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**The Legislative Budget Office provides the Minnesota Legislature timely, impartial research and analysis on tax expenditures and the fiscal impact of legislation.**

## Overview

The Legislative Budget Office (LBO) is a nonpartisan office within the Minnesota Legislature. The LBO oversees the estimates of proposed legislation's fiscal impact (fiscal notes) and coordinates the development of estimates of local fiscal impact (local impact notes).

The LBO also provides professional and technical support to the Tax Expenditure Review Commission.

[The Legislative Budget Office Oversight Commission](#) reviews the work of the Legislative Budget Office (LBO) and makes recommendations regarding the Office's ability to fulfill its duties.

## Primary Activities

- Oversees the fiscal note process
- Develops local impact notes
- Provides professional and technical support to the Tax Expenditure Review Commission

## Fiscal Notes

Fiscal notes estimate the fiscal impact to the state of a proposed bill's implementation. Fiscal notes and their contents are governed by [Minnesota Statute 3.98](#). Fiscal note estimates include changes in expenditures and non-tax revenues. Consult with the fiscal analyst assigned to your committee about whether and when a fiscal note should be requested.

Fiscal notes are prepared by subject matter experts from state agencies, the judicial branch, or other state entities. The LBO reviews fiscal notes to ensure fiscal notes meet standards set for reasonableness, accuracy, and objectivity. Completed fiscal notes available to the public are published on the [fiscal note search site](#).

Find more information about fiscal notes on the [LBO website](#), including a [brief video of fiscal note basics](#).

## Local Impact Notes

Local impact notes estimate the statewide fiscal impact of proposed legislation on local units of government. Analysis of the revenue or spending impact is collected from varied local units of government and compiled in a consolidated analysis.

The LBO coordinates the development of reasonable and timely local impact notes.

[Past local impact notes are available on the LBO website.](#)

Find more information about local impact notes on the [LBO website](#), including [frequently asked questions](#).

## Tax Expenditure Review Commission

The Legislative Budget Office provides professional and technical assistance to the [Tax Expenditure Review Commission](#) as established in [Minnesota Statute 3.8855](#). The Commission is charged with reviewing Minnesota's tax expenditures and evaluating their effectiveness and fiscal impact. The Commission submits an [annual report](#) to the legislature with their findings.

## Contact Information

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LBO website: <https://www.lbo.mn.gov>

### Link addresses in this document:

**LBO Oversight Commission webpage:** <https://www.lbo.mn.gov/lbooc/index.html>

**Minnesota Statute 3.98 webpage:** <https://www.revisor.mn.gov/statutes/cite/3.98>

**Fiscal Note Search Site:** <https://www.mn.gov/mmbapps/fnsearchlbo>

**Video – Fiscal Note Basics:** <https://youtu.be/-rzCQsThBMQ>

**LBO website:** <https://www.lbo.mn.gov>

**Local Impact Note webpage:** <https://www.lbo.mn.gov/fn/localimpact.html>

**Local Impact Note FAQs document:** <https://www.lbo.mn.gov/fn/documentation/FAQ-LocalImpactNotes.pdf>

**Tax Expenditure Review Commission webpage:**

<https://www.lbo.mn.gov/TERC/index.html>

**Minnesota Statute 3.8855 webpage:** <https://www.revisor.mn.gov/statutes/cite/3.8855>

**Tax Expenditure Review Commission Annual Reports webpage:**

<https://www.lbo.mn.gov/TERC/TERCReports.html>