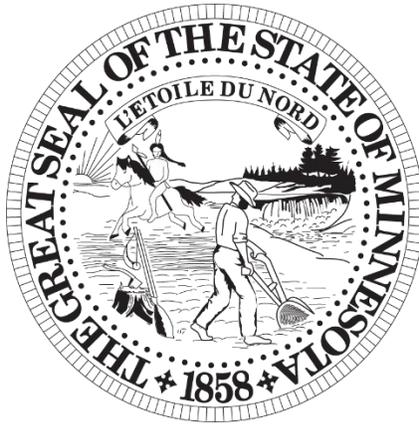


**Legislative Budget Office**  
**2021 Legislative Session**  
**Fiscal Note Summary**



## Introduction

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The Legislative Budget Office (LBO) reviews estimates of the fiscal impact of proposed legislation to ensure reasonableness, accuracy, and objectivity. A fiscal note is limited to the impact the proposed legislation may have on the state budget. Completed fiscal notes are made available to legislators and the public. The 2021 Fiscal Note Summary provides information related to the volume and timeliness of fiscal notes during the Regular Legislative Session.

The volume of fiscal notes is captured through two metrics: the total number of fiscal notes requested by the legislature; and the number of agency assignments made by the LBO to complete fiscal note requests. The number of fiscal note requests includes each instance a fiscal note was requested on a piece of legislation. A fiscal note agency assignment includes each instance an agency or the judicial branch was asked to complete a fiscal note. A brief summary of aggregate fiscal note requests is provided, as well as a breakdown by policy area.

Timeliness of fiscal notes is quantified as a count of requests completed by their established due date.

The 2021 Regular Legislative Session convened on January 4<sup>th</sup>, 2021 and adjourned on May 17<sup>th</sup>, 2021. This report contains information for fiscal note requests during the 2021 Regular Legislative Session and is current as of May 17<sup>th</sup>, 2021.

For more information on the LBO and fiscal note process please visit the [LBO website](https://www.lbo.leg.mn/) [https://www.lbo.leg.mn/].

## Fiscal Note Requests and Agency Assignments

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The Minnesota Legislature sets a biennial budget in odd numbered years (e.g. 2017, 2019, 2021). Budget years tend to result in a greater quantity of fiscal note requests and agency assignments than non-budget years. The LBO received a total of 942 fiscal note requests (Table 1), resulting in 2,014 agency assignments (Table 2), during the 2021 Legislative Session. The number of fiscal note requests during the 2021 Legislative Session was slightly lower than previous budget years.

A fiscal note request falls into one of three status categories:

- **Complete:** A fiscal note that has been signed off by the LBO.
- **Incomplete:** An active fiscal note request that is not yet complete.
- **Inactive:** A fiscal note no longer needed by the legislature.

Upon the May 17 adjournment of the 2021 Regular Legislative Session, 70 percent of fiscal note requests were completed. Six percent of fiscal note requests were incomplete, and 24 percent were inactivated.

Table 1. Fiscal Note Requests

Fiscal Note Status	2021
Complete	664
Incomplete	55
Inactive	223
Total	942

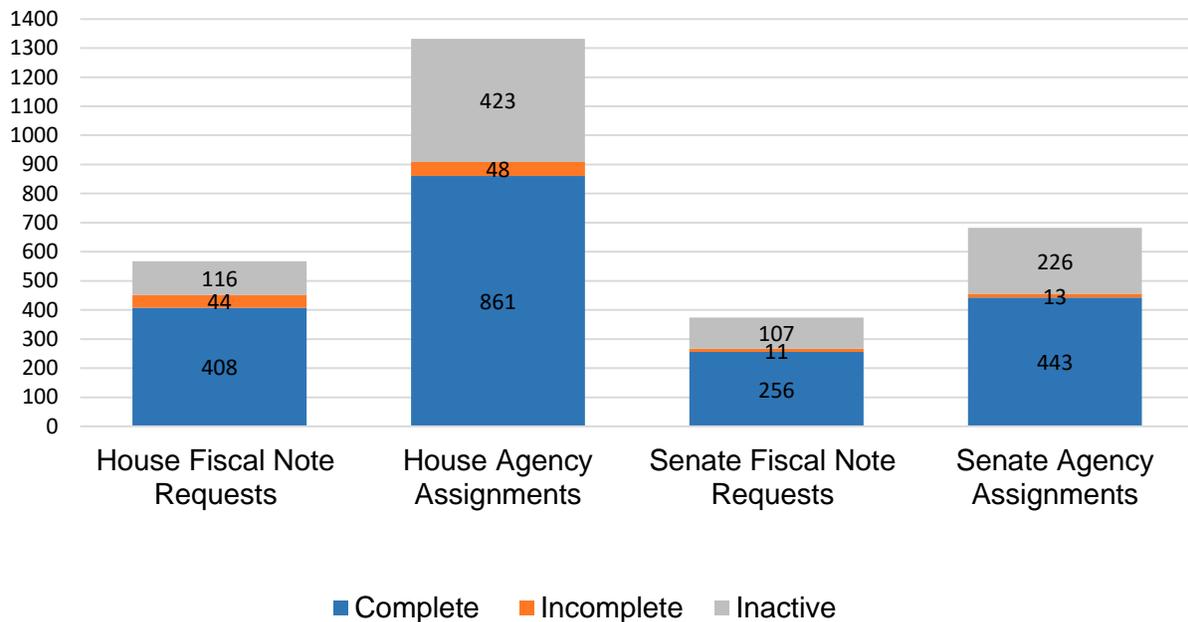
Table 2. Agency Assignments

Fiscal Note Status	2021
Complete	1,304
Incomplete	61
Inactive	649
Total	2,014

## Fiscal Note Requests and Agency Assignments by Chamber

During the 2021 Legislative Session, the House of Representatives (House) submitted 568 total fiscal note requests resulting in 1,332 agency assignments. The Senate submitted 374 fiscal note requests resulting in 682 agency assignments. Seventy-two percent of House fiscal note requests were completed and 69 percent of Senate requests were completed.

Figure 1. 2021 Fiscal Note Requests and Agency Assignments by Chamber



## Fiscal Notes Requests by Policy Area

Fiscal note requests are categorized into policy areas for purposes of this report. A fiscal note with multiple agencies assigned is called a consolidated fiscal note. The LBO designates a lead agency on a consolidated fiscal note, and uses the lead agency to determine the policy area of a fiscal note request. Figure 2 illustrates the distribution of assignments across the most active policy areas for 2021.

Policy areas with the most fiscal note requests completed include: Health and Human Services (153); Courts, Corrections, and Public Safety (109); and State Government (82) (Table 3).

Figure 2. Fiscal Note Requests by Policy Area

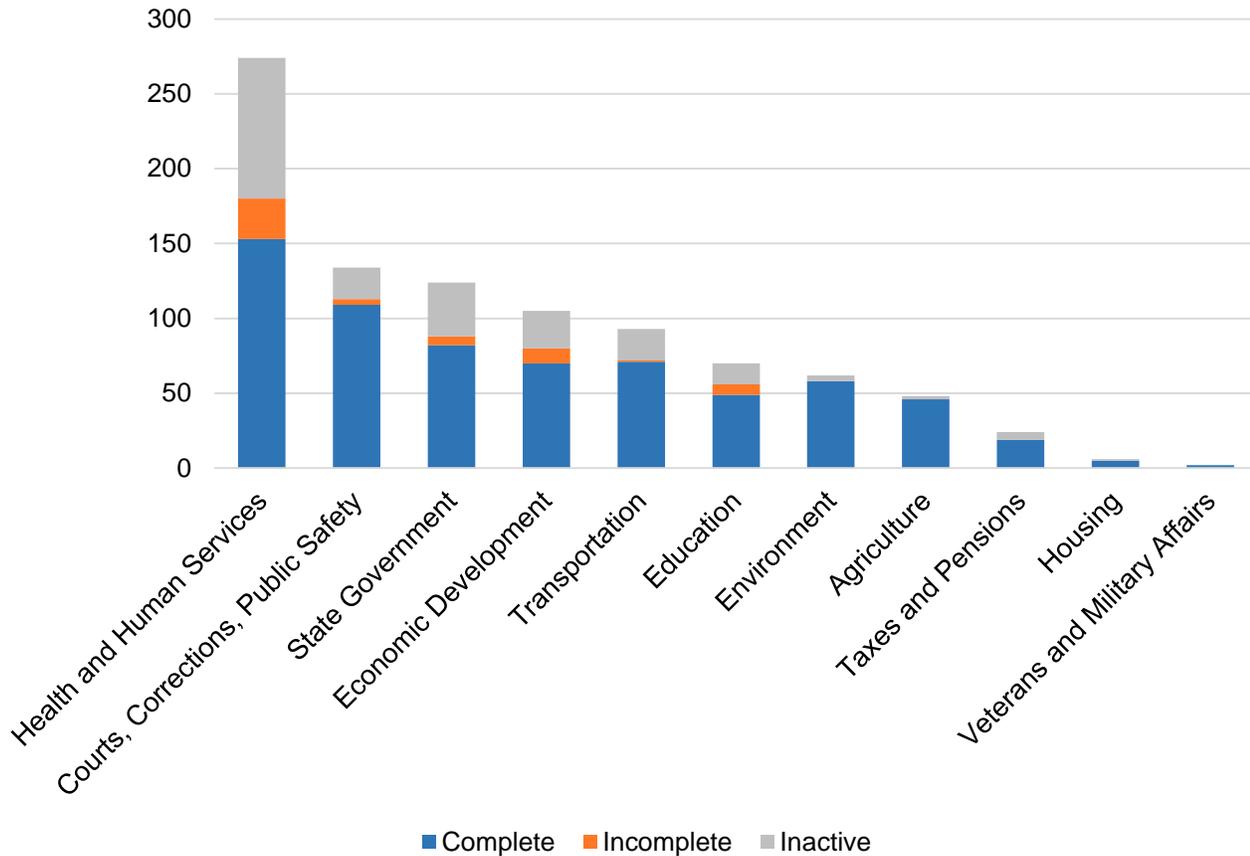


Table 3. Fiscal Note Requests by Policy Area

Policy Area	Complete	Incomplete	Inactive	Total
Health and Human Services	153	27	94	274
Courts, Corrections, Public Safety	109	4	21	134
State Government	82	6	36	124
Economic Development	70	10	25	105
Transportation	71	1	21	93
Education	49	7	14	70
Environment	58	0	4	62
Agriculture	46	0	2	48
Taxes and Pensions	19	0	5	24
Housing	5	0	1	6
Veterans and Military Affairs	2	0	0	2

## Timeliness of Completed Fiscal Notes

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Forty-seven percent of fiscal note requests were completed on time during the 2021 Legislative Session. A fiscal note is considered on time if it has received LBO review, approval; and has a status designation of “complete” on or before the due date. Eighteen percent of fiscal note requests were completed between one to three days after an assigned due date. Table 4 provides percentages of completed fiscal note requests according to categories of timeliness during the 2021 Legislative Session.

The measurements of timeliness are reported using calendar days. Calendar days account for activity that occurs outside normal business days. The Fiscal Note Tracking System (FNTS) assigns a default due date of eight business days, which typically totals to 10-12 calendar days when weekends are taken into account.

Many factors that influence whether a fiscal note is completed on time are not captured by these metrics. These factors include: complexity of bill language; days allowed to complete; coordinating assumptions between agencies; changes requested by the LBO after submission; presence of new or updated information; and changes in due dates to reprioritize request.

Table 4. Percent of Completed Fiscal Note Requests by Days Past Due

<b>Calendar Days Past Due</b>	<b>2021 Fiscal Note Requests</b>
On time	47%
1-3	18%
4-6	17%
7-9	9%
10+	8%

Note: Data includes completed fiscal notes requests. Incomplete and inactivated fiscal note requests are excluded.

## Days to LBO Signoff

The average time taken to complete a fiscal note request during the 2021 Legislative Session was 15 days. Half of the fiscal note requests made during the session were completed within 11 days, while half took longer to complete. Days to LBO signoff is measured from the day the LBO receives a fiscal note request in the FNTS to the day the fiscal note is completed and signed off by the LBO. This process requires each assigned agency to write and submit their fiscal note for LBO review; a process that may occur more than once. The LBO reviews each fiscal note submission and may request changes or clarification. A final review of consolidated fiscal notes is conducted to ensure that agency assumptions are consistent.

Table 5. Calendar Days to LBO Signoff

<b>Days Taken to Complete</b>	<b>2021</b>
Average	15
Median	11

Note: Includes only completed fiscal notes; excludes automatically generated companion bills.

## Average Days from Request Date to Due Date

The average number of days allowed for the completion of a fiscal note request during the 2021 Legislative Session was 11 calendar days. The number of days allowed to complete a note is at the discretion of the requester. When submitting a fiscal note request, a requester may adjust the due date to be shorter or longer than the system-generated default of eight business days. A requester may change the due date at any point after submitting a request.

Table 6. Calendar Days from Request Date to Due Date

<b>Days Allowed to Complete</b>	<b>2021</b>
Average	11
Median	10

Note: Excludes automatically-generated companion bills.