

PROPOSED AMENDMENT OF JOINT RULES 501 AND 502

1 **SECTION 1. AMENDMENT.** Joint Rule 501 is amended as follows:

2 **501. Fiscal notes.**

- 3 1. Except for a measure appropriating a specific dollar amount, every bill or resolution
4 having an effect of five thousand dollars or more on the revenues, expenditures, or
5 fiscal liability of the state must have a fiscal note attached which describes that effect
6 and which is prepared as provided in this rule.
- 7 2. a. The Legislative Council shall determine whether a fiscal note is required for any
8 bill or resolution prepared by the Legislative Council staff. The chairman of the
9 committee to which a bill or resolution is referred shall determine whether a fiscal
10 note is required for a bill or resolution not prepared by the Legislative Council or
11 not bearing a fiscal note.
- 12 b. A bill or resolution to which an amendment having a fiscal effect of five thousand
13 dollars or more has been approved must have a fiscal note attached upon
14 request of the chairman of the committee considering the bill or resolution, or by
15 request of the majority of the members present of the house in which the bill is
16 considered at the time of second reading.
- 17 c. The chairman of a committee may request the aid of the Legislative Council in
18 making a determination as to whether a bill or resolution requires a fiscal note.
- 19 3. a. A fiscal note must be prepared by the state agency or department responsible for
20 collecting or expending the revenues affected or whose appropriation is affected
21 or jointly by affected departments or agencies, at the request of the Legislative
22 Council.
- 23 b. A request for a fiscal note must be in the proper request form and addressed to
24 the designated agency or department, and must be accompanied by a copy of
25 the bill or resolution having the fiscal effect.
- 26 c. The Legislative Council shall prepare all necessary forms for the implementation
27 of the fiscal note procedure.
- 28 d. Each agency or department to whom a request for a fiscal note is made shall
29 state on a fiscal note form the fiscal impact of the bill or resolution being

1 considered. The fiscal impact must be stated in dollar amounts; identify the
2 impact on revenues; identify the impact on expenditures; identify the impact for
3 the current biennium, the upcoming biennium, and the next succeeding biennium;
4 and identify the effect on the appropriation for the state agency or department for
5 the current, upcoming, and next succeeding bienniums.

6 e. If the agency or department of whom a fiscal note is requested is unable to
7 provide specific information upon the fiscal impact of the bill or resolution, the
8 agency or department shall make an estimate of the impact according to such
9 available information it may have or be able to obtain and shall state that the
10 figures provided are an estimate.

11 f. If the agency or department is not able to make an estimate, it shall state that
12 fact.

13 4. a. The agency or department preparing the fiscal note for a bill or resolution as
14 introduced shall complete and return the fiscal note along with the number of
15 copies requested by the Legislative Council to the Legislative Council not later
16 than five days from the date of the request. The agency or department preparing
17 the fiscal note for an amended bill or resolution shall complete and return the
18 fiscal note to the Legislative Council not later than one day from the date of the
19 request.

20 b. The Legislative Council shall ~~retain three copies, shall provide one an electronic~~
21 ~~copy of the fiscal note to the Office of Management and Budget, shall provide one~~
22 ~~copy to and the Governor, and. The Legislative Council shall deliver the~~
23 ~~remaining copies a paper copy to the Secretary of the Senate or the Chief Clerk~~
24 ~~of the House. Of these copies, one copy must be attached~~ The Secretary of the
25 Senate or the Chief Clerk of the House shall attach a paper copy to the original
26 ~~bill or resolution, one copy must be filed with the Bill Clerk of the house wherein~~
27 ~~the bill or resolution originated, one copy must be provided to the presiding officer~~
28 ~~of the Senate, one copy must be provided to the presiding officer of the House,~~
29 ~~and the remaining copies must be distributed as directed by the Secretary of the~~
30 ~~Senate or the Chief Clerk of the House, as appropriate.~~

31 5. Any bill or resolution requiring a fiscal note must be stamped or have written on its
32 cover a notation to the effect that a fiscal note is required.

- 1 6. A committee report must include a notation that a specific bill or resolution carries a
2 fiscal note.
- 3 7. Upon second reading and final passage of a bill or resolution carrying a fiscal note, the
4 Secretary of the Senate or the Chief Clerk of the House, whichever the case may be,
5 shall read the fiscal note in its entirety at the time of reading the title of the bill or
6 resolution to be voted on.

7 **SECTION 2. AMENDMENT.** Joint Rule 502 is amended as follows:

8 **502. Fiscal notes for measures impacting counties, cities, or school districts.**

- 9 1. Every bill or resolution introduced into either house of the Legislative Assembly which
10 mandates changes in the revenues, expenditures, or fiscal liability of counties, cities,
11 or school districts must have a fiscal note attached reflecting the statewide impact of
12 the bill or resolution on counties, cities, or school districts.
- 13 2. If no state agency has primary responsibility for compiling and maintaining the
14 information necessary for the proper preparation of a fiscal note otherwise required by
15 this rule, a statement to that effect must be attached to the bill or resolution by the
16 party responsible for requesting the fiscal note pursuant to subsection 2 of Joint
17 Rule 501. A statement attached pursuant to this subsection meets the fiscal note
18 requirement.
- 19 3. The same requirements and procedures provided in Joint Rule 501 for state fiscal
20 notes, including preparation, deadlines, forms, and reading of fiscal notes on second
21 reading and final passage, apply to fiscal notes for counties, cities, and school districts
22 except as provided in this rule.

NOTE: This proposed amendment reflects procedural changes resulting from technological enhancements to the Legislative Council's fiscal note system which allow fiscal notes to be viewed electronically. A procedural change that does not appear in the rules relates to the timing of fiscal note requests on amendments. Previously, the Legislative Council staff has requested a fiscal note for an amendment when the amendment has been adopted on the sixth order. Beginning in 2013, the Legislative Council staff plans to request a fiscal note for an amendment when the amendment is approved and reported out of committee. This is intended to shorten the time taken to provide legislators with information on the fiscal effect of amendments.

No change is proposed to Joint Rule 502 relating to a fiscal note with respect to measures impacting political subdivisions.