

How To Prepare a Fiscal Note A Fiscal Note Template Guide

**Prepared by
the Office of Management and Budget**

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Fiscal Note Template Guide

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The Office of Management and Budget (OMB) updated these instructions for the 2025 legislative session. Please disseminate the instructions to all agency staff involved in the preparation of fiscal notes. If you have questions, please contact Laura Timko, the OMB Fiscal Note Coordinator, at 907-500-8447 or laura.timko@alaska.gov.

General Information

- Always **grammar and spell check** your fiscal notes prior to submitting! One suggestion would be to draft your analysis section in Word to make grammar and spelling suggestions automatic and copy and paste into the fiscal note template once finalized.
- **Use the updated 2025 legislative session fiscal note forms.** Legislative Finance’s fiscal note system will not accept 2024 fiscal note forms. We recommend purging last year’s form so as not to confuse it with this year’s updated form.
- **Do not alter the fiscal note forms.** Legislative Finance’s fiscal note system does not accept forms with altered box sizes, formatting, etc.
- **Do not fill in the Fiscal Note Number or Publish Date.** The Clerks/Secretaries will do that.
- **Convert fiscal note documents to Adobe PDF by printing to PDF, not saving to PDF.** To do this, click File, Print, set the printer to Adobe PDF, and click Print.
- **Do not lock the Adobe PDF fiscal note documents.** The Clerks/Secretaries need to add the Fiscal Note Number and Publish Date to the forms when they receive them.
- **The *Operating Expenditures* and *Fund Source* section totals must balance.** A “cost ≠ codes” error message occurs under the offending Fund Source column if they do not balance. Notes will not be accepted with this error.

Fiscal Note Details

The following section provides line-by-line guidance for filling out the fiscal note form. The numbers for each detail refer to the numbered entries on the sample fiscal note at the end of these instructions.

1. Bill Version

Only the bill number or the Committee Substitute (CS) needs to be entered here. Do not enter the version letter as referenced on the bill. For example, you can enter SB027 or CSSB027. For an original Law Log bill, use the Law Log identifier, for example: LL0123-4.

2. Identifier

Enter the file name for the fiscal note PDF file. See Naming Conventions, page 8.

3. Title

Provide the short title for the legislation – listed on BASIS. For Law Logs use what is determined by department and the Governor’s Legislative Office (GLO).

4. Sponsor

Committee ((S) Resources) or legislator (Senator Smith) sponsoring the legislation. **The sponsor for the Governor's bills is “Rules by Request of the Governor.”** Please do not include co-sponsors – they will be removed when the fiscal note is uploaded.

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5. Requester

The requester is usually the committee scheduled to hear the bill. Please write (H) or (S) before the committee's name ((H) Resources or (S) Finance). If a committee passes out a CS and the fiscal note is revised based on that committee's work, please list that committee as the requester.

* For the first fiscal note of a Governor's bill, submitted before the start of Legislative session, the requester is "Governor."

6. Department/Appropriation/Allocation

Fill in these spaces appropriately.

Example:

Department – Office of the Governor
Appropriation (RDU) – Commissions/Special Offices
Allocation (Component) – Human Rights Commission

7. OMB Component Number

Agencies are required to fill in the OMB Component Number for all fiscal notes. If a bill affects more than one component, a separate fiscal note needs to be prepared for each component. For department-wide fiscal notes, use the Commissioner's Office component number. Only one fiscal note can be uploaded per component number.

To lookup OMB Component Numbers, click on the OMB Component Lookup tab in the electronic version of the fiscal note, then click on the hyperlink called: [OMB Component Lookup](#). This hyperlink will take you to the Legislative Finance site to look up a component number. Incorrect component numbers are a common mistake. Please double check the component number before submission.

8. Operating Expenditures

The fiscal note form includes two columns for FY2026: "FY2026 Appropriation Requested" and "Included in Governor's FY2026 Request." The Appropriation Requested is the appropriation required for FY2026 should the bill become law. The "Included in Governor's FY2026 Request" should show zero unless funding specifically for this legislation, or comparable legislation, has been included in the Governor's FY2026 budget. If the bill becomes law, the amounts in the first column become operating increments, decrements, or fund changes in the budget passed by the legislature.

The section marked "Out-Year Cost Estimates" is your agency's estimated cost for this legislation in future years. These amounts are provided for information only. Do not adjust the out years for inflation.

Only include operating increments and decrements and do not include the total level of program budget authority. A fiscal note should reflect the change in budget authority required for the implementation of specific legislation rather than the total budget for the component – similar to an operating budget change record. Express all expenditures in thousands of dollars rounded to the nearest hundred (e.g., \$7,757 = \$7.8). If there are no expenditures for the indicated years, leave the cell blank. Remember that your expenditures

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need to be carried through FY2031. The amounts shown for a given fiscal year should reflect the actual cost or savings of that particular year, relative to the status quo.

The Administration's policy is to develop fiscal notes without adjusting for inflation because most state programs do not receive automatic increases in funding for inflation. If you are preparing a fiscal note for a program that is dependent upon inflation rate (e.g., formula programs) please work with OMB on an inflation adjusted fiscal note. You will need to **state in the beginning of the Analysis section that amounts include inflation.**

9. Fund Source

Use this section to show the funding source for any increase, decrease, or fund change in expenditures. The first three fund sources are locked and cannot be changed (Federal Receipts, GF Match, and GF). The next three fund sources require the preparer to enter only the Fund Source Code – the Fund Source Title will automatically populate. The sheet titled “Fund Code by Name”, or “Fund Code by Number” lists the fund sources and fund codes.

If a new fund source is needed that is not included in the fund source list, you will need to notify Laura Timko at OMB. The office will need to ensure that OMB can track the legislation and create the new fund source if the legislation is enacted. OMB will work with the Legislative Finance Division to create the new fund code in the system so that the fiscal note can be uploaded.

*If a fund source change results from the legislation, enter a negative amount in the current fund source space and a positive amount in the proposed fund source space.

10. Positions (PCNs)

List the number of new or reduced full-time, part-time, or temporary positions that are related to implementation of the legislation. Show positions in the out-years, as well, if applicable.

Show positions as whole numbers regardless if they are PFT, PPT, or Temporary.

Nonpermanent positions should only be listed in the year that applies. Do not combine two PPT positions and list as one PFT. This number represents the number of PCNs that will be added to your department should the bill pass.

11. Changes in Revenues

Show the increase or decrease in revenues as a result of the legislation. Select the Revenue Fund Source by following the steps in #9.

12. Estimated Supplemental (FY25) operating costs

Use this space if the proposed legislation will impact current year (FY2025) spending.

13. Capital Expenditures

This section is for legislation that requires a capital appropriation.

Show the full amount needed for the capital appropriation here. Describe the need and scope for a capital appropriation in the Analysis Section.

*Fiscal notes with capital expenditures should be monitored closely in the legislative process to be sure the necessary capital is included in the capital budget if the legislation becomes law.

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14. Associated Regulations

Answer Yes or No as to whether a change to existing regulations will be needed as a result of the legislation. If yes, include the date by which new or revised regulations will be in place (example: 1/31/2026). Ensure you give adequate time – missing the projected date creates more work (AS 24.08.035(f)).

15. Why This Fiscal Note Differs from Previous Version

Do not leave this box blank. If it is the first version of the fiscal note, then input “Not applicable, initial version.” If this is a revised fiscal note, briefly summarize what changes were made from the previous version and why – it is important to note what committee made the changes to help with version control. “Updated for the new CS” is an **inappropriate** response in this section.

16. Prepared By

Enter the name, division, and phone number of the person who prepared the fiscal note. The preparer should be able to answer questions regarding the fiscal note. Remember to include full names and titles and avoid the use of acronyms ex: “ASD” should be spelled out “Administrative Services Director.”

Date and time for revised notes is important. If a revised fiscal note is prepared, the date of the revision should be used as the “prepared by” date. [Note: The preparer's name and date prepared will appear in BASIS with the fiscal information.]

The Date/Time is formatted and cannot be changed. Be sure to enter the date as MM/DD/YYYY [if you use any other format the note will be rejected]. The system now time stamps when uploading the fiscal note. **Verify the time is correct – this is important for version control.**

17. Approved By

With the electronic distribution procedure, the administrative services director (ASD) or designee does not need to sign the fiscal note. However, the ASD or designee must still approve the fiscal note. The ASD's or designee's name should be left blank until the fiscal note is approved.

18. Analysis

Include only information needed to explain or justify the expenditure or revenue change. **This is not a position paper. Fiscal notes are not used to convey the Administration's support or opposition to a bill.** The analysis should be concise and generally limited to one additional page. The analysis should provide a brief overview of the bill and expand only on the expenditure or revenue change. Fiscal notes become part of the permanent record and are a reflection on your department and thus the administration. Please write accurately, factually, and professionally. Fiscal notes with errors will be returned to the department for corrections.

Do not modify the Fiscal Note Template. Modifying the fiscal note format can result in problems while loading into the Fiscal Note System. Do not change the size of the Analysis text box. If the analysis requires more space, choose one of the Fiscal Note

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Template's tabs for three- or four-page fiscal notes. Contact OMB in the rare instance you need a fiscal note with more than four pages.

Your analysis should cover the following areas, as required:

a. Assumptions

State the assumptions upon which the expenditures detail is based.

b. Program Summary

Present a concise narrative summary of the change to the program. Minimum informational requirements are:

- i. **Positions (PCNs)** - List new positions required and include their titles, brief job descriptions, salaries, benefits, etc. Use the personal services data from the most recent Statewide Scenario in ABS.
- ii. **Other Expenditures** - Identify and justify major expenditure items. Explain what the funds for personal services, commodities, etc. are for.
- iii. **Funding** - Furnish the basis of any estimate for federal or other funds or a change in revenue.
- iv. **Section Cost Analysis** - The fiscal detail for a lengthy bill may be the sum of costs for various sections of the bill. *Seen with omnibus bills.
- v. **Performance Measures** - If the legislation will have an impact on the department's mission, core services, or performance measures, explain what the impact will be.

c. Computations

If a formula method is used in determining the data shown in the expenditures section, show your computations in sequence. Clearly identify the elements and mathematical processes that are used in each step. Legislators expect to see these calculations (within reason) in the fiscal note analysis.

d. Economic Impact

Some program changes may have little impact on the State budget but may significantly impact Alaska's economy. Department comments on projected economic impact are appropriate as part of the analysis.

e. Attachments

Additional information that should be considered during discussion of the proposed legislation may be attached to the fiscal note as PDF files and transmitted to the OMB. Some examples are:

- i. Pertinent department memoranda relating to the legislation.
- ii. Charts or graphs.
- iii. Relevant articles from magazines and professional publications.

When adding additional pages, keep page numbering consistent. The first page of the fiscal note is always page 1 and continues from there.

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Indeterminate Fiscal Notes

Place three asterisks (***) in each year of the “Personal Services” line only, and this will automatically populate the “Total Operating” and the fund source “Total” lines with ***. In the analysis section, include a brief statement similar to: “The fiscal impact of this legislation cannot be determined because of x, y, and z.”

Keep in mind that by stating the impact is indeterminate, the legislation will result in no additional increment/appropriation if passed.

***Indeterminate fiscal notes are not encouraged, and exceptions will be made on a case-by-case basis – you must consult with OMB prior to submitting an indeterminate fiscal note.**

Naming Fiscal Notes

Convert fiscal note documents to Adobe PDF by printing to PDF - not by saving to PDF. After the fiscal note is approved, the Excel fiscal note document needs to be converted into Adobe Acrobat PDF format. To do this, while in the Excel fiscal note document, click File, Print, set the printer to Adobe PDF, and press Print. Saving to PDF will result in formatting problems and will not allow you to load into the Fiscal Note System.

Fiscal Note Naming Conventions

Use the following formats for naming your PDF Fiscal Note files:

1. Before a bill number has been assigned:
Law Log Number-Department-Component-Date
Example: 0009-EED-ESS-1-20-25
2. After a bill number has been assigned:
Bill Number-Department-Component-Date
Example: HB012-EED-SSS-1-20-25
Example: HB121-EED-SSA-1-20-25

(The bill number must be three digits)
3. Committee Substitutes:
Bill Number (Committee)-Department-Component-Date
Example: HB125CS(HSS)-EED-ASCA-1-20-25
(Committee Substitute for House Bill 125, Health and Social Services Committee)
Example: SB219HCSCS(HSS)-DOA-PD-1-20-25
(House Committee Substitute for Senate Committee Substitute for Senate Bill 219, Health and Social Services Committee)