

I Mina'trentai Sais Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
213-36 (COR)	Joe S. San Agustin	AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION.	10/12/21 4:20 p.m.	10/19/21	Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning			Request: 10/19/21 10/22/21	



Vice Speaker

TINA ROSE MUÑA BARNES

CHAIRPERSON, COMMITTEE ON RULES

I Mina'trentai Sais Na Liheslaturan Guåhan

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October 22, 2021

MEMO

To: Rennae Meno
Clerk of the Legislature

From: Senator Amanda L. Shelton
Acting Chairperson, Committee on Rules

Re: Fiscal Note on Bill No. 213-36 (COR)

Håfa adai,

Attached, please find the fiscal note for the following bill:

Bill No. 213-36 (COR)

Please forward the same to Management Information Services (MIS) for posting on our website.

If you have any questions or concerns, please feel free to contact Mary Maravilla, Committee on Rules Director at 472-2461.

Thank you for your attention to this important matter.



Bureau of Budget & Management Research

Fiscal Note of Bill No. 213-36 (COR)

AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Power Authority	Dept./Agency Head: John M. Benavente, P.E., General Manager
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund appropriation(s) to date:	\$0
Total Department/Agency Appropriation(s) to date:	\$0

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2021 Unreserved Fund Balance	\$0	\$0	\$0
FY 2022 Adopted Revenues	\$0	\$0	\$0
FY 2022 Appro. (P.L. 36-54 thru)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2022 (if applicable)	FY 2023	FY 2024	FY 2025	FY 2026
General Fund	1/	\$0	\$0	\$0	\$0	\$0
Special Fund	1/	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	\$0	\$0	\$0	\$0

1. Does the bill contain "revenue generating" provisions? / / Yes / X / No
If Yes, see attachment
2. Is amount appropriated adequate to fund the intent of the appropriation? / X / N/A / / Yes / / No
If no, what is the additional amount required? / X / N/A
3. Does the Bill establish a new program/agency? / / Yes / X / No
If yes, will the program duplicate existing programs/agencies? / X / N/A / / Yes / / No
Is there a federal mandate to establish the program/agency? / / Yes / X / No
4. Will the enactment of this Bill require new physical facilities? / X / Yes / / No
5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: / X / Yes / / No
/ / Requested agency comments not received by due date / / Other:

Analyst: Abigail Reyes, BMA III Date: 10/20/21 Director: Lester L. Carlson, Jr., Director Date: _____

Notes:

1/ The proposed legislation intends to add a new section §8119(a) to Chapter 8, Title 12 Guam Code Annotated (GCA) to allow for an exemption from the requirement of §8119 of Chapter 8, Title 12 GCA in order for the Guam Power Authority (GPA) to construct the Ukudu power plant and 41-megawatts diesel units (pursuant to a Consent Decree with the U.S. Environmental Protection Agency and U.S. Department of Justice). §8119 of Chapter 8, Title 12 GCA states: "No power generation facility, with a capacity in excess of one (1) megawatt and utilizing fossil fuels, may be constructed within one thousand five hundred feet (1,500') of a school." However, the preferred location for the construction of the diesel units to enable the use of a minor source permit, specifically Cabras industrial area on Lot 261, is within 1,200 feet of Jose Rios Middle School. As per the proposed legislation, the diesel units to be constructed will be burning "Ultra Low Sulfur Diesel". As such, the exemption from §8119 of Chapter 8, Title 12 GCA is requested through this proposed legislation.

While the proposed legislation does not include revenue generating provisions, and has no direct fiscal impact on the General Fund, the Bureau recognizes that this proposed legislation may have an impact on the revenues and expenditures of GPA, which is an autonomous agency pursuant to Chapter 8 of Title 12 of the Guam Code Annotated. GPA may face fines or penalties if unable to comply with the aforementioned Consent Decree. Further, construction of the diesel units in a different location, if alternative locations exist, may cost significantly more if not done through minor source permit. Absent these pertinent information from GPA, to include any other fiscal impact to GPA as a result of this proposed legislation, the Bureau cannot determine an approximate fiscal impact at this time.