

I Mina'trentai Sais Na Lihelaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
47-36 (COR)	V. Anthony Ada	AN ACT TO ADD A NEW §9117 TO ARTICLE 1, CHAPTER 9, TITLE 12 GUAM CODE ANNOTATED RELATIVE TO TRANSFERRING CONTROL OF THE TOURIST ATTRACTION FUND GRANTS PROGRAM TO THE BOARD OF DIRECTORS OF THE GUAM VISITORS BUREAU.	2/1/21 10:46 a.m.	2/3/21	Committee on Air Transportation, Parks, Tourism, Higher Education and the Advancement of Women, Youth, and Senior Citizens			Request: 2/3/21 2/10/21	



Vice Speaker

TINA ROSE MUÑA BARNES

CHAIRPERSON, COMMITTEE ON RULES

I Mina'trentai Sais Na Liheslaturan Guåhan

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February 10, 2021

MEMO

To: **Rennae Meno**
Clerk of the Legislature

From: **Vice Speaker Tina Rose Muña Barnes**
Chairperson, Committee on Rules

Re: **Fiscal Notes**

Buenas yan Håfa adai.

Attached, please find the fiscal notes for the following bills:

Bill No. 41-36 (COR)
Bill No. 42-36 (COR)
Bill No. 44-36 (COR)
Bill No. 47-36 (COR)
Bill No. 57-36 (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. 47-36 (COR)

AN ACT TO ADD A NEW §9117 TO ARTICLE 1, CHAPTER 9, TITLE 12 GUAM CODE ANNOTATED RELATIVE TO TRANSFERRING CONTROL OF THE TOURIST ATTRACTION FUND GRANTS PROGRAM TO THE BOARD OF DIRECTORS OF THE GUAM VISITORS BUREAU.

Department/Agency Appropriation Information

Dept./Agency Affected: Guam Visitors Bureau	Dept./Agency Head: Carl T.C. Gutierrez, President & CEO
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund appropriation(s) to date: Tourist Attraction Fund	\$6,389,099
Total Department/Agency Appropriation(s) to date:	\$6,389,099

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund):	Total:
FY 2020 Unreserved Fund Balance	\$0	\$0	\$0
FY 2021 Adopted Revenues	\$0	\$0	\$0
FY 2021 Appro. (P.L. 35-99 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 2021 (if applicable)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund	1/	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	\$0	\$0	\$0	\$0

- Does the bill contain "revenue generating" provisions? / / Yes / X / No
 If Yes, see attachment
- 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
- 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
- Will the enactment of this Bill require new physical facilities? / / Yes / X / No
- 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: 2/5/2021 Director: Lester L. Carlson, Jr., Director Date: FEB 10 2021

Notes:
 1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 47-36 (COR)

The proposed legislation intends to create a new “Guam Visitor’s Bureau Grant Awards Fund” (the Fund) by adding a new §9117 to Article 1, Chapter 9 of Title 12 Guam Code Annotated (12 GCA). The proposed fund sources include Legislative appropriations, federal grants, and private donations. The Board of Directors of the Guam Visitors Bureau (GVB) may then allocate the fund balances on a 50/50 ratio in each fiscal year to both governmental and non-governmental organizations categorized as Category One and Category Two. Category One is comprised of (a) the Department of Parks and Recreation; (b) the Mayors Council of Guam; and (c) individual mayoral offices or Municipal Planning Councils. Category Two is comprised of non-profit organizations as determined by the Board to include (a) *På’å Taotao Tåno’*; (b) Historic *Inalåhan* Foundation; (c) Pacific War Museum Foundation; (d) *Håya* Cultural Preservation Foundation; (e) Guam International Film Festival; (f) *Humåtak* Foundation; (g) *Åmot Taotao Tåno’*; (h) *Huråo* Academy, Inc.; (i) *Inetnon Gefpa’go* Cultural Arts Program, Inc.; (j) Humanities *Guåhan*; (k) Guam Symphony Society; (l) Guam Unique Merchandise and Arts (GUMA); (m) *Duk Duk* Goose, Inc.; (n) *Ayuda* Foundation; (o) Traditions Affirming our Seafaring Ancestry (TASA); (p) Traditions About Seafaring Islands (TASI); (q) *Guåfi*, Inc.; (r) University of Guam Press; (s) *Ulitao*; and (t) Micronesia Conservation Trust.

Relative to the fund sources, GVB was appropriated \$6.3M from the TAF in FY2021. Prior to the COVID-19 pandemic, GVB, on average, used to receive over \$22M from the TAF, to include allocations for certain non-profit organizations on Guam. Appropriations from the TAF for GVB’s operations are categorized as grants-in-aid from the Government of Guam in GVB’s financial audits, in line with §9113 of Article 1, Chapter 9 of 12 GCA. Other nonoperating revenues include contribution from component units, interest income, and federal revenues, which collectively averages roughly \$200K. Based on GVB’s FY2019 financial audit, the most recent federal revenues recorded was in FY2017 in the amount of \$35,000. On the other hand, operating revenues typically include consumption tax refund (from the Japanese treasury), in-kind contribution from members and other, other income, and memberships. \$1.5M was realized by GVB as operating revenues in FY2019, and \$2.2M in FY2018. It should be noted that it is unclear from the proposed legislation if these operating and nonoperating revenues will be the same fund sources that are to be deposited into the proposed fund.

As currently written, the proposed legislation does not specify how up to fifty percent (50%) of the fund balance will be allocated amongst the government entities listed under Category One, and how the remaining fifty percent (50%) of the fund balance will be allocated amongst the non-profit organizations listed under Category Two. In prior years’ General Appropriations Acts, a majority of the aforementioned non-profit organizations were allocated Tourist Attraction Fund (TAF) through GVB in various amounts ranging from \$20,000 to \$50,000. Further, it is unclear how GVB’s operational expenses will be factored into the allocation of fund balances as the Legislative appropriations to GVB are normally intended for GVB’s operations. More importantly, federal grants are generally awarded for specific purposes and any reprogramming or use of grant awards, other than for explicitly approved purposes, would require prior grantor approval.

Although the proposed legislation does not pose a direct fiscal impact on the Government of Guam funds, several clarifications are required to fully ascertain any and all fiscal impact of the proposed legislation.