Louisiana Department of Revenue

Legislative Monitoring and Fiscal Note Development

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Legislative Tracking

- The Department subscribes to an on-line legislative information service that allows us to identify bills of interest, assign tracking codes, and create custom status reports.
- The service delivers hard copies of all original bills to our office for review.
- Once a bill is determined to be of interest, a tracking code is assigned and the information is entered into the online tracking database.
- Tracking codes include the tax types, collections, administrative, controllers, and department proposals.

On-line Legislative Information Service

- Bills are also assigned to Policy Services Division staff research analysts and attorneys for monitoring.
- Once bills are added to our track, the service sends us all subsequent amendments and versions of the bill.
- The service also allows us to text search for bills, sends email notifications of actions on the bills, and generates various types of reports.

To prepare for a Legislative Session:

- The online tracking categories and staff assignments are reviewed and updated
- The tracking entry form is updated
- Control sheets are prepared for all bill types to be used to ensure that copies of all bills are received and reviewed.

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As Bills Are Received:

- The clerical staff sort the bills by bill type (house, senate, etc.), check off the bills on the control sheet, and transfer them to the attorneys for review.
- The attorneys review the bills for relevance to LDR.
- Bills that are determined not to be relevant are returned to the clerical staff to be filed as "non-monitored."
- Relevant bills are assigned tracking codes and staff using the tracking entry form and are entered into the on-line tracking system.
- All tracked bills are assigned to an attorney or revenue analyst for monitoring.
- Once assigned, the staff are responsible for analyzing the proposal for administrative problems and for monitoring the bills through the legislative process and notifying the Senior Policy Consultant if amendments are made that require department action.

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During The Session:

- Attorneys and research analysts monitor the bills assigned to them by periodically running tracking reports and reviewing amendments as the bills progress through the legislative process.
- The Senior Policy Consultant receives daily e-mails of action on tracked bills.
- After the initial flood of bills, the Senior Policy Consultant or attorneys make text searches periodically to identify bills that affect LDR that may have been overlooked or amended so as to become relevant.

Available Legislative Tracking Reports:

- Reports of all tracked bills or bills assigned to a certain tracking code or staff.
- Full history reports showing all legislative actions.
- Last action reports showing only the last legislative action.
- Reports of tracked bills that have had action since a last date.
- Committee reports showing bills scheduled for committee hearing or bills assigned to a committee.

Legislative Fiscal Notes

- In Louisiana, the Legislative Fiscal Office (LFO) is the independent agency that evaluates legislative proposals for fiscal effect and provides fiscal notes to the legislature detailing the effect on revenues and expenditures.
- A request for a fiscal note can only be sent to the LFO from one of the following sources:
  - Clerk of the House;
  - Secretary of the Senate;
  - Author of the bill; or
  - The chairman of the committee the bill is assigned to.

Legislative Fiscal Office-Fiscal Note Procedures

- Bills are assigned to the LFO analyst based on the bills relevance to various state agencies.
- Bills that pertain to local government issues are forwarded to the Legislative Auditor's Office.
- The number of request can vary greatly from year to year.
- In fiscal only sessions the requests are handled primarily by three analysts in the LFO and a large majority of the requests for information goes to the Department of Revenue.
- In general sessions the large majority of requests for information are handled by other state agencies.

Legislative Fiscal Office Fiscal Note Data

During the last four years, the LFO received requests for fiscal notes as follows:

Year	Total Requests	LFO	Leg. Aud.	LDR
2001 General Session	1,768	1,470	298	98
2002 Fiscal Only Session	351	327	24	181
2003 General Session	2,964	2,343	619	91
2004 General Session	995	787	143	49

Legislative Fiscal Office-Fiscal Note Procedures

- The LFO analyst forwards a request for relevant information on the legislation to the appropriate state or local agencies.
- Once the analyst receives the requested information back from the agency, a fiscal note is written.
- The fiscal note includes information from various sources, such as state and local agencies, Internet publications and research, the private sector, and the analyst's personal knowledge of the subject matter.
- The fiscal note is reviewed and signed by senior staff and then released on the Internet.

Legislative Fiscal Office-Fiscal Note Procedures

- Once the fiscal note is posted on the Internet, the general public as well as proponents and opponents of the legislation may view it.
- The House of Representatives and Senate staff obtain copies of the fiscal note from the Internet for members and committee purposes.
- The LFO analyst is responsible for tracking the legislation assigned to them and is required to update the fiscal note as changes are made at various stages of the legislative process.

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Department of Revenue Fiscal Note Processing

- The Policy Services Division is responsible for providing the Legislative Fiscal Office with data relative to the fiscal impact of legislative proposals that impact the taxes and programs administered by the Department of Revenue.
- To Get Ready for the Session:
  - A contact person is assigned for each division.
  - Folders are created on a shared drive for electronic fiscal note files.
  - A database is created for tracking current year fiscal notes.

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In-House Fiscal Note Processing

When a request for fiscal note data is received from the Legislative Fiscal Office, it is processed as follows:

- The Senior Policy Consultant assigns the fiscal note request to one of three Revenue Analysts based on the subject matter and analyst workload.
- The Senior Policy Consultant emails notification of the request to the divisions' legislative contacts and directs them to review the bill for impact on their division and to provide their analysis and cost estimates to the Revenue Analyst.
- The Research Analyst and division secretary are notified of the assignment via email copy.
- The Senior Policy Consultant enters the fiscal note assignment information into the tracking database.

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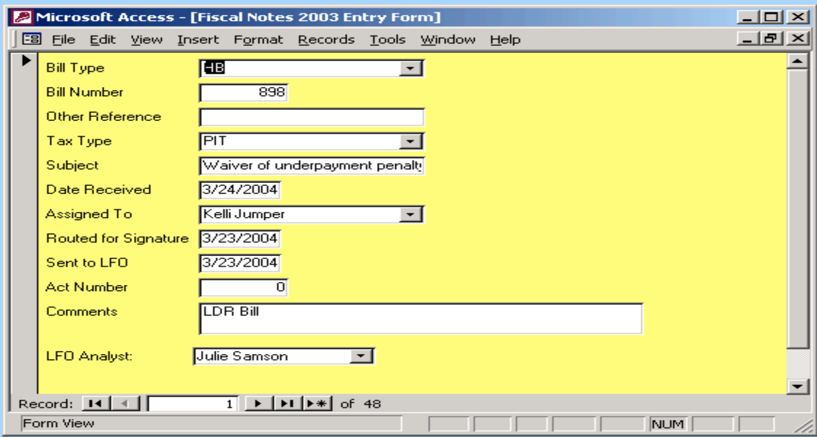
Fiscal Note Tracking Database Input Form



September 20, 2004 *2004 FTA Revenue Estimation and Tax Research Conference*

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Fiscal Note Preparation and Approval:

- Once the request is assigned, the Research Analyst creates a folder for the bill on the shared drive and saves a link to the bill from the legislative website in the folder.
- Using internal and external data, the Research Analyst prepares the worksheet and an internal cover memo and saves the files in the bill’s folder on the shared drive.
- After the worksheet and cover memo are completed, the Research Analyst notifies the division director or assistant director who will be approving the fiscal note worksheet and provides a link to the files.

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Fiscal Note Preparation and Approval:

- The division secretary is copied on this notification and she updates the fiscal note tracking database.
- When the approved worksheet is returned, it is faxed to the Legislative Fiscal Office and the database is updated accordingly.
- The fiscal note database is very useful in keeping track of fiscal notes in process.
- Various reports can be run from the Fiscal Note Tracking database.
  - ➢ Listing of the status of all fiscal notes requests in bill number order.
  - ➢ Listing of the status of all fiscal note requests sorted by analyst.
  - ➢ Listing of all incomplete fiscal notes.
  - ➢ Listing of completed fiscal notes not approved.

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Fiscal Note Database Reports

2004 Regular Legislative
Fiscal Note Log in Bill Number Order

Bill No.	Tax Type	Description	Analyst	Date	Routed for Approval	Sent to LFO
HB 198	Inher/Gift	Reduction/repeal of gift tax	Bob Jackson	3/16/2004	3/19/2004	3/23/2004
HB 205	Administrative	Assessment notice	Mary Smith	3/15/2004	3/22/2004	3/23/2004
HB 329	Inher/Gift	Change in bank requirements	Bob Jackson	4/12/2004	4/22/2004	4/26/2004
HB 456	PIT	Arena Football Athletes	Ann Brown	3/19/2004	3/30/2004	4/ 1/2004
HB 460	Inher/Gift	Interest on inheritance tax	Bob Jackson	3/22/2004	3/25/2004	4/ 1/2004
HB 478	Excise	Inspection fee	Bob Jackson	3/18/2004	4/ 1/2004	4/12/2004
HB 500	Administrative	Electronic filing	Mary Smith	3/18/2004	3/22/2004	3/23/2004
HB 501	TaxFree Shop	Passport requirement	Mary Smith	3/24/2004	3/22/2004	3/22/2004
HB 505	Administrative	Credit card convenience charge	Bob Jackson	3/30/2004	4/22/2004	4/23/2004
HB 506	Sales	Refinery gas cost basis	Ann Brown	3/24/2004	3/23/2004	3/23/2004
HB 777	Excise	Motor fuel definitions	Bob Jackson	3/24/2004	3/26/2004	4/ 1/2004
HB 778	Excise	Motor fuel definitions	Bob Jackson	3/24/2004	3/26/2004	4/ 1/2004
HB 880	Administrative	Alternative Dispute Resolution	Bob Jackson	3/22/2004	3/29/2004	3/31/2004
HB 898	PIT	Waiver of underpayment penalty	Ann Brown	3/24/2004	3/23/2004	3/23/2004
HB 900	Administrative	Tax Court	Mary Smith	3/24/2004	3/24/2004	3/26/2004
HB 1111	Excise	Gasoline refund--buses	Bob Jackson	3/25/2004	4/ 2/2004	4/12/2004

Technological Advances Improve Processes

- Online availability of bills from the legislative website has eliminated the need for copying and distributing bills.
- Email notification of fiscal note requests and assignments and inclusion of hyperlinks to bills greatly speeds up the process and reduces clerical burden.
- Tracking fiscal note status using a shared database allows anyone in the agency to see fiscal note assignments and to determine completion status.
- As fiscal note requests are received, the Senior Policy Consultant can use the database to determine if someone has been assigned a similar bill and to manage workload assignments.
- Since files are stored on a shared drive, a fiscal note worksheet can be updated or edited by someone else if needed.
- Central warehousing allows analysts to search prior year's databases to identify fiscal notes prepared for similar proposals and obtain an electronic copy to be used as a starting point.