Stephen Klein, Joint Fiscal Office 2/1/2018 Senate Government Operations Notes for Senate 270

The bill requires a fiscal note for any bill that proposes to cause an increase or decrease in consumption of electric, thermal, or transportation energy. The fiscal note shall include a calculation for the monetized value of the change in carbon emissions that is estimated to result from the bill. Our concerns are as follows:

- This analysis is broader than usual fiscal notes as the focus is on statewide consumption and
  emissions as opposed to direct budgetary or revenue issues. This is not our normal area of
  operation and we are generally not staffed for this. As in the case with all areas, we do such analysis
  on specific bills as they move forward in the Committee process and count on the legislative
  committees to help us identify which are legislative priorities.
  - o Generally the data we would have to use would be national data
  - We would prefer that our work in this area remain on an as needed basis
  - If this proposal were to go forward we would need a threshold as many bills have impacts energy consumption

## Joint Fiscal Office has no dedicated staff for fiscal notes

- o Staff are assigned in areas of expertise or to those who have staff time
- o In 2017 Joint Fiscal Office did about 44 fiscal notes
- The primary expertise in this area is with our economist and our consultant economist, both
  of whom are in demand and our consultant economist bills hourly.
- Passage of a bill such as this would create a prioritization which would impact our work over many areas. As we start legislating specific staff responsibilities this could lead to other requests for dedicated resources in other policies areas.
- To the extent that specific issues become predominant in a particular session (i.e. minimum wage, marijuana, single-payer) the JFO will look for outside help to review more complicated legislation for broad impacts. Doing this for many bills would be extremely expensive.
- open the doors for other bills that would require fiscal notes accounting for broader economic and social impacts. JFO is simply not staffed to handle these sorts of items.
- o We would to ask for a budget increase if this were to generate more work
- Generally, during the session we are understaffed and focus our resources on legislativelygenerated priorities. Our flexibility to move staff around is important to meet the ever changing needs of the legislature. This year, minimum wage, Education Finance and tax reform are drawing resources while other years it has been health care, the budget and clean water