rely on your Department fiscal staff for assistance in costing out specific activities. You will need to give them your detailed assumptions and they can generate the numbers for your consideration.